

**Town Of Haddam
BOARD OF FINANCE
Regular Meeting
Town Office Building Annex
Monday, June 9, 2014
MINUTES**

Approved as Printed at the July 14, 2014 Regular Meeting

In attendance: Chairman David Kapitulik, Vice Chairman Harlan Fredericksen, Members: Joseph Centofanti, and Marjorie DeBold, and Alternates: James Bucko, Cheryl Haase and Joanne Nesti
Not in Attendance: Members John Bosco and John Tabak

Staff in Attendance: Barbara Galloway, Recording Secretary
First Selectman Melissa Schlag was also in attendance.

Chairman Kapitulik called the Meeting to order at 7:00 PM.

The Pledge of Allegiance was recited.

- Seating of Alternates
Vice Chairman Fredericksen made the Motion seconded by Ms. DeBold to seat Alternate Members Cheryl Haase and Joanne Nesti for Mr. Bosco and Mr. Tabak. The Motion was approved unanimously.

1A. Public Input

No initial comments were offered by the resident in attendance.

1. Correction/Approval of the Minutes of the April 14, 2014 Regular Meeting and April 21, 2014 (pre- and post-Executive Session), May 7, and May 21, 2014 Budget Meetings

April 14, 2014 Regular Meeting Minutes – It was noted that several typographical and omission errors had been corrected in an edited version of the original April 14, 2014 Meeting Minutes that had recently been e-mailed to the Board Members for their review.

Vice Chairman Fredericksen made the Motion seconded by Ms. Nesti to approve the Edited Minutes from the April 14, 2014 Regular Meeting, as edited. The Motion was approved by Vice Chairman Fredericksen, Mr. Centofanti, Ms. DeBold, Ms. Haase, and Ms. Nesti. There were no votes against. Chairman Kapitulik, as chairman, abstained from voting.

April 21, 2014 Budget Meeting Minutes – The Board was reminded that there had been one set of Minutes, describing the actions of the Meeting up to the time that an Executive Session was voted on and called and the Meeting briefly adjourned, and then a second set of Minutes, describing deliberations and votes taken by the Board during the recalled Meeting following the adjournment of the Executive Session and before the Meeting was adjourned for the evening.

Vice Chairman Fredericksen made the Motion seconded by Ms. Haase to approve as printed both the April 21, 2014 Budget Meeting Minutes (pre-Executive Session) and the April 21, 2014 Post Executive Session Budget Meeting. The Motion was approved by Vice Chairman Fredericksen, Mr. Centofanti, Ms. DeBold, Ms. Haase, and Ms. Nesti. There were no votes against. Chairman Kapitulik, as chairman, abstained from voting.

May 7, 2014 Budget Meeting (following the Budget Public Hearing) Minutes – It was noted that an explanatory paragraph had been added to the original Minutes making a Revised Minutes document in order to clarify and specify the Budget funding that the Board had removed from the Budget following the discussion the Board had with town residents and tax payers. These Revised Minutes-had been e-mailed earlier to the Board Members for their review).

Vice Chairman Fredericksen made the Motion seconded by Ms. DeBold to approve the May 7, 2014 Revised Minutes, as revised. The Motion was approved by Vice Chairman Fredericksen, Mr. Centofanti, Ms. DeBold, Ms. Haase, and Ms. Nesti. There were no votes against. Chairman Kapitulik, as chairman, abstained from voting.

May 21, 2014 Budget Meeting (following the Budget Town Meeting) Minutes - **Vice Chairman Fredericksen made the Motion seconded by Ms. Nesti to approve the May 21, 2014 Budget Meeting Minutes, as printed. The Motion was approved by Vice Chairman Fredericksen, Mr. Centofanti, Ms. DeBold, Ms. Haase, and Ms. Nesti. There were no votes against. Chairman Kapitulik, as chairman, abstained from voting.**

2. Review of updated 2013-2014 Expenditures Financial Statements received from the Financial Coordinator

The Board Members reviewed the “Adjustments to Budget Expenditures, General Fund for July 2013 to June 2014”, dated June 9, 2014 and “Adjustments to Budget Expenditures, Capital Non-Recurring for July 2013 to June 2014”, dated June 9, 2014 that were distributed at the Meeting and had been e-mailed earlier to Board Members for their review. First Selectman Schlag noted that not all of the bills had been received as of yet, especially for the Public Works budgets. The Snow and Ice budget had been overspent, as had been discussed at previous Meetings, but there should be funding enough left in other Public Works lines to address the shortage. It was also noted that the bills for Insurances and Police services are usually the last end-of-year bills received, and that this year is no different. First Selectman Schlag noted that there should be significant surpluses in the Fire, Transfer Station, and other smaller departments' lines due to various changes made during this year by the Board of Selectmen. The Town Counsel department lines that appear to currently have a surplus were also discussed briefly.

3. Selectmen's Requests

There were no official requests presented by the Board of Selectmen for this Board's consideration.

4. Old Business

- a. *Discussion/Approval of the Suspense List prepared by the Tax Collector's office, originally introduced and briefly discussed at the April 14 Regular Meeting*

Mr. Centofanti noted that there had been a change made this year in the State Statutes regarding inclusion of Real Estate items in the Suspense Tax Book List for the first time. Mr. Centofanti said that the wording regarding the Real Estate items is vague and he remains wary of including those items on the Suspense List; however, Tax Collector Kristin Battistoni had assured him that the properties she included on the Real Estate section of the Suspense List were those for which taxes are definitely not collectable. Mr. Centofanti told the Board that he had urged Ms. Battistoni to keep the liens on the Real Estate properties included on the Suspense List, which she planned to do. With this new information and that assurance given, Mr. Centofanti said that he believes the 2014 Suspense Tax Book List can now be voted on and approved by the Board. There was a brief discussion of other aspects of the properties that are subjects of unpaid Real Estate taxes.

Ms. DeBold made the Motion seconded by Mr. Centofanti to approve the 2014 Suspense Tax Book List as presented to the Board. The Motion was approved by Vice Chairman Fredericksen, Mr. Centofanti, Ms. DeBold, Ms. Haase, and Ms. Nesti. There were no votes against. Chairman Kapitulik, as chairman, abstained from voting.

The Board added a note for the record that the Town should retain the liens on all of the subject real estate on the 2014 Suspense List.

- b. *Any further discussion, as warranted, in conjunction with the Board of Selectmen re: use of a portion of the remaining 2013-2014 General Fund balance toward infrastructure expenses*

Vice Chairman Fredericksen reminded the Board Members that a majority of participants at both the Budget Public Hearing and Budget Town Meeting had been in favor of using a portion of the end of fiscal year General Fund balance toward infrastructure improvements and/or tax relief. Vice Chairman Fredericksen suggested that it be noted for the record that the Board of Finance is in agreement with using a percentage of the General Fund balance for infrastructure uses, i.e. road improvement and/or a replacement town garage, but, per financial advice it had received, not for tax relief.

First Selectman Schlag told the Board that she is preparing a Road Fund Policy to prioritize projects previously identified. She and Town Engineer Jeff Jacobsen and Assistant Public Works Director Phil Goff will work on a 10-Year Plan for road improvement projects and a study of road work to be done. First Selectman Schlag will then come to this Board with a list of projects to be addressed in priority order with estimates included for the work to be done on each project. Once this Board is given the projects list, it will consider what funding is

available for this purpose. The projects/estimates list will probably be available in late Summer/early Autumn of 2014.

There was a brief revisit to/discussion of a topic discussed at earlier Meetings about the current balance of and the funding amount that should be maintained in the General Fund balance and what amount could be prudently expended on the infrastructure work. The Board was reminded that certain unplanned occurrences could require unexpected use of some of the fund balance.

c. Any further discussion, as warranted, in conjunction with the Board of Selectmen re: next steps in the acquisition (method/timetable) of the Roll Off Truck, approved as part of the 2014-2015 Budget at the May 21 Town Meeting

There was further discussion regarding various options for acquiring the Roll-Off truck that had been approved at the Budget Town Meeting. Use of funding from the Fund balance and Capital Non-Recurring were both discussed with pros and cons to each considered.

Chairman Kapitulik noted that before acting on this acquisition, 1) this Board should have information regarding the specific total cost of this truck as well as the actual end-of-fiscal-year General Fund balance and Capital Non Recurring balance, 2) the Board of Selectmen must make a funding request to the Board of Finance for the specific fund transfer, and then 3) this Board must recommend to the Board of Selectmen that it propose the specific targeted funding source to a town meeting. The Board decided that in order to save some time since the acquisition has already been approved, it could vote to recommend that the Board of Selectmen call a town meeting once the above specific funding information is available.

Mr. Centofanti made the Motion seconded by Vice Chairman Fredericksen to appropriate \$160,600 in unallocated Capital No-Recurring Funds for the purchase of a Roll-Off Truck and to take this action to a town meeting for approval. The Motion was approved unanimously.

d. Other previously discussed issues related to the 2013-2014 Budget
First Selectman Schlag reported that the work on the front vestibule at the Town Office Building is now finally completed and that there had been sufficient funding within the Town Office Building Maintenance budget to pay for the remainder of the work. She told the Board that there remains work on bluestone toppers to the side steps that needs to be completed; First Selectman Schlag said that she plans to install those stones herself.

5. New Business

- a. *Discussion of any new issues regarding the (current) 2013-2014 Budget (exclusive of the financial statements and Selectmen's requests discussions, noted above)*

First Selectman Schlag informed the Board that the Town has now accepted a bid for the roof repair/replacement work to be done at the Brainerd Memorial Library.

- b. *Discussion of any additional issues regarding the 2014-2015 Budget*
There were no 2014-2015 related issues introduced or discussed.

- c. *Introduction/Discussion of any other new town issues relative to/of interest to the Board of Finance*

There were no new issues introduced or discussed.

6. Public Comment

Edward Schwing suggested that funding for the Roll-Off Truck be taken from one source (line or budget) rather than from several different lines or budget sources in order to make the source of the funding more easily explained to the public at the town meeting that must be called to approve the funding.

7. Adjournment

Vice Chairman Fredericksen made the Motion seconded by Ms. Haase to adjourn the Meeting; the Motion was approved unanimously. The Meeting was adjourned at 8:05 PM.

Respectfully submitted,

Barbara D. Galloway