

**Board of Finance
Regular Meeting
Tuesday, September 8, 2015**

Present: Board of Finance Chairman Jim Fitzgerald, Members Steve Tuxbury, Reggie Smith, Dan Charest; Alternate Members Steve Roth, Bill Coates.

Others Present: First Selectman Dan Jerram, Bookkeeper Annie Witte, Members of the Public: Laura Garay, John Burdick, Joe Toro, Bob Nilsson; Member of the Press Kathryn Boughton (in at 7:15); Administrative Assistant Christine Hayward (substituting recording secretary).

Chairman Fitzgerald called the meeting to order at 7:00 PM.

Seating of Alternates:

Chairman Fitzgerald seated Alternate Member Bill Coates for absent Board of Finance member Ben Witte.

Adoption/Revision of Agenda:

Chairman Fitzgerald asked for a Motion to remove Item number IX from the agenda (Capital Expenditures Advisory sub-committee update) stating that the item would be put on the October meeting agenda. Mr. Fitzgerald noted that due to the cancellation of the August meeting, there had been no opportunity for planning of a meeting of the subcommittee.

MOTION: by Smith to remove item number IX from the agenda of this meeting; seconded by Charest.

Unanimous.

Chairman Fitzgerald then stated that he had received notification from Town Treasurer Gordon Ross that he would not be in attendance at this evening's meeting and therefore, he would remove Item IV – Treasurer's Report from the agenda of this meeting.

Approval of Minutes:

MOTION: by Tuxbury to approve the minutes dated July 14, 2015 as presented; seconded by Charest.

Tuxbury, Smith, Coates, Fitzgerald – AYE Charest – Abstain Motion Passes, minutes approved

FY 2014-2015 Final Line item transfers, if any requiring action by the BOF:

Town Bookkeeper Annie Witte distributed the Proposed Line Item Transfers for FY ending 6/30/15. She began the discussion by explaining to the Finance Board Members that there are several salary line items that were over-expended due to "accrued salaries" and noted that these are not due to any increase in salaries above the budgeted and approved amount. She explained that the first payroll

period for 2014-2015 (in July of 2014) encompassed time that was actually worked in June of 2014 but paid in July of 2014. The hours worked in June 2014, according to proper bookkeeping procedures, should not be considered as FY 2014-2015 expenses and therefore need to be adjusted. This is strictly an accounting procedure and is not an actual over - expenditure of those salary line items. She wanted to make it perfectly clear that no one received any increases that caused these overages. She pointed that two departments were over expended. Both the Highway department and the Assessor's department had excess spending above budget.

Mrs. Witte noted that the Assessor salary line item was over- expended due to the accumulated vacation and sick time that was paid out when the Assessor left her employment with the Town. Board member Charest noted that there was a transposition of numbers on the document that were minor errors. It was then noticed that one of the over- expended line items was not accounted for in the transfers. Mrs. Witte realized that she had failed to include that line item on her final copy of the document, noting that the expenditure was accounted for but not showing the detail on this document. She stated that she would need to make that correction before the transfers should be formally addressed.

The Board decided to hold off on approving the transfers; noting that there were plans to hold a special meeting on September 22 and they would approve all of them at that time.

MOTION: by Tuxbury to set aside the approval of the 2014-2015 line item transfers until the next meeting; seconded by Coates.

Mr. Charest asked if the transfers could be distributed to Board Members as an excel spread sheet rather than a pdf document so that they would be easier to read. Mrs. Witte replied that she would do so.

Unanimous.

Line Item transfers for consideration and approval by the BOF for FY 2015-2016 YTD:

Mrs. Witte reminded the Board of the discussion held in June where she had given a "heads up" that there would be over expenditures in the salary line items for many employees due to having a 27th pay period rather than the norm of 26 pays in a fiscal year. This is due to the way the pay cycles fall during a leap year. Member Smith asked if these line items could be identified so that the Board could discuss options regarding placing reserves in certain areas to cover these overages. Member Tuxbury agreed and added that he would like to know of any other potential liabilities that may have to be considered. First Selectman Jerram replied that the Ambulance funding will be over-expended due to the fact that the ambulance budget had been cut by the Board of Finance during the budget process last spring. However, at the most recent BOF meeting, the Board had agreed to restore the funding to the requested appropriation which will result in a shortfall of that line item in the amount of \$20,000. Jerram also noted that the Regional Refuse Disposal District (transfer station) has already "put the town on notice" that there may be extra expenses associated with the clean up of contaminated waste oil. These costs will most likely be passed on to the member towns as it appears that insurance will not cover the expenses. Member Smith commented that the Resident Trooper Line item should have some

savings that could cover some of the expenses due to the fact that the line item was funded at a higher cost than what the State decided to charge member towns. The Board decided not to take any action on transfers for this fiscal year for now, deferring action to the special meeting to be held at the end of the month.

Reports: - Bookkeeper:

Bookkeeper Witte presented year end revenues to the Board, noting that the year ended \$28,906 underspent to budget. Some additional revenue was received due to a Tax Sale conducted by the Tax Office. Ms. Witte noted that the Local Capital Improvements Grant (LOCiP) payment has not yet been received, but there has been formal acknowledgement and “promise to pay” by the State. It was noted that the anticipated revenue from Student Tuition (those students who live outside of the New Hartford area but attend New Hartford Public Schools) did not come to fruition, as there were not any students from outside of the district attending local schools. Mr. Tuxbury commented that “other income” seemed to be a large figure -- \$22,000 and wondered if there should be some additional accounting for this. Mrs. Witte replied that the figure encompasses several different types of miscellaneous income from several different fee sources. First Selectman Jerram noted that there has been a steady decrease in that line item.

Reports – First Selectman:

First Selectman Jerram noted that the West Road paving project has been completed; at a cost of approximately \$90,000. Areas of South Road are expected to be paved within the next week or so; at a cost of \$120,000. There will also be some ‘spot paving’ on Cedar Lane.

He stated that bids were received for the sidewalk improvements in the downtown area; specific areas include the end of the Sidewalk at Central Avenue at Route 219 and the end of Steele Road at Route 219. These will have the required handicapped accessible ramps. A few other areas in the village center will benefit from repairs, also.

Two large drainage projects – one on Ramstein Road and the other on Lair Road have been bid out. The Lair Road project has a base bid of approximately \$35,000. Jerram noted that this repair is located within an easement on private property. The drainage pipe catches the water that flows off of Bee Mountain.

The Antolini School roof project is almost complete; with no significant changes to the contract price. The small plow truck that was approved in the Capital Budget has not been ordered due to the fact that the quoted price is in excess of the funding amount. Mr. Jerram is seeking additional quotes.

Mr. Fitzgerald questioned the status of the Carpenter Road Bridge Project. Mr. Jerram replied that one of the abutting property owners has had a “change of heart” with respect to granting the Town a construction easement. The property owner has asked for a smaller bridge due to their concerns with potential traffic. Mr. Jerram did meet with the Engineers to see if there could be modifications to the bridge without jeopardizing grant funding. The engineers are doubtful that the State will accept a smaller bridge; however, Mr. Jerram has requested a meeting to discuss this. Jerram noted that the cost

of a smaller bridge will be at a larger cost to the taxpayer than a larger bridge with grant funding. Mr. Fitzgerald commented that the bottom line of the funding that was approved cannot be exceeded. Mr. Jerram replied that he is fully aware of that and that he is discussing options.

Capital Expenditures:

First Selectman Jerram noted that the 5 year capital plan approved by the Board of Selectmen and presented to the Board of Finance is available for review on the town website. Jerram reviewed the 2015-2016 plan, noting that several of the projects are either currently underway or have been completed. The plow truck, as noted earlier, has not been ordered but additional quotes are being obtained. 3 Heat pumps in Town Hall have been replaced; one of the 'dump bodies' is currently being worked on, with the second scheduled to be taken to the shop within a week or two. The Pavilion has received Zoning Board of Appeals approval and has been to architectural review. Jerram noted that architectural review is not a requirement, but the Selectmen have voluntarily asked for this review. It is anticipated that this will be placed out to bid soon. Municipal Improvements – specifically the Surdam Trail parking lot will be a Department of Public Works fall project (labor). Some components of this project will be paid using the capital funds (i.e. stone, paving, etc.) The large dump truck has been ordered and will be financed over 3 years (as outlined in the capital plan). The Plan of Conservation and Development is in progress and is in final stages. The Wood chipper needs additional investigation before taking action. Jerram noted that he has received some recommendations regarding what to look for when purchasing the chipper and he is taking those into consideration.

Opportunity for Public Comment:

No comments.

Other Items to Come Before the Board:

Chairman Fitzgerald noted that there will be a special joint meeting of the Boards of Ed, Finance and Selectmen held on September 22, 2015. This is scheduled to be held in the Senior Center and is being held at the request of the Board of Education with the purpose of discussing and planning ahead for the 2016-2017 year due to anticipated budget issues and challenges.

Mr. Fitzgerald noted that he will add the line item transfers to the end of that agenda so that action can be taken on those items at that time. He stated he would rather have the items at the end rather than start a special meeting early due to not wanting to delay the start of the joint meeting. All present were in agreement with this strategy.

MOTION: by Smith to adjourn at 8:00 PM, seconded by Tuxbury.

Unanimous.

Respectfully Submitted,

*Christine Hayward, Administrative Assistant to the First Selectman
(substituting for Penny Miller, BOF Recording Secretary)*