

North Stonington Board of Finance

DRAFT Meeting Minutes

7:30 PM Wednesday, March 11, 2009

Senior Center

Behind Holly Green, North Stonington, CT

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1. **Call to Order** Chairman M. Donahue called the meeting to order at 7:46 PM. Secretary T. Oswald, G. Herbert, E. Pavlovics, and E. Bresette were present. Vice Chair, L. Southwick was absent.

2. **Public Comments and Questions** None.

3. **Assessor's Budget** Assessor DelGrosso presented his proposed budget for FY 09/10. His budget was reduced by \$199 from \$113,245 to \$112,646 by means of taking no pay increases for he or his Assistant, generally reducing budgets for expenses, and continuing to not take reimbursement for personal use of his car to do his Town business.

G. Herbert motions the BoF draft a letter intended for the State Rep D. Urban and Senator A. Maynard inquiring what their position is regarding the Town of North Stonington's interest in performing a "full on site appraisal" vs a "statistical appraisal" of the property appearing on the Town's Grand List, indicating the BoF 'ought' to have the authority to specify a "full on site appraisal" as we see fit. E. Bresette seconded and discussion followed. The motion passed 4-0-1 with E. Pavlovics abstaining.

E. Bresette moved to approve the Assessor's budget, G. Herbert seconded, discussion followed and the motion passed 5-0-0.

4. **BOS: Financial Reports**

a. **Additional Appropriation for Truck Purchase** N. Mullane presented a memo dated 4 March 2009 concerning the lease vs. purchase analysis of the new Highway Truck. The memo provided greater transparency by providing detail of the budget line items affected by the acquisition.

i. E. Bresette moved to approve the Selectmen's request, according to the 4 March memo, and to forward the issue to a Town Meeting for authorization for to an additional appropriation of \$29,385, line item CC 1.05, which was the final amount necessary to purchase the vehicles. G. Herbert seconded and discussion followed. The motion passed 5-0-0.

b. **General Government Budget Presentation**

i. N. Mullane presented a list of Town budget line items indicating which items represent 'required spending' by either the State or the Town.

ii. N. Mullane reviewed the proposed BoS budget line items for revenues and expenses and fielded questions from the BoF.

iii. The BoS proposed budget indicates a reduction in BoS spending of \$169,230 (-3.976%) for the next FY (Fiscal Year) compared to FY 2008/2009. Total Expenses are projected at \$4,087,341 for FY 2009/10.

iv. Total revenues to the Town for FY 09/10 are projected at \$17,123,907, down \$181,360 over last year FY 2008/2009, as best can be projected at

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this time. Be advised that this Total Town Revenue projected number is not guaranteed by any means, and that the actual number may possibly fall below that estimated figure.

- v. Under the heading "Capital Page 1" the BoF found the information on the line labeled "Equipment Lease/Buy****" less than clear, and certainly not transparent. Both First Selectman Mullane and the BoF agree that part of this line item should be transferred to the Debt Reduction Schedule.
- vi. Mullane and the BoF also agree that the individual vehicles represented on the budgetary reporting and documents ought be indicated by individual and unique descriptions. For example using a Town Unit Number combined with a descriptive name such as 'Walking Floor Trailer.' Steps need to be taken so that budgetary item descriptions are presented with complete identification and with adequate clarity, so as to prevent leaving the financial documentation open to concerns about lack of transparency.
- vii. Under the heading "Capital Page 1," "Town Building Maintenance" of \$31,000, upon BoF request, Mr. Mullane provided a breakdown of the costs composing that amount. They are:
 - 1. Old Town Hall Roof \$7,850
 - 2. Old town Hall Chimney Repair \$1,000
 - 3. Replace New Town Hall Doors \$2,400
 - 4. Painting Old Town Hall, and painting and trim repair for New Town Hall \$13,000
 - 5. Probate Court renovations \$2,600
 - 6. Sr. Center Convection Oven and Cabinet Modifications \$1,750
 - 7. Replace 4 decaying Columns at the entry to the Senior Center \$2,400
- viii. Under the heading "Capital Page 1," "Town Building Solar" of \$50,000, T. Oswald questioned the timing of the expenditure in this particularly difficult financial situation. Discussion followed and it is the opinion of the BoS that this item is important enough to the Town to be included in this particular budget.
- ix. Mullane agrees to provide the BoF with the following breakout and detailed budgetary background information by the next BoF meeting. Such information is normally provided on an encyclical scale by the BoS to the BoF in the week prior to this annual 'Revenues' meeting as expressed in the next item 'x' below.
 - 1. Matrix of IT (Information Technology) funding details
 - 2. Breakout of Senior Center reduction of expenses

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3. Breakout of BEP (Break Even Point) and expected Payoff Time-Line of Town's investment in further PV Solar energy technology.
 4. The needs of the Permanent School Board Committee.
- x. It is noted that the supporting detail information was expected, and has been previously customarily supplied by the BoS to the BoF, NLT the Friday before our joint 'Revenues' meeting. This to afford the BoF time to analyze the information. Mr. Mullane apologized to the BoF for that deficiency in this year's process on his own initiative. The BoF hopes that the timeliness of the delivery by the BoS of this information, which the BoF needs to do it's job correctly in regard to the BoS budget, is respected going forward.
5. **BOE: Teachers' Contract** Discussion, no action.
 6. **Audit Report and Management Letter Follow-up**
 - a. **Auditor Invoice** Per R. Roohr, Town Treasurer, the invoice has been received. E. Pavlovics motions the BoF authorize the payment of the Auditor's invoice of \$4,158 dated Jan 31, 2009 from budget Line Item B3.01, Auditing expense. G. Herbert seconded the motion, and after discussion, it passed 4-0-0. (Note: E. Bresette left the meeting at 10:10 PM reducing the total BoF votes available from 5 to 4.)
 7. **2009/10 Budget Preparation Schedule** The BoF meets next Wednesday 3/18 in the Elementary School at 6 PM for the BoE budget presentation.
 8. **2009/10 Budget/Budget Spreadsheet**
 - a. **Unreserved Fund Level** Discussion, no action.
 - b. **Detailed BOF Budget** Discussion, no action.
 9. **Management Reports/Board of Finance as Audit Committee/GASB 45 OPEB.** Discussion, no action.
 10. **Results Based Accountability – Energy** Discussion, no action.
 11. **Town Report (June 30, 2008)** Discussion, no action. Mr. Donahue indicates that all the input segments have now been received.
 12. **Previous Minutes** G. Herbert motioned the BoF accept the minutes of the 03-04-09 BoF meeting as amended. M. Donahue seconded, the motion passed 4-0-0.

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13. Correspondence

- a. Email from Town Treasurer R. Roohr, 3-5-09, indicating the refund for the single federal/state audit was deposited back to our line item B3.1, Auditing, for \$3,638.
- b. News article "State Braces for Cash Flow Woe."

14. Future Agenda Items Identification None

- 15. Adjournment** G. Herbert moved to adjourn and M. Donahue seconded. The motion carried 4-0-0 and the meeting adjourned at 12:43 AM. The next BOF meeting will be held at 6:00 PM Wednesday, 18 March, 2009 in the Elementary School General Purpose Room.

Respectfully Submitted,

Thomas J. Oswald
Secretary, Board of Finance