

**Board of Finance
Regular Meeting
Tuesday, March 12, 2019**

Present: Chairman Regina Wexler, Members Dan Charest, Kerry Guilfoyle, Reggie Smith, Steve Tuxbury, Ben Witte; Alternate Members Bart Baxter, Paul Leclair, Lourena (Lou) Helt; Administrative Assistant Christine Hayward (substitute recording secretary)

Others Present: Superintendent of Schools Brian Murphy, Board of Education Chairman Tim Goff, First Selectman Dan Jerram; Members of the Public: Bob Nilsson, Bob Howson, Tom Buzzi;

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

She noted that all members were present, therefore there was no need to seat alternates.

Adoption/Revision of Agenda:

MOTION: by Charest to adopt the agenda as presented; seconded by Helt.

Hearing no request for changes/revisions; Chairman Wexler declared the agenda adopted.

Approval of Minutes: February 19, 2019 Special Meeting:

MOTION: by Smith to approve the minutes of the Board of Finance Special Meeting dated February 19, 2019; seconded by Witte.

Hearing no request for changes/editions/ revisions, Chairman Wexler declared the minutes approved.

Opportunity for Public Comment:

No comments

Board of Education Chairman Tim Goff & Superintendent Brian Murphy:

Proposed Five Year Capital Plan:

Superintendent of New Hartford Public Schools Brian Murphy and Board of Education Chairman Tim Goff presented the Capital Plan to the Board of Finance. Mr. Murphy explained the need for continuing funding for Chromebooks for several years in a row to insure that each 5th grader has his/her own Chromebook. Providing Chromebooks to each student allows for equitable education for every student. Mr. Murphy stated that a decision has been made to stick with Chromebooks, noting that Regional uses these and it will make for a seamless transition if the same technology is used. Murphy informed the Board that it is anticipated that the life span of the units is 6 years and therefore, there will continue to be capital funding requested in order to have a rotational replacement schedule in place.

Other items included on the capital plan for 2019-2020 are:

intercom system for Antolini School Playground, as recommended by the Police as part of School Security.

Repair to stairs at Bakerville School

Acoustic barriers in the gym/cafeteria at Bakerville school.

Zero turn mower for New Hartford Elementary School.

Furniture replacement at New Hartford Elementary; to include chairs, desks and teacher desks and furniture for one classroom located at Bakerville School.

Following the presentation, members of the Board of Finance posed questions to Superintendent Murphy and Chairman Goff. Mr. Charest questioned if there was a need to replace underground oil tanks as he thought it had been mentioned at one point and was wondering why it did not appear on the list. Mr. Murphy replied that it had originally been thought that the tanks were from the 1990's; however research has shown that the tanks are from 2001 and are double walled; they do not present an immediate need for removal at this time.

Alternate member Paul Leclair asked about the status of the septic system at Antolini. Mr. Murphy stated that there had been some issues with the septic system which resulted in some trees being removed from the area which has helped the situation. Murphy said that he has been consulting with M.E. Carroll regarding the system and there are no concerns at this time. First Selectman Jerram added that there was an issue last year with a cross pipe under the driveway that had collapsed; but that has been repaired and the system is functioning now. Superintendent Murphy informed the Finance Board members that all capital projects for 18-19 have been completed and are under budget.

Reports:

Bookkeeper: Revenue & Expenditures Fiscal YTD and previous Fiscal YTD:

In the absence of the Bookkeeper, Jerram presented the Bookkeepers report. He stated that the short term interest has exceeded expectations and continues to do well. He noted that the WPCA revenue may not come in as expected due to expenses recently incurred to repair a water main break on Route 219. BOF member Tuxbury questioned the status of the WPCA debt to the town; he asked for an update of where things stand with what is owed to the Town. Jerram replied that he would look into this and have an answer at the next meeting.

The First Selectman then presented the expenditures update to the Board. He noted that there are several line items that are or will be over expended. Several of these are intradepartmental and can be handled within their department. The Bookkeepers Assistant line is over due to the change in that position becoming a full time position with additional responsibilities. Longevity pay is also over expended due to a one-time adjustment that needed to be made for failure to pay this benefit to members of the Police Union as outlined in their contract. Litchfield County Dispatch is over due to an increase in their per capita assessment , which was received after the budget had been developed. Road Maintenance and Contracted Services are anticipated to go over as is Tree Removal. Trees are currently a liability due to the Emerald Ash Borer; which has caused significant damage to many trees. Zoning Legal and Professional is over-expended due to several claims that the town is a party to, for various reasons. Additionally, the Zoning Board of Appeals has had several "curve balls" thrown at them with respect to applications. There have been some unusual requests that have needed the guidance of attorneys.

Jerram advised the Board that the highway overtime line item is getting close --- storms have hit at the wrong time, either overnight or on the weekends.

Mr. Jerram informed the Board that there will be extra funds remaining in the Constable line item due to

one of the Police Officers being out on medical leave for an extended period of time, resulting in unpaid leave. These funds can be used to offset some of the over expenditures in other areas, through line item transfers.

Member Guilfoyle asked why the Recreation Wash account does not appear on the expenditure report but is listed on the 5 year comparison reports. Mr. Jerram will look into this and have an answer for the next meeting.

First Selectman Jerram presented information that the Town Treasurer had given to him to update the Board on the town's finances. The accounts look good right now and are at \$8.0 million in the STIF account and \$3.5 million with the local Northwest Community Bank. Mr. Jerram commented that second installment payments were due in February, so the accounts are at a high right now.

First Selectman's Report – Dan Jerram:

Proposed Five year Capital Plan:

The First Selectman presented his Capital Plan to the Board of Finance. He stated that the highway department has the replacement of loaders and the installation of a wash bay as high priority on their wish list. Jerram explained that the town owns a parcel of land adjacent to the Wastewater Treatment Plant that would be good for the construction of a single bay wash bay. He stated that it would be built in accordance with Department of Energy and Environmental Protection guidelines. He is requesting \$125,000 in capital funds this year to get started and an additional appropriation in the next fiscal year. This will allow for construction to begin this year with completion in the next fiscal year. Ms. Wexler asked what is currently being done regarding washing trucks and Jerram replied that they have no way of washing trucks right now and the intent of a wash bay is to prevent corrosion which will extend the life of the fleet. Ms. Wexler asked if Mr. Jerram would be able to provide information as to how many additional miles would be gained on the trucks if they were able to be washed. She wondered what the extended life of the fleet would be if they are able to be washed. Jerram replied that he would try to see if he could get an answer to this.

Members of the Board of Finance asked if any neighboring towns had wash bays. Mr. Jerram replied that Canton has a new garage and he thought they had one, however, he was not certain whether or not Barkhamsted had such a facility.

While considering the funding for technology, Member Smith questioned what methods the Town currently employs with respect to backing up information on the town's server. Mr. Jerram replied that he would prefer that the Town's contracted IT provider answer those questions as he is the person most knowledgeable about the topic. Administrative Hayward will make arrangements for the IT provider to contact Mr. Smith so that his questions can be answered.

The First Selectman commented that the equipment needed for the police and currently included in the Capital Plan may be able to be purchased using a portion of savings in the Constable line item in the operating budget.

The Recreation capital funds will be used at the discretion of the Recreation Commission. Some of the projects under consideration include painting Berkshire Hall, refinishing the floors within the hall, fixing the basketball court and assisting the Cub Scouts with some needed work on the Cub Scout cabin. Jerram mentioned that there is also a need to put some kind of screening around the base of the cabins

at Brodie. He explained that there was a bear who found refuge under one of the cabins last summer and installing screening around the base might prevent the bears from going under the cabins. The presence of a bear at camp caused concern for the camp staff. DEEP did not provide much assistance initially and it was several weeks before they sent someone out to try and relocate the bear. Mr. Jerram would like to discourage bears from nesting under the cabins.

Downtown improvements funding consists of funds that may be needed to construct and install additional sidewalks in the downtown area. This will be an ongoing expense to continue to increase the walkability of the downtown area.

Village Parking Expansion is intended to assist in the development of an additional parking lot in the downtown area. An agreement was reached with members of the Community Club to grant an easement to the Town to allow construction of approximately 12 parking spaces behind the New Hartford Post Office.

Alternate Member Leclair asked why there wasn't any funding earmarked for Rails to Trails in the 2019-2020 proposed capital budget. Mr. Jerram replied that there are funds in the 2018 -2019 capital plan that will be used to satisfy the town's commitment to provide funding in addition to the Grant that has been received by the town for the development of a trail. The First Selectman explained that there has not been any movement toward design at this time due to the fact that the Town received word from the State that there has been no authorization to release funding at this time. Therefore, there has been no formal agreement sent to the town for signatures. Until a document is received, Mr. Jerram stated that he will hold off on moving forward with this project.

Mr. Jerram informed the Finance Board that all capital projects for fiscal year 2018-2019 have either been completed or are in process. Technology funds remain whole, but they are earmarked for a server upgrade which will use current funds as well as roll over funding from a prior year.

Proposed Inter-departmental line item transfers for consideration and action by BOF:

First Selectman Jerram requested consideration of two inter-departmental line item transfers. He reiterated the fact that the zoning legal and professional line item is in need of additional funding. He explained that there is currently a balance of about \$400.00 remaining in that line; however, additional invoices have been received and they total about \$7,500. He is seeking approval from the Board of Finance to transfer \$12,000 from the Constable line item to the zoning legal and professional line item to cover the invoices that have already been received and also to cover additional expenses for services that may be needed for the remainder of the fiscal year. It was noted that these legal bills are for services rendered by the attorney that handles Land Use matters and are not representative of the invoices received from the town attorney for routine legal matters. First Selectman Jerram also mentioned that the WPCA debt service line item is \$1.00 over in expenses. This is due to rounding; but nonetheless there needs to be a line item transfer to balance this line. He is requesting a second inter-departmental line item transfer of \$1.00 to cover this overage.

Chairman Wexler suggested that the legal bills be reviewed by the Town Attorney as a second set of eyes to be sure that the charges are within normal and customary fee limits.

MOTION: by Witte to approve the inter-departmental line item transfers totaling \$12,001.00 as presented; seconded by Smith.

Chairman Wexler asked if there was any opposition to the motion and hearing none, declared the motion approved and passed.

First Selectman's Report:

Mr. Jerram gave a brief update regarding routine operations.

He noted that the general government draft budget is ready for presentation at the Saturday, March 16 budget workshop. He stated that a reduction in the debt service due to the payoff of the Town Hall Riverviews financing as well as a reduction in assessment to the Town from the Regional School district has resulted in a positive first draft of a proposed budget. There are still a few unknowns such as the Bakerville Library request, the assessment from the Farmington Valley Health District, the assessment from the Paramedic Intercept and the cost of Probate expenses; however, Jerram did not feel that any of those would have a major negative impact on the proposal.

Mr. Jerram mentioned that the Certified Public Account consultant had completed a reconciliation of expenses associated with both the Carpenter Road Bridge and Antolini School projects. The final numbers show the Carpenter Road Bridge at \$80,000 under budget at this point (taking the total cost of the contracted price into consideration.) Mr. Jerram informed the Finance Board that there will be no additional costs incurred to the contractor for completion of the bridge. There were no change orders for any additional fees in excess of the agreed upon contractual price. There were some legal expenses incurred, but those soft costs can be absorbed within the original appropriation. The costs for the Antolini School project have been compiled and that project comes in at \$600,000 under projected budget.

Chairman Wexler asked what would happen to the town budget if the State decided to collect motor vehicle taxes instead of the town. Jerram replied that approximately \$8.0 million in revenue would be lost to New Hartford.

Discussion and Action on the FY 2019-2020 Budget Timeline:

Chairman Wexler stated that the budget timeline remains as discussed and approved. There are no changes proposed to the timeline as of right now.

Communications and Other Items presented to the Board:

Chairman Wexler informed the Board that there were items of correspondence included in their packets as information. Those items include a budget request from the Northwest Regional Mental Health Board, a request for funding from the West Hill Pond Association for funding and a request from the Beekley Library for funding. These were not discussed.

Action on Auditor's Engagement Letter:

Chairman Wexler stated that the Engagement Letter to contract for services with King & King for the 2019-2020 audit was at a 10%. She asked the Board for their input regarding the contract. Member Charest stated that this is a 20% increase over 2 years. The Board asked that Chairman Wexler attempt to negotiate with the auditors for a lower price. Ms. Wexler noted that she was interested in getting a copy of the prior year's engagement letter as she would like to compare the contract language.

Other Business:

None

MOTION: by Smith to adjourn at 8:55 PM; seconded by Charest.

No opposition, meeting adjourned by Chairman Wexler.

*Respectfully Submitted,
Christine Hayward, Administrative Assistant
(substituting for Recording Secretary Penny Miller)*

Attachments filed with the Town Clerk and available upon request:

*Board of Education Proposed Capital Plan
Capital Project List 2019-2010 Proposed Year 1 (dated 1/22/2019)
Capital Project List 2018-2019 Approved (showing completed and in progress with expenditures)
Budget Presentation Beekley
West Hill Pond Association Budget Request
Northwest Regional Mental Health Board Budget Request*

