

Minutes of the Board of Finance Budget Meeting  
March 19, 2012 – 7 p.m.  
Police Station Conference Room

Members present:

Justin Donnelly, Joseph Sangiovanni, Brian Kost, Ryan Anderson, Chris Childs, alts. Tracy Eccles, Eric Harrington, Peter Boyd Absent: Mr. Lingenfelter

Also present: First Selectman Ed McAnaney, Selectman Brian Fitzgerald, Treasurer Christine Davidson, Director of Finance Deborah Cerrato

Chairman Justin Donnelly called the meeting to order at 7:02 p.m.

Citizen Comment: None

Correspondence: Mr. Donnelly reported that Blum Shapiro had written the Water Pollution Control Authority (WPCA), noting that there is general compliance with purchase orders being completed and approved prior to purchases; but some problems with smaller purchases. In essence what Mr. Remington had stated at the meeting.

The Chairman accorded voting rights to Tracy Eccles for the absent Mr. Kost and to Eric Harrington for the absent Mr. Lingenfelter.

Ms. Eccles distributed to the Board of Finance (BoF), Consumer Price Index (CPI) data that was released last Friday, March 16, 2012. She pointed out that the average CPI from 2001-2012 was 2.5%; currently 2.9%.

Budget Review:

Assessor – Assessor Helen Totz was present. The Assessor reported that this year that software support and licensing cost for Quality Date (\$10,000) that had been paid by the Information Technology (IT) budget, would no longer be coming from the IT budget, but would be charged to her budget. This is part of the increase.

Information Technology – Dan Beaudoin is present. Mr. McAnaney noted a small decrease in the proposed budget. The Chairman asked Mr. Beaudoin if he is able to accomplish all the functions of the IT department without the help of retired Mrs. Howe.

Mr. Beaudoin stated no. Mr. McAnaney stated he is working to merge IT with the Board of Education IT. The BoE has 4 IT people, the Town has Mr. Beaudoin. The long term goal is to merge the IT departments.

Mr. Kost arrived; Ms. Eccles resigned her voting rights.

Town Clerk – The Town Clerk, Elaine O'Brien was present. At this time, Mr. Justin Donnelly recused himself from this budget review and left the room. Mr. Sangiovanni, Vice Chairman, resumed role of Chairman. Mr. McAnaney reported a small increase of less than \$2,000 overall. The small increase was because of the higher cost of the indexing system and the salary line item increase.

Mr. Donnelly returned to chair the meeting.

Health & Social Services - The First Selectman noted an increase of approximately \$7,000; \$3,000 for the Emergency Aid Association (EAA) contract for social services and \$4,000 for North Central Health

District. It was asked if the Town could leave the Health District and the response was we would still have to provide the services and would probably cost more.

Kent Memorial Library –Library Director Jim McShane, and Dr. Mel Chafetz, Chairman of the Library Commission were present. Mr. McAnaney noted a small increase of approximately \$4,000, most of that is salary increase. Mr. Donnelly asked are you developing a surplus in the payroll because of the shut down? Yes, We do have a bit of surplus stated Mr. McShane. Mr. McShane reported that the Library would shut down the operation in the Town Hall March 31st, and re-open for the Public on April 28th. Dr. Chafetz stated that the Library Commission decided it was a good time to go ahead with some renovations and some changes in the Library while the Library was shut down for the roof repair. Through a combination of different private sources approximately \$100,000 is being spent on inside renovations. New furniture, a new circulation desk, new floors and more carpeting are being installed. Some of the floors could not be refinished because of the damage from the leaking over the years.

Mr. Childs asked if there is more to do for the Library? Dr. Chafetz noted that Advisory Commission on Capital Expenditures (ACCE) will come back with proposals for the Heating, Ventilation and Air Conditioning System (HVAC), the windows, and other issues that need to be addressed. Mr. Sangiovanni, who is Chairman of the Permanent Building Committee (PBC), stated that the HVAC would probably be done first; the equipment there is original and ready to fail.

Finance – Director Deborah Cerrato was present and she stated that the biggest increase was a 3% increase for the Audit contract, this is the last year of the agreement. So we will be going out to bid next year. In response to a question, Mr. McAnaney stated that there are no increases for salary in non union department heads/directors in the proposed budget. Ms. Cerrato noted that her department is currently down by a full time staff member and in the process to replace the payroll position.

Insurance and Employee Benefits - Mr. Donnelly noted that we self insure. We still have annual payments to Municipal Interlocal Risk Management Agency (MIRMA). The Pension Annual Required Contribution (ARC) payment of \$678,596 includes the adjustment enacted by the Retirement Commission. This is just the Town's contribution. Contributions from the Town, Board of Education and WPCA total \$1,166,000. Mr. Kost asked to see comparable rates from last year's budget of the coverage and costs. Ms. Cerrato agreed. The majority of employees pay 5%. This figure was reached through negotiation. The Town bears the brunt of the total cost; it is a very rich benefits program. It was noted that benefits is considered part of the salary. Mr. Donnelly stated that the BoF needs to be more proactive during the next contract negotiations. Benefits/Insurance is 10% of the Selectman's budget. In the FY 2010/11 Audit the total cost for the town was \$5.4 million dollars. It is the largest cost in the budget. Mr. McAnaney stated that the Town will go out for bid for the administrative fees. Mr. Kost stated that there is no full time person in charge of the Benefits/Insurance program.

Town Hall – Mr. McAnaney stated we are going to keep that number the same. Under rental, the amount of rent we are paying for 230 C Mountain Road will be reduced. The lease was renegotiated shortly after he came into the office. I think it was may be \$3,000 a month, or maybe \$2,000 per month reduction, but can't remember the amount exactly. But note, that the lease was renewed for a year. I am looking for a further reduction of rent or possibly moving to some other location perhaps. I am not sure of the reduced figure, but I will inform the BoF of the exact negotiated reduction.

Selectmen's - Mr. McAnaney noted a slight reduction, less of the Administrative Assistant's salary. He has a temporary person at that post now, but will probably fill that at a reduced level. The person will not start at the same salary as Ms. Koren who has retired. This reflects a 2-3% reduction.

Chairman Donnelly noted that ACCE is coming next week due to rescheduling; he would like to put the ACCE budget review first on the Agenda.

Mr. Kost distributed to the BoF, copies of his personal analysis, Property Tax Roll Forward. This is his best guess estimated figures, that if all is true, it will take a 5.58% increase to meet the projected budget with its expenditures and estimated revenues. We would be down a million dollars in revenue which is worth 3% tax increase even if we keep the expenses flat. He reviewed his projected non property tax revenue decreases and the expenditure increases. Our biggest problem is the loss of revenue.

The First Selectman stated he is expecting to bring in the Selectman's budget in at no increase. This budget is a work in progress. We have no final figures yet. From my prospective, the BoE needs to come in a no increase. I do not believe the numbers of revenue are accurate. Mr. McAnaney stated no services will be curtailed. Ms. Eccles noted that we are ahead of most municipalities in funding our Other Post Employment Benefits (OPEB). Mr. Childs questioned the debt service number.

Ms. Eccles stated she could show figures that would reflect only a 1.7% increase showing you different numbers next week.

Mr. McAnaney stated that he is not done with this budget, more so on the expenditures. But this discussion is premature. Mr. Donnelly said that this discussion is not premature; just the numbers.

The meeting adjourned at 8:15 p.m.

Respectfully submitted, Bobbie C. Kling, Secretary

Bf.minutes.budg.mtg.March.19.12.