

**Lebanon Board of Finance**

**Minutes of April 17, 2012**

**Regular Meeting**

Members present: Liz Charron, Chairman, Glen Coutu, Vice Chairman, Donald Anderson, Gregg Lafontaine, Betsy Petrie, and David Scata

Alternates present: Chuck Haralson, Diane Malozzi, Edward Tylor

Also present

Selectmen: Joyce Okonuk, Linda Finelli, John Bendoritis

Town Planner: Phil Chester

Supt of Schools: Janet Tyler

Chairman of BOE: Melissa Hofmann

Lebanon Town Finance Office: Veronica Calvert

Member of the Press

**Item A. Call to Order**

The meeting was called to order at 7:00 p.m. by L. Charron.

**Item B. Review and Consider Accepting Minutes of previous Meetings**

Gregg Lafontaine moved to approve the minutes of March 20, 2012. Motion was seconded by Glen Coutu. Motion carried unanimously.

Donald Anderson moved to approve the minutes of March 27, 2012. Motion was seconded by Glen Coutu. Motion carried unanimously. Motion carried unanimously.

Donald Anderson moved to approve the minutes of March 29, 2012. Motion was seconded by Betsy Petrie. Motion carried unanimously.

Glen Coutu moved to approve the minutes of April 3, 2012. Motion was seconded by Donald Anderson. Motion carried unanimously.

Betsy Petrie moved to approve the minutes of April 5, 2012. Motion was seconded by Donald Anderson. Minutes are accurate but wording is not clear. Motion carried unanimously.

**Item C. Correspondence**

Invitation to Board of Finance members for a session on April 30, 2012 for a presentation by the Cecil Group. They will be presenting a draft plan for the Lebanon Town Center. This presentation will be held at the Senior Center at 6:30 on 4/30/12.

**Item D Monthly Expenditures**

## TOWN

Veronica Calvert distributed the monthly Expenditure Report as of 3/31/12.

#400 Legal Expenses are running over due to personnel lawsuits.

Have gotten approval from Jason Hoffman, WPCA to reclassify \$2,900 invoice that was charged to dept. 400 and will now be charged to WPCA. Adjustment has not been made as of yet. Bill for \$5,000 for deductible for one of the lawsuits will be charged to the insurance account.

#407 Tax Collector

This account was authorized by BOF at a prior meeting to overspend up to \$33,000 for tax sales.

#418 Insurance

Two Invoices received for total of \$5,000 for deductible for current suit in the workers comp area. Liability, auto, property have received invoice for payroll audit due to reclassifications. Extra amount \$4,600 for this fiscal year. A discussion followed on what account to charge deductible to for deductible for lawsuit. BOF requested V. Calvert to contact the auditor to determine the appropriate account.

#420 Police Services

Waiting for resident state trooper invoice, historically has come in June.

#433 Snow Removal

Last invoice has been received. Overtime for Public Works originally charged to Public Works should be charged to #433, still has to be done. Requested adjustment be done by next month.

#443 Public Health Nurse

Fully invoiced for this FY.

#445 Human Services

Have had unexpected costs due to house being condemned. Expense for temporary lodging.

#455 Special Events

Have received \$18,000 from FEMA. August 27, 2012 Special BOF Meeting authorized expending \$25,000 from Contingency for storm related issues.

#480 Fringe Benefits

May need another \$10,000 for medical, \$4,000 for highway pension, \$6,000 for town hall pension. Have received letters from the State regarding increases.

List of Transfers for FY 2011-2012 was distributed including balance in Contingency Fund. Action deferred until next monthly meeting. BOF can authorize transfer of funds within current FY budget. Some surpluses are expected in current FY. Veronica requested when transfers are authorized need to have from account number and to account number.

Glen Coutu made a motion to add to agenda request for additional funding of \$750.00 for burning permits requested by Town Fire Marshall. Motion was seconded by Gregg Lafontaine. Motion carried with 5 yes.

## **Revenue**

List of YTD Revenues for FY 2012 as of 4/17/12 was distributed. Requested to add percentage outstanding column to spread sheet. FEMA money will be added to MISC-State of Conn. One more tuition payment will be received this FY. Janet Tyler will work up BOE estimates for next meeting.

TIP report as of 4/16/12 was distributed.

Upcoming projects for the Town Hall are upgrades to the electrical service in the Tax Collector Office, and other physical updates. Do not have a cost yet on overall project.

Betsy Petrie recused herself from discussion of item added to agenda regarding funding request from Fire Marshal.

Glen Coutu moved that an over expenditure of \$750.00 from the Contingency Fund #492 to the #424 Burning Official Account. Motion was seconded by Gregg Lafontaine. Motion carried with 5 yes.

## **Item F New Business**

### **1) Discussion of BOS bringing to annual Town Meeting purchase of 47 acre Kaplan property on Synagogue Road for the purpose of a future cemetery site, and passive open space land along the Ten Mile River.**

Phil Chester noted that the appraisal of the property is \$231,000. Value of open space - \$47,000. Offer of \$225,000. Have a tentative agreement.

Gregg Lafontaine made a motion to recommend to the Board of Selectmen to bring to the Town Meeting authorization to purchase the 47 acre Kaplan property on Synagogue Road for the purpose of a future cemetery site and passive open space land along the Ten Mile River offer price of \$225,000. \$80,000 to come out of the Cemetery Fund, \$10,000 out of Open Space Fund within Capital, \$135,000 out of Fund Balance in the current fiscal year. Motion was seconded by Betsy Petrie.

Discussion of closing costs, attorney and conveyance fees for this purchase. Soft costs for this purchase have not been spent yet. Past taxes due on this property will be received at closing. Motion carried unanimously.

### **2) Discuss and act upon the disposition of Industrial Park Road.**

Phil Chester reported that the road in the Klein subdivision is not actually owned by the Town. Only part of the cul de sac is owned by the Town. Town never received title of the road. Report noted. No action taken.

### **3) Discuss and act upon the disposition of paving funds from the CT Water Company for Amston Lake Roads.**

Water lines are done and CT Water Company wants to repave. They have offered \$18,530.00 for this repaving. BOS needs to know how to account for this check. Sewers will be done by December.

WPCA did not budget for paving but feel there are sufficient funds in their budget for this cost, no line item for paving. Decided to deposit check to Suspense Account. WPCA is meeting next Thursday at 7:00. Gregg Lafontaine volunteered to attend that meeting.

**4) Discuss and act on accepting a bid for audit services for the 2012 and 2013 fiscal years.**

Donald Anderson reported on the 3 firms that submitted proposals comparisons distributed. Recommendation to go with Stephen T. Hopkins, CPA, PC. Veronica Calvert reported that this auditor is accessible via phone calls, has a lot of historical knowledge, deals with other small towns, and has offered very professional audit services. He has been very helpful.

David Scata moved to recommend to the Board of Selectmen that Stephen T. Hopkins represent us as auditor for the 2012 and 2013 fiscal years. Gregg Lafontaine seconded the motion with the following amendment - change recommend to request. Motion carried unanimously.

**5) Discuss feedback from the April 16, 2012 Public Hearing on the Budget.**

158 people were in attendance, 30 people spoke. Vast majority spoke in favor of the BOE request, some were concerned about that request. A discussion followed summarizing the BOF members reactions to the hearing. In general the BOF is disappointed with the BOE's lack of fiscal responsibility and distribution of misleading information to the public as was evidenced by the comments made by many attendees. Comments by various BOF members included:

- Very insightful young man spoke regarding need for more commercial development, kudos to him.
- Issue taken with complaint by one attendee on us scheduling the hearing during April vacation week for the schools. BOF has been meeting since January on the Budget. All were open to the public. Based on timing of annual town meeting, it was necessary to schedule this week.
- BOE request is grossly overstated yet this information was never acted upon during the budget process even when they had new information. The BOF felt the request could have been lowered by up to \$700,000: more than \$200,000 for lower medical, \$90,000 for technology (BOF added this to capital request), some amount for repairs and maintenance (BOF added \$150,000 to capital request), \$235,000 that BOE has "absorbed" into operating budget for staff positions added when they accepted the federal jobs grant monies even though the BOF at that time gave clear messages that they should not assume these positions continue.
- BOF members felt the threat of us losing our accreditation is not true and was used as a fear factor. Even if there are findings during the accreditation process, the school district would be given an opportunity to take corrective action.
- The process with the BOE has been much better in prior years. We are used to a more cooperative dialogue process. This year the BOE took a stand of "give us everything or nothing". By not offering alternatives, the BOE did a disservice to the Town.
- Status quo on BOE budget is not reasonable or affordable. Enrollment numbers are down substantially.

- BOE exhibit shown during hearing showed that increases to operating budget had gone down percentage wise during past three years but did not reflect that tuition for out of town students has dropped by \$1 million during that time.
- The hearing has been a way to share information, answer questions and listen to feedback. The BOF has not gotten into discussions and debate during the hearing because they felt this was not the platform for this. However, we may need to rethink this position. Various BOE members used the hearing to air their position on the request. The BOF did not have an opportunity to respond. These discussions should have happened in a joint meeting of the boards.

**6) Discuss and act on 2012-2013 FY appropriations for the Town of Lebanon General Town Government, Special Revenue Funds, Board of Education, Capital Reserve and Annual Capital Expense Fund and estimates of revenues to be presented at the annual town meeting.**

Two adjustments were made to proposed FY 2012-2013 budgets: Auditor was reduced by \$5,000 and BOE was increased by \$75,000. Betsy Petrie reported the referendum results on the budget last year. Non-binding advisory questions last year showed a majority thought the BOE amount was too high. Proposed budget would result in average increase of \$162 per household.

David Scata made a motion to request the Board of Selectmen to bring to the Annual Town Meeting a Capital Reserve and Annual Capital Expense allocation of \$1,029,442.00 of which \$256,553.00 is to come from available unallocated or reallocated funds and the remainder to come from the FY 2012-2013 budget appropriation as outlined in Attachment A. Motion was seconded by Greg Lafontaine. Motion passes with 5 yes, 1 nay (Glen Coutu).

Betsy Petrie made a motion to request the Board of Selectmen to bring to the Annual Town Meeting a proposed 2012-2013 budget for the Town of Lebanon of \$22,916,200.00 for the General Town Government, Board of Education, and Special Revenue Funds with revenue estimates of \$7,070,051.00 and an estimated mill rate of 23.8 as outlined in Attachment A. Motion was seconded by David Scata. Motion passes with 5 yea, 1 nay (Glen Coutu).

**7) Discuss and act on requesting the Board of Selectmen to include advisory questions on the referendum ballot for the budget.**

Glen Coutu made a motion to request the Board of Selectmen to include the same non-binding advisory questions used last year at this year's referendum. David Scata seconded the motion. Motion carried unanimously.

**8) Discuss and act on strategies for presenting the budget and associated information at the town meeting.**

The Chairman will distribute last years presentation to the members and after review the members may decide if we need to meet again to discuss strategies.

Betsy Petrie made a motion to adjourn the meeting. Motion was seconded by Glen Coutu. Meeting adjourned at 10:00 p.m.

**Respectfully Submitted,**

**Kathleen E. Chapman**

**Board of Finance Clerk**