

**SUBJECT TO MODIFICATION AND APPROVAL
TOWN OF TRUMBULL
MINUTES
BOARD OF FINANCE
MAY 12, 2016**

CALL TO ORDER

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

PUBLIC COMMENT

No public comment

ATTENDANCE

Present

Elaine A. Hammers, Chairman
Roy Molgard
Thomas Kelly
Scott Zimov
Ted Chase, Alternate
Karen A. Egri, Alternate
Andrew Palo
William S. Haberlin

Absent

Vincent DeGennaro, Alternate

Also present:

Maria Pires, Finance Director; Anthony Musto, Treasurer; Therese Keegan, Internal Auditor; Rina Bakalar, Director of Economic and Community Development

By unanimous consent the, Board agreed to take the Tax Suspension and Transfers out of order.

TAX COLLECTOR SUSPENSION REPORT – Donna Pellitteri

Ms. Pellitteri presented the suspension report indicating that is was for Grand List Years 12 and 13. She noted that the accounts would now be turned over to a collection agency. We will get 100% collected and they will collect their fee. The Chair proceeded to sign the report that will be recorded.

FISCAL YEAR 2015-2016 TRANSFERS

5-16-01

Mr. Haberlin moved, seconded by Mr. Molgard to transfer \$9,225 from Salaries Full time Permanent # 01014200-501101 to Services and Fees #01014200-522202 \$7,525 for Attorney Fees for March blight and projected May and June blight, and to Professional Development # 01014200-556602 \$700 for Roberto Librandi – Planning Association Annual Fee, and to Professional Development Conf / Assoc. #01014200-556601 \$1,000 for Roberto Librandi – Expense reimbursement for APA trip 4/2 – 4/6/2016.

Ms. Bakalar indicated that she didn't know why the shortages occurred since she only recently started. She indicated that the legal fees totaling \$7525 would cover the outstanding amount due, as well as the projected May and June fees. She went on to add that the \$1,000 being transferred will cover the funds owed to Rob Librandi for the Planners Conference he recently attended. In addition, she went on to add that the \$700 shortage created due to the renewal of Rob Librandi's license was most likely related to the renewal of Jamie Bratt's license prior to her promotion to Director of Economic and Community Development.

Vote: 6-0-0 motion carries

5-16-02

Mr. Haberlin moved, seconded by Mr. Molgard to transfer \$7,474 from Building Maintenance and Equipment Repair #01030200-578802 to Building Maintenance-Uniform allowance # 01030200-501888 \$122 to cover cost of uniform for new electrician hired and to Building Maintenance-Services & Fees Ancillary #01030200-522203 \$7,352 to cover cost of custodial service at the Health Department.

Vote: 6-0-0 motion carries

Ms. Pires indicated that \$7,352 was not put in the budget to cover the cost of cleaning the Health Department and the \$122 is to purchase a uniform for the new electrician that was hired. She went on to add that we contract with the Kennedy Center for custodial services for the Health Department and the Senior Center and we have a separate company that covers the town hall and the library.

Vote: 6-0-0

TOWN TREASURER'S REPORT – Anthony Musto

Mr. Musto presented his report and made the following comments:

- He has not received a copy of the Expense Report reviewed by the Internal Auditor and the Finance department
- The April fiscal has been presented to you for your review.

The Chair indicated that she had the Internal Auditor review his reports. The biggest concern was that by correcting March, February was no longer correct. He indicated that he had done 2 reports at the same time and then he went back fixed the March report; he didn't fix the February report, because that wasn't the report in question.

The Chair went on to add that the Internal Auditor fixed the incorrectly stated balance. Mr. Musto indicated that the April report is based on the March report and would be happy to address the April report. It appears that we will make our budgeted interest amount.

He went on to add that he still has concerns about the fees we are being charged on the Morgan Stanley Account and the TD account. We actually pay the fees for the Morgan Stanley Account and since the fees are not being deducted we are overstating our interest income. We are also losing 10% with TD since we only get 90% of the funds. According to the bank we are losing \$1,000 a month to keep funds in this account. On the last day of April, our deposit was so large from the tax collections that we received a call that the deposit was too large to accept.

Mr. Zimov asked that Mr. Musto provide him with the last 6 months of statements so he can see exactly what happened instead of dealing with hypothetical figures. Ms. Egri indicated that she wants the Board to receive a report each month, whether or not there is a meeting. In addition, she asked that he bring the appropriate backup for the current report to the meeting in order to better answer questions without having to research the item and respond to the board at a later point in time.

The Chair addressed employee expense accounts, as a follow up to last month's meeting, indicating that employee expenses occur for two reasons: when an individual takes a business trip typically to attend a seminar – and – town owned credit cards that are held by employees.

The processes involved in handling these expenses are totally different. Employees who go away submit itemized receipts for their transportation, hotels, meals and a conference fee, if applicable. These are submitted on a form being currently used and although there is no written policy, there is an understood procedure in place regarding the completion and submission of the form.

The Finance Director and the Internal Auditor have obtained information from surrounding towns and put together a Trumbull Travel and Expense Reimbursement Policy that details the procedure currently being used to submit an expense report. In addition, they have created a new form, which added two columns, one for "lodging" and one for "other", and changed the existing word mileage to travel expenses. They

have also created a preapproval form designed for out-of-town travel, where costs may be more substantial, that would be submitted with the expense report. Ms. Keegan indicated she would forward the Trumbull Travel and Expense Reimbursement Policy and prepare a policy related to the submission of credit card expenses.

INTERNAL AUDITORS REPORT – Therese Keegan

Ms. Keegan presented her report on the Transfer Station as follows:

Background Information:

- The Transfer Station is under the Public Works Department and is operated by Enviro Express with their employees for \$30,000 monthly; Town provides one employee.
- Enviro hauls all trash and materials from the Transfer Station. Outgoing vehicles are weighed for billing purposes.
- The site accommodates the solid waste and recycling needs of Trumbull, Easton and Monroe. Easton and Monroe are charged a monthly fee based on actual use plus certain allocations. Allocations (Trumbull ~60%, Easton ~10%, Monroe 30%).
- Monroe and Easton sell tickets to their residents whereas Trumbull sells tickets to residents of all 3 towns. Tickets are then collected at the transfer station and sent to the Highway Department.
- The total annual cost to run the transfer station is 2.5million of which Trumbull pays 1.6 million.
- In FY 2015 the Town received income of \$97,000 from metals, \$98,000 from single stream recycling and \$9,000 from E-waste products.
- The Town receives \$500 per truck per hauler on an annual basis from all towns and a tipping fee from Monroe and Easton; Town of Trumbull haulers do not pay a tipping fee and if haulers claim to be dumping Trumbull waste we wouldn't know the difference. If we were comparable to Easton and Monroe and charged tipping fees the cost passed on our residents would result in their paying an additional \$10 per month.

Finding 1: Charge everyone a tipping fee, if Mr. Marsilio agrees.

Finding 2: We receive cash for tires but do not issue a receipt. No accounting documentation is sent and no one verifies that they received what they say is sent. Suggested receipts and send the funds over on a weekly basis. He should note what he sends and the highway should verify.

Finding 3: The Highway Department collects the cash and checks and makes a deposit when time permits sometimes only monthly, by which time there could be as much as \$35,000 in checks and \$2000 in cash not well secured. Deposits should be made weekly or when \$500 cash is reached, whichever comes first, but never longer than a week. Reconciling can be done on a monthly basis but not deposits.

Finding 4: The cost for hauling leaves is \$108K and the cost for brush and logs is \$143k, a total of \$251K. Other towns chip and give to residents. Mr. Marsilio is not in favor of having people in the yard, so they keep the chips and use what they need and haul the rest out. Previous attempts at composting were not cost effective. Fairfield contracts a company who chips and composts this waste for free and Shelton chips their waste and gives it away,

Finding 5: Other towns provide stickers for residents to display on their windshields; we check each driver's license, which is time consuming.

Finding 6: The bookkeeping process is manual and time consuming. The tickets and receipts are sent to the Highway department where they are sorted by town, etc., and the information is then put into an excel spreadsheet. When they receive the invoice from Wheelabrator they have to reconcile what went in to what came out and what town it was from. It is estimated that it costs \$38,000 a years in salary plus benefits. We charge Easton and Monroe for the station attendant and she is suggesting we charge them for the bookkeeping. There is currently software available to read the scale to track the incoming and outgoing the reconciliation would be done automatically and we could then separate it by town. The software is less than \$10,000 to set-up and train personnel The annual fee is \$895.

DISCUSSION ITEMS

Year to Date Budget to Actual Report – Expenditures FY 2016

Ms. Pires indicated that we are losing the pilot program at a cost of \$107,000 for exempt property) and for 2017 we are netting 0; ECS is going up \$331,000 and Munis revenue share is reducing \$328,000.

APPROVAL OF MINUTES

Mr. Haberlin moved, seconded by Mr. Molgard to approve the April 14, 2016 minutes as presented.

Vote: 5-0-1 (abstained: Kelly)

ADJOURNMENT

By unanimous consent, the meeting adjourned at 10:00 p.m.

Respectfully submitted,

Phyllis C. Collier
Board of Finance Clerk