

**BOARD OF FINANCE  
MINUTES  
January 10, 2013**

**CALL TO ORDER**

Chairman Elaine Hammers called the Board of Finance meeting to order at 7:00 p.m. at the Town Hall, Trumbull, Connecticut. All those present joined in the Pledge of Allegiance.

**PUBLIC COMMENT**

There was no public comment.

Members present and absent as follows:

**PRESENT**

Chairman, Elaine Hammers  
Dave Rutigliano  
Paul Lavoie  
Andrew Palo  
Cindy Penkoff, Alternate  
Susan LaFrance, Alternate  
Tom Tesoro  
Vincent DeGennaro, Alternate

**ABSENT**

Steve Lupien

Also present: Maria Pires, Finance Director; John Ponzio, Treasurer; James Henderson, Auditor; Mary M. Moran, Tax Collector; Michael Harry, Deputy Chief; Denise Sepot, Financial Administrative Assistant.

Jonathan Green  
23 Topaz Lane, Trumbull, CT

Mr. Green spoke to the Board of Finance regarding the recent actions of the WPCA. (He also submitted a letter, which is attached hereto and made a part hereof.)

He indicated that apparently the WPCA feels that it has the authority to \$10 million of taxpayer's money and then refuse to repay it thereby transferring that cost to the Town's ledger. The Town Council and the Board of Finance recommended \$34 million for the North Nichols sewer project. It was repeatedly represented to both the Town Council and the Board of Finance that the Town would be paying 25% and the WPCA would assess the properties being serviced to raise the rest. At no time did anyone indicate that some of these costs were not considered sewer costs and would not be paid. At the time they hired Tighe and Bond, the WPCA questioned who should pay the cost and voted 4 to 1 not to ask the Town to pay, but to make it a part of the sewer cost. Now, they want the Town to pay this along with an additional \$8 million in paving, and a rework charge, for a total of \$10 million or \$300 for every person in this town. The minutes do not document these promises to pay. He went on to add that this Board and the Town Council have a fiduciary responsibility to require that these costs be reviewed and make a determination whether the Town is going to pay for it. This Board should insist that the WPCA report to this Board and the Town Council and the appropriate action taken.

Mr. Tesoro moved, seconded by Mr. Palo, to have Mr. DeGennaro vote in place of Mr. Lupien at this meeting.

Vote: 5-0 motion carries (abstention: DeGennaro)

**F/Y/E 2013 SUPPLEMENTAL APPROPRIATION**

1-13-01	Mary Moran Tax Collector	FROM: FUND BALANCE	6,534
		TO: TAX COLLECTOR-SALARIES – PT 01012000-501102	3,752
		To increase part time hourly wages to step 1 of a MATE employee.	
		TO: TAX COLLECTOR-SALARIES – OT 01012000-501105	2,782
		To cover shortfall in the overtime account due to additional personnel needed during July collections.	

Mr. Lavoie moved, seconded by Mr. Tesoro, to transfer \$6,534 from the Fund Balance to 01012000-501102–Tax Collector-Salaries–PT \$3,752 and 01012000-501105–Tax Collector-Salaries–OT \$2,782.

Vote: 6-0 motion carries

Ms. Moran indicated that due to mounting sewer-use and sewer assessment delinquencies, the Tax Office and the WPCA have agreed to split the cost of a provisional, 35 hour per week employee at \$21.68 per hour who currently works 19.5 hours a week at \$15.00 per hour for a period of 6 months. She is seeking \$3,752 to cover the increase.

In addition, Ms. Moran indicated that her overtime was incurred after Hurricane Sandy in an effort to process payments and perform other tax related issues, since the Town Hall was closed during the storm, and also to cover the overtime incurred when her employee covered the First Selectman’s office during a vacation.

Ms. Penkoff asked if the salary split with the WPCA would be based on the entire \$21.68 per hour or the difference between \$21.68 and \$15.00 per hour.

Ms. Pires indicated that the WPCA would cover 15.5 hours per week at \$21.68 and the Town would cover the remaining 19.5 hours at \$21.68.

Mr. Lavoie asked what would occur after the initial 6 months and the Chair indicated that it would revert back unless Ms. Moran came back to the Board with another presentation.

Mr. Palo asked if there was an outside agency that did collections. The Chair indicated that we normally do not use collection agencies because we have the option of placing a lien on the property.

Mr. Tesoro questioned the overtime to cover the First Selectman’s office, indicating that there should be a provision in the budget to cover that office. Ms. Pires explained that the coverage provided was not considered overtime, but was within the employee’s normal working hours. The overtime was incurred during the month of July when the Tax Office had extended hours for normal tax collection. Mr. Tesoro then indicated the going forward she needed to look at increasing her overtime budget.

**F/Y/E 2013 SUPPLEMENTAL APPROPRIATION**

1-13-02	Michael Harry Deputy Chief	FROM: FUND BALANCE	4,606
		TO: CAPITAL OUTLAY 01022000-581888	4,606
		To purchase 78 Glock Model 2L semi-automatic handguns with 3 magazines each.	

Mr. Lavoie moved, seconded by Mr. Palo, to transfer \$4,606 from the Fund Balance to 01022000-581888 Capital Outlay.

Deputy Chief Harry indicated that they would not need the supplemental appropriation because they had received Grant funding.

Mr. Lavoie moved, seconded by Mr. Palo, to withdraw their motion.

**F/Y/E 2013 TRANSFER**

1-13-03	Maria Pires Finance Director	FROM: Finance-Salaries – FT 01011000-501101	484
		TO: Finance-Salaries – OT 01011000-501105	484
		Due to Accounting Manager's vacancy	

Mr. Lavoie moved, seconded by Mr. Tesoro, to transfer \$484 from 01011000-501101 Finance-Salaries – FT to 01011000-501105 Finance-Salaries – OT

Vote: 6-0 motion carries

**F/Y/E 2013 TRANSFER**

1-13-04	Maria Pires Finance Director	FROM: Human Resources – Professional Services 01013000-522202	734
		TO: Finance-Salaries – OT 01013000-501105	734
		Due to various employee testings	

Mr. Lavoie moved, seconded by Mr. Tesoro, to transfer \$734 from 01013000-522202 Human Resources – Professional Services to 01013000-501105 Finance-Salaries – OT

Vote: 6-0 motion carries

### **TREASURER REPORT - John Ponzio**

Mr. Ponzio indicated the following:

- We are on target for our budget of \$300,000 for the year.
- All investments with Merrill Lynch are now at Morgan Stanley.
- \$250,000 funds taken from Fairfield County Bank at 8 bps to Infinex to buy CD at 35-40 bps.
- \$7.5 million reimbursement funds received for THS and we are expecting another \$3 million in the middle of February.
- We have a bond payment coming due on the 15<sup>th</sup> of \$2.2 million.
- Cash flow this month is very strong and we are on par with last year. Tax Collections remain very strong.
- We had a good solid year end with the Pension Fund.
- We have a phone meeting with BPS&M tomorrow morning and we should have their final report within two weeks.
- We made the third quarter pension payments via wire transfer instead of check.

### **AUDITOR'S REPORT – Jim Henderson**

Mr. Henderson indicated that the Special Agency Accounts were being addressed at the last meeting and they asked wanted to know why there were so many recreation accounts. They had asked him to generate reports to find out what they were being used for. He went on to discuss the following:

- Recreation fund accounts cover sheets and back-up documentation to show what they were being used for. He was not sure why there were so many different accounts.
- There is a Summary Spreadsheet provided with accounts highlighted in yellow that he feels should be closed out and eliminated.

Ms. Penkoff indicated that she did not understand the report. She was not seeing the last activity and did not know when the account was last used. She did not know who used them or who authorized them. Mr. Henderson indicated that the check request and checks contained the information. The breakdown shows the original appropriation and any transfers into the account; it also shows the expenditures during the year and the number of different requests.

The Chair indicated that we are not getting from this report what we need and asked him for the following:

- Start with Recreation and the 4 Recreation accounts.
- Look at the expenditures then create an excel spreadsheet for each account with the following:
  - This is what they spent
  - This is when they spent it
  - This is what they spent it on
  - How they use each account
  - How the money gets into the account
  - Summary of what they have been spending it on lately; if you have a lot of the same items, lump them together with the number of units and the unit price.

Ms. Penkoff indicated that she would also like to see the following included:

- Why do we have the account
- Who is authorized the to use the account
- When was it created

### **DISCUSSION ITEMS**

- Overtime Accounts

The Chair indicated that there is overtime information in the packages, and all questions for a department head should be directed to her.

- Deputy Chief Harry spoke to the Board of Finance regarding the spike in November overtime for the Police Department. He indicated that it was related to Hurricane Sandy and we should be reimbursed.

- He indicated that the December overtime is related to the contractual minimum manning requirement. Since the officers needed to take their vacation by the end of the year and there was also a holiday, it was necessary to go into overtime to meet the requirement.
  - He indicated that they hired two new officers, but they would not be able to work for another 8 months.
  - There has been a recent retirement and officer out on disability adding to the overtime. We do have openings for two additional officers.
  - Mr. Tesoro asked if Trumbull assisted Newtown during the recent tragedy. Deputy Chief Harry indicated it cost us \$20,000 in overtime.
  - We have officers there every day. We assign 2 officers to every shift day and evening.
  - Newtown has asked for officers through the end of the school year through the Chief of Police Association. Every department is offering up officers and Newtown will reimburse those Towns. They want to place an officer at each school.
  - Our officers also attended the funerals to assist with the traffic at the churches and funeral homes.
  - In answer to Ms. LaFrance's question regarding overtime of \$10,000 per month, he indicated they are short staffed due to a retirement and an officer out on disability; in order to meet the minimum manning requirement they need to go into overtime. We have 2 new officers in the academy and we have openings for an additional 2. We need to wait until one of the academies offers a class and the officers are accepted.
  - Each time Emergency Management opens up, we supplement them by bringing officers in to assist requiring overtime. Any FEMA reimbursement will not be received until the next fiscal year.
- Year to Date Budget to Actual Report – Expenditures FY 2013
    - Ms. Pires indicated that the overtime in each department that is related to the storm would be reimbursed 75% by FEMA as well as some regular time.
    - In response to the Chair's question, Ms. Pires indicated that there have not been any large settlements with CIRMA.

#### **REVIEW TRI-BOARD MINUTES – November 8, 2012**

Mr. Tesoro moved, seconded by Mr. Lavoie to accept the Tri-Board Minutes of November 8, 2012, as presented.

Vote: 6-0 motion carries

#### **APPROVAL OF MINUTES – December 13, 2012**

Mr. Lavoie moved, seconded by Mr. DeGennaro to accept the Minutes of December 13, 2012, as presented.

Vote: 4-0-2 (abstained: Tesoro and DeGennaro)

#### **OTHER ITEMS**

Mr. Palo asked for the status of the WPCA audit. Ms. Pires indicated that it would not begin until after the Town audit has been completed, since the WPCA audit is an extension of the Town audit.

Mr. Palo raised the questions posed by Mr. Greene regarding the total cost of the North Nichols Project and how the Town paid for it.

Mr. Tesoro agreed that there is considerable confusion over these costs. He feels that someone from the WPCA should come and explain this project to us. He would like to know that they approved sewer assessments. In addition, he would also like to know why this money is hanging out there and why the payment rate changed, or if it did.

The Chair indicated that we approved the bond, but we still need clarification. Some of the road work was to benefit the Town and was moved over to the General Fund side. However, she does agree that we need clarification.

Mr. Rutigliano agreed and indicated that there were major cost overruns in the North Nichols Project.

Mr. Tesoro expressed concern that the WPCA would obligate the General Fund. They would have to come to the Board of Finance and, as Mr. Greene pointed out, it is not in the minutes.

Ms. Pires indicated that we approved a \$34.5 million bond. She went on to add that she believes Tighe and Bond contracted part of the funds for the road work and the paving will be taken out of the bond once the work begins. Since it has not yet started, the funds have not been used.

Mr. Palo agreed to draft his questions and forward them to the Chair.

Mr. Tesoro indicated that with 3 members traveling on his side last month, he thought another alternate was necessary and wondered where the request for a legal opinion stood. Mr. Rutigliano indicated that he thought that we were at our maximum according to the legal opinion that he read. The Chair indicated that she would forward the legal opinion to Mr. Tesoro.

Ms. Penkoff requested Ms. Markham be available to discuss her department's overtime at the next Board of Finance meeting.

The Chair asked that the following items be placed on next month's agenda:

- WPCA explanation of North Nichols project
- Explanation for Recreation Department Overtime – Mary Markham
- Request for an additional alternate

#### **ADJOURNMENT**

By unanimous consent the meeting was adjourned at 8:25 p.m.

Respectfully submitted,

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Phyllis Collier  
Board of Finance Clerk