

BOARD OF FINANCE
Minutes
April 21, 2011

CALL TO ORDER

Vice Chairman Andrew Palo called the Board of Finance meeting to order at 7:04 p.m. at the Town Hall, Trumbull, Connecticut. All those present joined in the Pledge of Allegiance.

Members present and absent were as follows:

PRESENT

Vice Chairman, Andrew Palo
Steven C. Lupien
Elaine C. Hammers (Arrived late)
Ken Martin, Jr.
Tom Tesoro
Cindy Penkoff, Alternate

ABSENT

Chairman, Mark E. Smith
Alex Remson, Alternate
Perry Molinoff, Alternate

Also Present: Director of Finance, Maria T. Pires; Tax Collector Mary Moran

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES – March 10, 2011

Motion to accept minutes as presented made by Mr. Tesoro, seconded by Mr. Martin and carried 4-0-1 (Abstention: Mr. Lupien)

APPROVAL OF MINUTES – March 14, 2011

Motion to accept minutes as presented made by Mr. Tesoro, seconded by Mr. Martin. Discussion followed regarding the commentary that was included in the minutes and whether all commentary should be included or none at all. Mr. Tesoro suggested that the board table the minutes until they have had a chance to think about it. In addition, Mr. Palo indicated the paragraph containing the term competitive advantage on page 12 needs rewording.

Mr. Tesoro moved to table the minutes until the next meeting, seconded by Mr. Lupien and carried unanimously 5-0-0.

Mrs. Hammers joined the meeting at 7:15 p.m.

Mr. Palo indicated that he chaired the meeting in the absence of the chairman, who is not here tonight and Mrs. Penkoff is sitting in as a voting member.

INTERNAL AUDITORS REPORT

Mr. Henderson was not present at the meeting. Mr. Palo indicated that Mr. Henderson worked on an Audit of the Leaf Pick-up, which he gave to the Board of Finance for review. Mr. Henderson asked that the Board hold off until the May meeting so that he can be here to discuss it. Mr. Henderson is also working on the Health Care Audit and the Board needs to ask him some questions on that, as well. The Audit of the Leaf Pick-up is to be a discussion item for next month.

Mrs. Hammers joined the meeting at 7:15 p.m.

TREASURERS REPORT

Mr. Ponzio could not be present at the meeting. Mr. Ponzio provided Ms. Pires with a response regarding the fees charged by Peoples United Bank. Ms. Pires indicated that since Mr. Ponzio is the only individual in his office, he will not attend the meetings for the next 3 or 4 months. She went on to add that if anyone has questions on his report she would relay the message to Mr.Ponzi. Ms. Pries indicated that the fees are, basically, a result of the decline in our earned credits. We used earned credits gained with compensating balances to offset our fees. Once we moved our funds, we lost those credits and now have to pay the fees, which is their policy. Ms. Pires indicated that we are trying to cut some of our costs with Peoples by doing more of the work. Ms. Pires indicated that we are looking into other banking institutions and currently do some business with TD Bank. Mr. Palo indicated the best way to communicate with Mr. Ponzio would be to go through Ms. Pires.

TAX COLLECTORS SUSPENSE LIST

Mary Moran presented the Annual Suspense Book for approval, in accordance with state statute. She was happy to announce that from last year to tonight we have reduced the automobile uncollectable by \$20,000. We have been able to accomplish this in part by using agencies. We did have a slight increase of \$100 in personal property taxes that are uncollectable. We hope that the agencies will be here to assist us in collecting those taxes.

To collect \$86,000 for the Grand List 2008 and 2009 it cost the Town \$2,601. Delinquent taxes are put into Suspense each year and this figure is not cumulative; it is a new dollar amount each year and you can continue to collect on these taxes, up to 15 years.

Ms. Hammers asked if we can determine how much we collect on items after they are put into the Annual Suspense Book. Ms. Pires indicated that she would find out if a report can be generated from the system.

Motion made to approve the suspense list as presented and to authorize the Vice Chairman to sign the Suspense List for \$157,461.51 made by Mr. Tesoro and seconded by Mrs. Hammers carried unanimously.

FISCAL YEAR 2010-11 TRANSFERS

4-21-02	TRANSFER	FROM:	01030200-534402 Program Supplies	2,680
		TO:	01030200-581888 Capital Outlay Additional support for Fuel Master.	2,680

Motion made to approve item number 4-21-02-Transfer From 01030200-534402 Program Supplies to 01030200-581888 Capital Outlay-Additional support for Fuel Master in the amount of \$2,680 by Mr. Martin, seconded by Mrs. Hammers.

When asked, Ms. Pires indicated that no one was present to represent the department since it was a transfer. Ms. Pires spoke about the additional costs incurred in connection with the purchase of the Fuel Master that were not anticipated at that time: \$550 for cable installation, etc., \$677 for an Ethernet card and a fee of \$1,453 to import the information from the old system to the new system.

Ms. Penkoff mentioned that the next time a department comes before us looking for a large piece of equipment she would request that they do more research. They need to find out what it is going to take to outfit that equipment and make it work with what we already have and then determine what we might have to purchase in addition to the equipment. We need to receive the full accounting prior to approving the purchase, not receive it piecemeal.

Mr. Palo indicated he would not be voting in favor of this because he feels that someone from the department should have been there to present the request. In addition, he feels that it places additional responsibility on Ms. Pires. Motion carried 3-0-3 (Abstention: Palo, Tesoro, Lupien)

4-21-03	TRANSFER	FROM:	01022000-522203 Ancillary	3,581
		TO:	01022000-581888 Capital Outlay Overage due to damage to first K 9 vehicle resulting in re-outfit of second vehicle (included upgrades to lessen further damages). \$2,163.39 paid by insurance to 01022000-581888	3,581

Motion made to approve item number 4-21-03 Transfer From 01022000-522203 Ancillary to 01022000-581888 Capital Outlay for damage sustained by K 9 vehicles in the amount of \$3,581 by Mr. Martin, seconded by Mrs. Hammers.

Ms. Pires indicated that the department head was not present because it was a transfer; however, if the board wants a representative Ms. Pires would make sure someone was there.

Ms. Hammers indicated that there were many questions that the department head needed to answer regarding the extent and dollar amount of the damage repaired along with the funds needed to outfit the second car.

Motion made to table item number 4-21-03 Transfer From 01022000-522203 Ancillary to 01022000-581888 Capital Outlay for damage sustained by K 9 vehicles in the amount of \$3,581 until the next meeting by Mrs. Hammers, seconded by Mrs. Penkoff and carried unanimously.

4-21-04	TRANSFER	FROM:	01011000-501101 Full time Salaries	2,500
		TO:	01011000-522202 Service Fees – Professional Grant writer to apply for Small Cities Grant to replace town hall elevator.	2,500

Motion made to approve item number 4-21-04 Transfer From 01011000-501101 Full time Salaries to 01011000-522202 Service Fees – Professional by Mr. Martin, seconded by Ms. Penkoff.

Ms. Pires explained that there are grant funds ranging between \$200,000 and \$250,000 available from the State of Connecticut for the new elevator. Since we do not have the staff to do the actual grant funding paperwork, we hired a contractor.

Mr. Tesoro indicated that the Board should approve the request prior to hiring a contractor. Ms. Pires indicated that time was of the essence. Mr. Lupien indicated that voting now is a moot point, but they would still vote on it. Mr. Martin asked if we could terminate the contract. Ms. Pires indicated that there was a termination clause. Ms. Hammers asked if we had any sense of how likely we are to get this grant and will it replace the existing elevator. Ms. Pires indicated that we would replace the elevator, which was breaking down at least once a week. Ms. Hammers said that she was appalled at the amount of time the elevator was not working. Mr. Lupien asked if the replacement of the elevator is in the capital plan, notwithstanding receiving the grant. Ms. Pires responded that it is in the capital plan.

Motion carried 4-0-2 (Abstentions: Lupien, Tesoro)

FISCAL YEAR 2010-11 SUPPLEMENTAL APPROPRIATION

4-21-05	TO:	01015800–522205 Program Expense	4.00
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Motion made to appropriate \$4.00 to 01015800–522205 Program Expense made by Mr. Martin, seconded by Ms. Penkoff, and carried unanimously 6-0-0.

DISCUSSION ITEMS

Year to Date Budget Report

Mr. Palo asked Ms. Pires to provide an update on the snow removal and insurance claim. Ms. Pires indicated we are working with the insurance company for the schools. There was damage to THS and we have collected \$71,000 so far from the builder's risk insurance company. We are still gathering all the information to try to collect funds from FEMA and the insurance company but so far have only collected the \$71,000.

Ms. Hammers asked if there is a point in time when the departments that are running over on a budget item are being asked to make transfer proposals. Ms. Pires indicated that if you look at seasonal salaries, in some departments there are overages due to using part time rather than full time employees. We then transfer these funds from Full Time to Part Time. For example, Ms. Pires indicated she had a full time employee retire so she used a part time person and her part time budget is now over.

Ms. Hammers then asked if we have at this point any preliminary estimates from anyone who will not be able to cover overages by transferring from one account to another. Ms. Pires indicated that she was not aware of any department with a problem. When questioned about the Recreation Department overages, Ms. Pires responded that we use activity fees generated and held in a special account to offset overages.

Mr. Palo asked when the Board is due to review the Capital Plan. Ms. Pires indicated that there is a bonding package being prepared for the May 2011 meeting.

ADJOURNMENT

There being no further business to discuss, the Chairman moved to adjourn, seconded by Mr. Martin. The Board of Finance adjourned by unanimous consent at 7:50 p.m.

Respectfully submitted,

Phyllis Collier
Clerk, Board of Finance