

Date: June 16, 2016
To: Members Lebanon Board of Finance
From: David Scata, Chairman
Subject: Regular Meeting

The Lebanon Board of Finance will hold a regular meeting on Tuesday, June 21, 2016 at 7:00 pm in the Town Hall.

Agenda

- A. Call to order.
- B. Correspondence
 - 1. BOE Expenditure Report
 - 2. State 2015-2016 Education Revenues
 - 3. Adopted FY 17 State Budget: Impact on Towns and Cities
- C. Minutes
 - May 17, 2016, Regular Meeting
 - May 26, 2016, Special Meeting
- D. Public Comments
- E. Financial Report: Town Monthly Reports for Fiscal Year 2015-2016 Expenditures, Revenues, TIP/SIP, Contingency Balance and Fund Balance
- F. New Business
 - 1. Discuss and act on Board of Selectman request to use capital account 220-00-213-2713-0010-0000, Library Renovation, for payment of a historian title search invoice.
 - 2. Discuss and act on establishment of non-lapsing special fund for Board of Education Fiscal Year 2016 surplus funding.
 - 3. Discuss and act on requesting the Board of Selectmen call a special town meeting for the purpose of transferring from fund balance \$27,749.00 to close out the Vo Ag Equipment deficit, account number 100-00-000-2289-0000-0000.
 - 4. Discuss and act on Town FY 2016 surplus funding and capital requests.
- G. Other
- H. Adjourn

Lebanon Board of Education
Monthly Budget Status Report FY 2015-16
Status as of May 31, 2016

Account Object / Description	Revised Budget	Year to Date Expenses	Encumb	Amount Remaining	Percent Remaining
109 CERT. STAFF	\$7,926,032	\$6,137,064	\$0	\$1,788,968	22.57%
110 SUBSTITUTE SAL	223,825	153,898	0	69,927	31.24%
111 OTHER CERT STAFF SAL	282,136	193,863	0	88,273	31.29%
112 NON-CERT. STAFF	1,733,668	1,437,067	0	296,601	17.11%
113 OTH NON CERT STAFF SAL	8,200	6,964	500	736	8.98%
Total Salaries	\$10,173,861	\$7,928,856	\$500	\$2,244,505	22.06%
200 SOCIAL SECURITY & MED.	\$295,233	\$223,757	\$0	\$71,476	24.21%
201 RETIREMENT	199,798	175,986	75,866	(52,054)	(26.05%)
202 GROUP HEALTH	2,343,185	1,707,787	553,995	81,403	3.47%
205 DISABILITY INS	1,000	0	0	1,000	100.00%
206 UNEMPLOYMENT	30,506	29,090	0	1,416	4.64%
207 TUITION REIMB	5,000	8,822	0	(3,822)	(76.43%)
208 WORKER'S COMP	161,308	150,579	5,264	5,465	3.39%
Total Employee Benefits	\$3,036,030	\$2,296,021	\$635,125	\$104,883	3.45%
322 IMPROVE OF INSTRUCTION	\$20,681	\$12,982	\$15,602	(\$7,903)	(38.21%)
323 PUPIL SERVICES	352,700	160,159	40,619	151,922	43.07%
324 FIELD TRIPS	1,200	868	0	332	27.69%
330 OTHER PROF TECH SERVICES	175,004	99,764	6,542	68,697	39.25%
340 LEGAL SERVICES	63,000	20,031	43,294	(325)	(0.52%)
Total Purchased Services	\$612,585	\$293,804	\$106,057	\$212,723	34.73%
411 RUBBISH REMOVAL	\$25,500	\$22,093	\$2,907	\$500	1.96%
420 REPAIR & MAINTAIN EQUIP	40,715	8,850	11,440	20,425	50.16%
430 REPAIR & MAINTAIN BLDG.	463,059	406,754	266,543	(210,238)	(45.40%)
440 RENTALS & COPIER LEASES	55,845	49,183	10,652	(3,990)	(7.14%)
Total Maint & Operations	\$585,119	\$486,881	\$291,542	(\$193,304)	(33.04%)
510 PUPIL TRANSPORTATION	\$1,365,647	\$1,161,393	\$109,787	\$94,467	6.92%
511 TRANSPORTATION FUEL	121,185	105,508	0	15,677	12.94%
520 PROPERTY/LIABILITY INS	123,804	123,861	0	(57)	(0.05%)
521 STUDENT INSURANCE	10,229	11,303	0	(1,074)	(10.50%)
530 TELEPHONE	43,977	28,515	20,531	(5,068)	(11.53%)
531 POSTAGE	19,650	4,302	8,192	7,156	36.42%
540 ADVERTISING	1,900	1,444	438	17	0.90%
550 PRINTING & BINDING	19,395	11,131	2,756	5,509	28.40%
560 SCHOOL TUITION	1,972,094	1,399,731	289,148	283,215	14.36%
561 EXCESS COST REIMBURSEMENT	(674,635)	(348,828)	0	(325,807)	48.29%
580 STAFF TRANSPORTATION	19,078	13,195	1,540	4,343	22.76%
581 STUDENT TRANSPORTATION	87,509	54,673	11,849	20,987	23.98%
Total Other Purchased Services	\$3,109,833	\$2,566,228	\$444,240	\$99,364	3.20%

Lebanon Board of Education
Monthly Budget Status Report FY 2015-16
Status as of May 31, 2016

Account Object / Description	Revised Budget	Year to Date Expenses	Encumb	Amount Remaining	Percent Remaining
410 ELECTRICITY	\$268,688	\$242,317	\$22,683	\$3,688	1.37%
606 HEATING ENERGY	176,120	146,536	29,584	(0)	(0.00%)
Total Utilities	\$444,808	\$388,853	\$52,267	\$3,688	0.83%
601 A.V. SUPPLIES	\$3,038	\$2,603	\$326	\$109	3.57%
602 GAS & OIL SUPPLIES	2,733	2,160	0	573	20.97%
603 GRADUATION	17,800	1,441	13,848	2,511	14.11%
604 GREENHOUSE SUPPLIES	7,800	7,041	669	91	1.16%
605 HEALTH SUPPLIES	10,965	6,653	2,758	1,554	14.17%
607 HOME EC. SUPPLIES	5,000	2,993	1,151	856	17.12%
608 OFFICE SUPPLIES	10,413	6,976	118	3,319	31.88%
610 LAB SUPPLIES	19,063	12,125	13,014	(6,075)	(31.87%)
611 INSTRUCTIONAL SUPPLIES	103,507	62,414	33,864	7,229	6.98%
612 MUSIC-SUPPLIES	10,821	8,507	2,225	89	0.82%
613 CUSTODIAL SUPPLIES	71,400	45,868	6,985	18,547	25.98%
614 REPAIR & MAINT. SUPPLIES	46,275	23,397	21,856	1,022	2.21%
615 PHYS ED-SUPPLIES	11,171	10,117	1,479	(425)	(3.80%)
616 ATH SUPPLIES	25,000	21,874	3,313	(187)	(0.75%)
617 IA-SHOP SUPPLIES	15,726	19,458	958	(4,691)	(29.83%)
618 TESTING SUPPLIES	13,198	7,269	1,943	3,987	30.21%
619 ART-SUPPLIES	15,320	13,310	354	1,657	10.81%
620 COMPUTER S/W & SUPPLIES	11,277	7,819	3,776	(319)	(2.83%)
640 TEXTBOOKS	29,921	21,714	9,065	(859)	(2.87%)
641 WORKBOOKS	26,728	23,777	719	2,231	8.35%
642 LIBRARY BOOKS	19,813	15,675	4,138	0	0.00%
643 PERIODICALS	4,626	4,595	0	31	0.67%
690 OTHER SUPPLIES & MATL	1,500	1,839	178	(517)	(34.47%)
Total Supplies	\$483,094	\$329,624	\$122,737	\$30,733	6.36%
710 CAPITAL OUTLAY BUILDINGS	\$30,090	\$31,357	\$0	(\$1,267)	(4.21%)
720 CAPITAL OUTLAY GROUNDS	15,950	15,972	0	(22)	(0.14%)
730 INSTRUCTIONAL EQUIP	4,025	549	10,206	(6,730)	(167.22%)
731 REPLACE INST EQUIPMENT	3,835	3,187	0	648	16.90%
732 NON-INST EQUIPMENT	5,691	4,414	989	288	5.06%
733 FIXTURES AND FURNITURES	1,500	0	15,484	(13,984)	(932.29%)
734 TECHNOLOGY LICENSES	99,619	83,407	7,175	9,037	9.07%
735 TECHNOLOGY EQUIPMENT	90	36,947	68,410	(105,268)	(116964.03%)
Total Capital/Equipment	\$160,800	\$175,832	\$102,266	(\$117,298)	(72.95%)
810 DUES & FEES	\$52,504	\$41,131	\$510	\$10,863	20.69%
890 ADMINISTRATIVE SUPPORT SERVICES	\$0	\$0	\$674	(\$674)	0.00%
001 GENERAL FUND	\$18,658,633	\$14,507,230	\$1,755,918	\$2,395,485	12.84%

**LEBANON BOARD OF EDUCATION
LEBANON MIDDLE SCHOOL LIBRARY MEDIA CENTER
JUNE 14, 2016 ~ REGULAR SESSION ~7:30 P.M.
AGENDA**

I. CALL TO ORDER

Pledge of Allegiance

II. COMMUNICATION

1. Letter of resignation
2. Letter of retirement
3. Letter from Neighbors Helping Neighbors

III. PUBLIC PARTICIPATION – BYLAWS OF THE BOARD #9324

Public participation – 30 minutes; Individual speaker – 2 minutes

IV. CONSENT AGENDA

- A. Approval of minutes
 1. Regular Meeting – 5/10/16
 2. Curriculum/VOAG Liaison Subcommittees – 5/18/16
 3. Finance/Budget Subcommittee – Board of Finance – 6/1/16
 4. Budget Transfers

V. REPORTS OF COMMITTEES

- | | |
|---|---|
| 1. Finance/Budget Subcommittee | 6. Negotiations Subcommittee |
| 2. Communications Subcommittee | 7. Board Policy Subcommittee |
| 3. Curriculum Subcommittee | 8. Physical Plant/Facilities Subcommittee |
| 4. Transportation/Residency Subcommittee | 9. Superintendent's Evaluation Subcommittee |
| 5. Goals /Strategic Planning Subcommittee | 10. VOAG Liaison Subcommittee |

VI. REPORT OF SUPERINTENDENT

1. Enrollment
2. End of Year Report
3. Facilities Update
4. Food Service RFP update
5. Food Service Report
6. 2015-2016 Budget
7. 2016-2017 Budget

VII. ACTION ITEMS

1. Approve letter of resignation
2. Approve letter of retirement
3. Approve Food Service Contract for 2016-2017
4. Approve Strategic Plan
5. Approve Superintendent's contract
6. Approve Central Office furniture bid from W.B. Mason in the amount of \$20,448.48
7. Approve Elementary School furniture bid from W.B. Mason in the amount of \$88,463.97
8. Approve Chrome Book bid from SHI International in the amount of \$137,202.00

VIII. NEW BUSINESS

1. First Reading of new textbook

IX. ITEMS FOR NEXT AGENDA

X. ADJOURNMENT

Submitted by,
Albert Vertefeuille, Chair

TO: Superintendents of Schools
School Business Officials
Town Finance Officers

FROM: Kathy Demsey, Chief Financial Officer
Office of Finance and Internal Operations

DATE: May 6, 2016

RE: 2015-16 Education Revenues Update

In our continued effort to keep you better informed of your education revenues and as a follow-up to my February 2, 2016, memo, the following revenues are now considered final:

Education Cost Sharing (ECS)	Transportation
Adult Education	Health Services
Excess Costs	

To access your revenue information, as well as the November 14, 2015, letter that details the prior year adjustments process, please refer to our Web site: <http://www.csde.state.ct.us/public/dgm/grantreports1/RevEstSelect.aspx>

Estimates of state aid to municipalities were provided through the Office of Policy and Management (OPM) in February. With regards to current year's revenue, we strongly recommend that you refer to the above Web site for the most current information. All of the pertinent factors that comprise actual revenue were not available when OPM originally published the estimates.

If you have any questions, please contact Kevin Chambers at Kevin.Chambers@ct.gov or 860-713-6455.

KD:kc

2015-16 Revenues For Selected State Grants

District: 71-Lebanon

Education Cost Sharing (ECS) Grant:

1.	2015-16 ECS Entitlement	5,524,550
2.	2015-16 Alliance Portion	0
3.	2015-16 Net Local ECS Entitlement (Item 1 - Item 2)	5,524,550
4.	2015-16 ECS Reduction from MORE Lapse	6,746
5.	2015-16 Local ECS Entitlement before pya's (Item 3 - Item 4)	5,517,804
6.	2014-15 ECS Prior Year Adjustment	Not Applicable
7.	2014-15 Excess Costs Grant Prior Year Adjustment	-41,283
8.	2015-16 ECS Revenue (Item 5 + Item 6 + Item 7)	5,476,521

Transportation Grant:

1.	2015-16 Public Transportation Entitlement	73,839
2.	2014-15 Public Transportation Prior Year Adjustment	0
3.	2015-16 Public Transportation Revenue (Sum of Items 1 thru 2)	73,839
4.	2015-16 Nonpublic Transportation Entitlement	0
5.	2014-15 Nonpublic Transportation Prior Year Adjustment	0
6.	2015-16 Nonpublic Transportation Revenue (Sum of Items 4 thru 5)	0

Excess Costs Grant

Grant Type I	446,616
Grant Type II	0
Grant Type 3A	0
Grant Type IV	0
Grant Type 3B	0

Adult Education Grant:

1.	2015-16 Adult Education Entitlement	8,069
2.	2014-15 Adult Education Prior Year Adjustment	145
3.	2015-16 Adult Education Revenue (Sum of Items 1 thru 2)	8,214

Health Services Grant:

1.	2015-16 Health Services Entitlement	0
2.	2014-15 Health Services Prior Year Adjustment	0
3.	2015-16 Health Services Revenue (Sum of Items 1 thru 2)	0

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**Summary of 2015-16 Grant Cap Impact
on Public and Nonpublic Transportation,
Adult Education and Health Services**

**Note: These figures reflect entitlements
and may not match the revenue figures provided on the previous page**

District: 71-Lebanon

	Uncapped Entitlement	Capped Entitlement	Entitlement Impact	Percent Impact
Public Transportation	293,404	73,839	-219,565	-74.83
Nonpublic Transportation	0	0	0	0.00
Adult Education	8,686	8,069	-617	-7.10
Health Services	0	0	0	0.00
Grant Type I	575,290	446,616	-128,674	-22.37
Grant Type II	0	0	0	0.00
Grant Type 3A	0	0	0	0.00
Grant Type IV	0	0	0	0.00
Grant Type 3B	0	0	0	0.00

*** Explanation of Grant Types:**

I (C.G.S. 10-76g(b)) - District initiated placements whose cost of special education, related services and room & board exceed 4.5 times the previous year's Net Current Expenditures per Pupil (NCEP).

II (C.G.S. 10-76d(e)(2)) - State agency initiated placements whose cost of special education and related services exceed the previous year's NCEP.

IIIA (C.G.S. 10-76d(e)(3)) - State agency initiated placements who reside on state-owned or leased property or in permanent family residences. Their costs of education and related services are reimbursed in full by the state in the current year.

IV (C.G.S. 10-253(b)) - State agency initiated placements of regular education children in private residential facilities whose costs of regular education and related services exceed the previous year's NCEP.

IIIB (C.G.S. 10-76g(a)(2)) - 100% funding for districts who provide special education to no-nexus children either residing in DCF facilities or placed by a state agency in a private residential facility.

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May 18, 2016

Adopted FY 17 State Budget: Impact on Towns and Cities

Overview

On May 13, 2016, the General Assembly adopted the FY 17 state budget adjustments. The budget calls for municipal aid totaling \$3.32 billion. This equates to an increase of \$84.4 million (2.6%) over estimated FY 16 aid.

	Estimated FY 16	Estimated FY 17	FY 17 v. FY 16 Change:	
			\$	%
Municipal Aid	3,232,940,737	3,317,307,389	84,366,652	2.6%

Please note that this amount includes approximately \$52 million for reimbursement of revenue lost due to the cap on motor vehicles (discussed in more detail below). This is done to remain consistent with the municipal aid amounts provided by the State. Without this reimbursement, municipal aid would be \$3.27 billion, an increase of \$32.4 million (1.0%) versus FY 16.

The House of Representatives did not act upon the bond package passed by the Senate as part of the overall budget. The House may come back later this month to vote on the package. Failure to do so would mean that bond funding the FY 16 - FY 17 biennial budget would remain in effect. Both packages include level funding for LoCIP, Town Aid Road, and Grants for Municipal Projects.

Education Aid

The budget includes education grants totaling \$2.71 billion in FY 17, a decrease of \$68.4 million (2.5%) compared to FY 16. Below are the proposed changes to statewide totals for major education grant programs.

Education Aid	Estimated FY 16	Estimated FY 17	FY 17 v. FY 16 Change:	
			\$	%
Adult Education	20,635,200	20,383,960	(251,240)	-1.2%
After School Program	5,339,104	4,866,695	(472,409)	-8.8%
Bilingual Education	2,971,936	3,164,800	192,864	6.5%
Education Cost Sharing	2,058,215,809	2,037,587,120	(20,628,689)	-1.0%
Excess Cost - Student Based	139,805,731	135,555,731	(4,250,000)	-3.0%
Health Serv for Pupils Private Schools	3,867,750	3,526,579	(341,171)	-8.8%
Interdistrict Cooperation	7,143,243	6,353,391	(789,852)	-11.1%
Magnet Schools	328,419,980	313,058,158	(15,361,822)	-4.7%
Non-Public School Transportation	3,416,985	0	(3,416,985)	-100.0%
OPEN Choice Program	38,219,970	40,258,605	2,038,635	5.3%
Priority School Districts	43,747,208	42,337,171	(1,410,037)	-3.2%
School Breakfast Program	2,378,796	2,225,669	(153,127)	-6.4%
School Readiness	83,094,081	83,399,834	305,753	0.4%
School Readiness Quality Enhancement	4,094,578	4,172,930	78,352	1.9%
Transportation of School Children	23,329,451	0	(23,329,451)	-100.0%
Vocational Agriculture	11,017,600	10,544,937	(472,663)	-4.3%
Young Parents Program	227,928	221,318	(6,610)	-2.9%
Youth Service Bureaus	2,832,798	2,651,516	(181,282)	-6.4%
Total Education Aid	2,778,758,148	2,710,308,414	(68,449,734)	-2.5%

For Alliance Districts that see a reduction in ECS funding, the cut will come from the Alliance portion of the grant.

Minimum Budget Requirement (MBR)

For FY 17, there will be no MBR for school districts that have an “accountability index score” in the top 10 percent of all districts in the state. This allows those districts to reduce their education budget with no restrictions. At this time, CCM does not have a list of the districts that fall into this category.

The MBR for Alliance Districts, or those formally designated as such, equals the prior year’s budgeted appropriation.

The MBR for all other districts is the prior year’s budgeted appropriation plus any ECS increase. If a district is set to receive a reduction in ECS funding in FY 17, it can reduce its MRB by the amount of the reduction.

Additional reductions are allowed for non-Alliance Districts under the following conditions.

- Any district with 20 percent or more of its student population eligible for free or reduced price lunches (FRPL) and a student population as of the October 1 count two years prior that is less than the count for October 1 three years prior, may reduce its budgeted appropriation for education by an amount equal to the difference in the number of resident students for such years multiplied by 50 percent of the net current expenditures per resident student (NCEP) up to a one and one-half percent (1.5%) reduction in the district's budgeted appropriation for education.
- Any district with less than 20 percent of its student population eligible for FRPL and a student population as of the October 1 count two years prior that is less than the count for October 1 three years prior, may reduce its budgeted appropriation for education by an amount equal to the difference in the number of resident students for such years multiplied by 50 percent of the NCEP up to a three percent (3%) reduction in the district's budgeted appropriation for education.
- Any district that does not maintain a high school and pays tuition to another school district and a student population attending high school as of the October 1 count two years prior that is less than the count for October 1 three years prior, may reduce its budgeted appropriation by such difference multiplied by the amount of tuition paid per student.
- Any district that demonstrates new savings through increase district efficiencies or through regional collaboration may reduce its budgeted appropriation for education up to a one-half percent (0.5%).

Non-Education Aid

Non-education grants would total \$607 million in FY 17, an increase of \$152.8 million (33.6%) compared to FY 16. Below are changes to statewide totals for major non-education grant programs.

Non-Education Aid	Estimated FY 16	Estimated FY 17	FY 17 v. FY 16 Change:	
			\$	%
Community Services - Municipality	78,235	70,742	(7,493)	-9.6%
DECD/DOH Tax Abatement	1,118,580	1,078,993	(39,587)	-3.5%
Distressed Municipalities	5,800,000	5,423,986	(376,014)	-6.5%
Housing/Homeless Services - Municipality	638,861	592,893	(45,968)	-7.2%
Human Res. Devel.- Hisp. Prog. - Muni.	5,014	4,719	(295)	-5.9%
Local Capital Improvement Program	30,000,000	30,000,000	0	0.0%
Local and District Departments of Health	4,458,148	4,083,916	(374,232)	-8.4%
Grants for Municipal Projects	60,000,000	60,000,000	0	0.0%
MRSA Motor Vehicle Reimbursement	0	51,943,900	51,943,900	--
MRSA Revenue Sharing	0	75,907,908	75,907,908	--
MRSA Select PILOT	0	44,101,081	44,101,081	--
Pequot-Mohegan Fund	61,779,907	58,076,612	(3,703,295)	-6.0%
PILOT: Colleges & Hospitals	122,919,655	114,950,770	(7,968,885)	-6.5%
PILOT: State-Owned Property	71,356,484	66,730,441	(4,626,043)	-6.5%
Property Tax Relief Elderly Circuit Breaker	20,505,900	19,176,502	(1,329,398)	-6.5%
Property Tax Relief Elderly Freeze Program	120,000	112,221	(7,779)	-6.5%
Property Tax Relief for Veterans	2,970,098	2,777,546	(192,552)	-6.5%
Property Tax-Disability Exemption	400,000	374,065	(25,935)	-6.5%
School Based Health Clinics	11,714,552	11,280,633	(433,919)	-3.7%
Teen Pregnancy Prevention - Municipality	119,984	114,876	(5,108)	-4.3%
Town Aid Road	60,000,000	60,000,000	0	0.0%
Venereal Disease Control	197,171	197,171	0	0.0%
Total Non-Education Aid	454,182,589	606,998,975	152,816,386	33.6%

Grants for Municipal Projects funding must be used for Town Aid Road purposes unless a municipality received a waiver from OPM. As of the date of this publication, towns still have not received their FY 16 allotment for Grants for Municipal Projects. CCM has been told that the State Bond Commission is expected to allocate the funding at its next meeting.

The Municipal Revenue Sharing Account (MRSA) and the programs associated with it are discussed later in this document.

Bond Funding

As mentioned above, the State Senate passed a bonding package for FY 17; however, the House did not act upon the legislation. The following are some of the bond authorizations for FY 17 as stated in current law.

- STEAP grants: \$20 million
- Urban Act: \$50 million
- School construction: \$562.1 million
- Clean Water Fund revenue bonds: \$180 million
- Clean Water Fund GO bonds: \$92.5 million
- Grants for building improvements for Alliance Districts: \$50 million
- Grants for regional dog pounds: \$20 million
- Local Bridge Program: \$10 million
- Recreation and Natural Heritage Trust Program: \$10 million
- Open-space grants: \$8 million
- Transit-oriented development and predevelopment activities: \$8 million
- Responsible Growth Incentive Fund: \$5 million
- Grants for greenways, bikeways, and trails: \$5 million
- Grants for cultural and entertainment-related projects: \$5 million

Should there be any changes to the bonding amounts, CCM will provide an update.

Other Items Impacting FY 17 Municipal Finance

Legislation was adopted as part of the 2015 legislative session that will have significant impact on municipal finance beginning in FY 17. Some details of these items were provided last year. There were changes made to some programs during the 2016 session, and these changes are reflected in the information below.

Payment in Lieu of Taxes (PILOT) Programs

The PILOT programs for state-owned and private college and hospital property will change beginning in FY 20. The reimbursement rates remain the same: 45 percent for state-owned property; 77 percent for college and hospital property; and between 45-100 percent for other qualified property. The changes, however, impact reimbursement rates when appropriations are not sufficient to fully fund the grants.

If a reduction in reimbursement rates is required, no town is scheduled to receive a lower rate starting in FY 20 than it received in FY 15. This would hold all towns harmless at FY 15 levels for the two PILOT programs. For FY 17 through FY 19, however, municipalities could see reimbursements below FY 15 amounts.

Also for FY 17 through FY 19, an additional PILOT grant, MRSA Select PILOT, will be paid to certain municipalities and districts. This payment helps offset some of the lost revenue in those towns given the upcoming changes to PILOT reimbursement.

Beginning in FY 20, the legislation establishes a new method for distributing the grants. It sets minimum reimbursement rates using a tiered system. The system uses three tiers and is based on a municipality's mill rate on real and personal property, other than motor vehicles, and the amount of tax-exempt property it has. The Office of Policy and Management (OPM) will rank each municipality based on its mill rate and the percentage of tax-exempt property on its October 1, 2012, grand list, excluding correctional and juvenile detention facilities.

Municipalities	College & Hospital Property	State - Owned Property
Tier One: 10 municipalities with the highest percentage of tax-exempt property and a mill rate of at least 25	42%	32%
Tier Two: Next 25 municipalities with a mill rate of at least 25	37%	28%
Tier Three: All other municipalities	32%	24%

For qualified property, reimbursement rates will be proportionately reduced, but as mentioned above, the rate cannot be below FY 15 levels.

Beginning in FY 20, OPM will use a new Select PILOT Account within MRSA to fund PILOT grants paid to Tier One and Tier Two municipalities in excess of the reimbursement rates for Tier Three municipalities.

There is also an additional method for reducing PILOT funding when funds in the Select PILOT Account are insufficient. OPM would proportionately reduce the college and hospital PILOT amounts such that the Tier One amounts are ten percentage points greater than payments to Tier Three municipalities, and Tier Two amounts are five percentage points greater than payments to Tier Three municipalities. The system would be the same for the state-owned property PILOT, with the percentages being eight and four percent, respectively.

The changes to PILOT reimbursement rates will also impact the Pequot-Mohegan Fund. Beginning in FY 20, the grant amounts of the Fund tied to the two PILOT programs (\$40.1 million) are scheduled to be what each municipality received in FY 15. The other portions of the Pequot grant are not affected. For FY 17 through FY 19, grant amounts may be lower than FY 15 amounts.

Taxation of “New” Private College and Hospital Property

Real property that a “health system” acquires on or after October 1, 2015, and personal property related to services delivered at the property will be taxable, if that property was taxable at the time of acquisition. This applies to health systems that had, for the 2013 fiscal year, at least \$1.5 billion in net patient revenue from facilities located in the state.

Only Yale New Haven Health Systems and Hartford HealthCare are impacted, and the hospitals included are: Backus Memorial Hospital; Bridgeport Hospital; Greenwich Hospital; Hartford Hospital; Hospital of Central Connecticut; MidState Medical Center; Windham Hospital; and Yale-New Haven.

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A new law expands the types of projects that qualify for fixed property tax assessments to include property improvements used by or on behalf of health systems.

1. For projects over \$3 million, up to 100% of the increased assessment for up to seven years.
2. For projects over \$500,000, up to 100% of the increased assessment for up to two years.
3. For projects over \$10,000, up to 50% of the increased assessment for up to three years.

Residential real property held by or on behalf of a private college that is intended for or used as student housing will be taxable. Residential real property is any house or building rented, leased, or occupied as a home or residence for one or more students. The bill excludes dormitories, which are defined as facilities with at least 20 beds.

The following colleges would not be affected by this change: Connecticut College; Hartford Seminary; Trinity College; Wesleyan University; and portions of Yale University.

This provision begins with the assessment year beginning on October 1, 2015.

Motor Vehicle Mill Rate Cap

Beginning with the October 1, 2015, grand list, there will be a cap on the motor vehicle mill rate (MVMR). The cap will be 37 mills for the 2015 grand list year and 32 mills for each grand list year after that. Any municipality or district may establish a mill rate for motor vehicles that is different from its mill rate for real property.

Special taxing districts and boroughs may not impose a mill rate that, when combined with the municipality's MVMR, would exceed the cap. Municipalities with more than one taxing district are allowed to set a uniform MVMR across the entire municipality.

For municipalities that set their MVMR at 32 mills prior to the effective date of the legislation, their rate must be the lesser of:

1. the rate they set for real and personal property, other than motor vehicles, for the October, 1, 2015, assessment year;
2. the rate they set after the effective date of the legislation that is less than 37 mills; or
3. 37 mills.

For any borough or district that, prior to the bill's effective date, set a MVMR that if combined with the municipality's MVMR would result in 32 mills, the motor vehicle mill rate is the lesser of:

1. a rate that if combined with the municipality's MVMR would result in 37 mills;
2. the rate it previously set for real and personal property, other than motor vehicles, for the October 1, 2015, assessment year; or
3. the rate it sets after the bill's effective date that if combined with the municipality's MVMR is less than 37 mills.

Revenue Sharing in FY 17

For FY 17, the budget creates a new Municipal Revenue Sharing Fund (MRSF). This is funded through an appropriation from the General Fund and will be used to pay two grants.

- The MRSA Revenue Sharing grant is a specific payment to municipalities in FY 17. This grant is essentially a combination of the motor vehicle reimbursement and the sales tax sharing, though amounts have been adjusted versus what was proposed last year.
- The MRSA Select PILOT grant is described above.

Municipal Revenue Sharing Account

The Municipal Revenue Sharing Account (MRSA), which was created in 2012, is to be funded with sales tax revenue (0.5%) beginning on July 1, 2017. It will be used to pay MRSA grants beginning in FY 18.

For FY 18 and FY 19, grants are to be paid in the following order.

1. MRSA Motor Vehicle
2. Grants payable through the MRSA Select PILOT Account
3. MRSA Revenue Sharing
4. \$7 million for regional services grants to COGs

Beginning in FY 20, grants are to be paid in the following order.

1. MRSA Motor Vehicle
2. Grants payable through the MRSA Select PILOT Account
3. \$7 million for regional services grants to COGs
4. MRSA Revenue Sharing

MRSA Motor Vehicle

OPM will distribute grants as reimbursement to municipalities and special taxing districts for revenue lost due to the MVMR cap starting in FY 18. The grant amount will be the difference between the property taxes a municipality and any special taxing district levied on real and personal property, aside from motor vehicles, in the 2013 assessment year and the amount of the levy for that year had the rate been set at the cap (32 mills for FY 18 and beyond).

Payment is to be made by August 1 each fiscal year.

Municipalities must distribute any district portion of the grant to the district within 15 days of receipt.

MRSA Revenue Sharing

In FY 18 and FY 19, OPM will distribute MRSA Revenue Sharing grants to municipalities in amounts established in the budget. Payments are to be made by October 31 each fiscal year.

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In FY 20, MRSA Revenue Sharing grants will be provide using a new formula.

Municipalities with a MVMR below 25

For municipalities with a MVMR below 25 mills, OPM will calculate both per capita and pro rata amounts. A municipality's grant will be the lesser of the two amounts.

The per capita distribution is determined by multiplying the municipality's share of the state's population by the amount of funds available for the revenue-sharing grants.

The pro rata distribution is calculated as follows:

1. A weighted mill rate is determined. This rate is the municipality's FY 15 MVMR divided by the average FY 15 MVMR for all municipalities.
2. The municipality's weighted mill rate is then multiplied by its per capita distribution. The result is called the "municipal weighted mill rate calculation."
3. The municipal weighted mill rate calculation is then divided by the sum of all municipal weighted mill rate calculations and the result is multiplied by the total amount of funds available for the revenue sharing grants.

Municipalities with a MVMR at or above 25

For municipalities with a MVMR at or above 25 mills, OPM will again calculate both per capita and pro rata amounts. A municipality's grant will be the greater of the two amounts, and that amount is then increased by a certain percentage.

The percentage increase is determined as follows:

1. Subtract the total pro rata grant amounts for municipalities below the 25-mill threshold from the total per capita grants for such municipalities; and
2. Divide the difference by the sum of the pro rata and per capita distributions for municipalities at or above the 25-mill threshold.

The budget caps the grant amounts for Hartford at 5.2 percent of the total amount of revenue sharing grants distributed, Bridgeport at 4.5 percent, Stamford at 2.8 percent, and New Haven at 2.0 percent. Any remaining funds will go to other municipalities with a MVMR at or above 25 mills according to the pro rata distribution formula.

Beginning in FY 20, the municipal revenue sharing grants will be distributed twice annually. For sales tax revenue deposited into MRSA from October 1 through June 30, a payment will be made the following October 1. For sales tax revenue deposited into MRSA between July 1 and September 30, a payment will be made on the following January 31.

Municipalities can apply to OPM on or after July 1 for an early distribution. OPM may approve a municipality's request if it finds that the early distribution is needed to address cash flow issues. Early distributions will be made by September 31.

There is a provision in the legislation that allows OPM to proportionately reduce each municipality's revenue sharing grant if MRSA funding is insufficient.

There is also a provision that allows a municipality to disburse any MRSA funds to special taxing districts located in such municipality.

Regional Services Grants

OPM will distribute regional services grants to councils of government (COGs) based on a formula determined by the OPM secretary. Beginning in FY 18, COGs will have to submit a spending plan for the funding to OPM in order to receive a grant.

COGs must use the grants for planning purposes and to achieve efficiencies in delivering municipal services on a regional basis. A COG's members must unanimously approve any grant expenditure.

Beginning in FY 18, COGs must use 35 percent of these funds to help regional education service centers (RESCs) merge their human resource, finance, or technology services with such services provided by municipalities in the region.

COGs are also required, beginning by October 1, 2017, to provide a biennial report to the Planning and Development and Finance, Revenue, and Bonding committees. The report must outline how they have spent the funds and recommendations for modifying them.

Authority to Amend Adopted Municipal Budgets

Municipalities, from the bill's effective date through June 30, 2017, can amend an adopted budget under the following conditions:

- aid to the municipality is reduced below the amount projected for the adopted budget;
- the amended budget does not exceed the amount of the reduced aid; and
- the amended budget is approved in the same manner as the original budget.

This applies to towns, cities, boroughs, consolidated towns and cities, and consolidated towns and boroughs, regardless of any of the following conflicts:

- statutes affecting boards of education, municipalities, and property tax levy and collection;
- special acts; or
- municipal charters or home rule ordinances.

Municipal Spending Cap

Beginning in FY 18, OPM will place a cap on municipal spending. The cap will limit "adopted budget expenditures" to 2.5 percent above the previous year or the rate of inflation rate, whichever is greater. Adopted budget expenditures are defined as expenditures from a municipality's general fund and any non-budgeted funds.

There are several exemptions to the cap.

- Debt service
- Special education
- Expenditures for implementing court orders
- Arbitration awards
- Expenditures related to a major disaster or emergency declaration by the president or issued by the governor under the civil preparedness law
- Any MRSA Revenue Sharing grant distributed to a special taxing district
- Budgeting for an audited deficit
- Non-recurring grants

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- Capital expenditures, defined as nonrecurring capital expenditures of \$100,000 or more
- Payments toward unfunded pension liabilities

OPM will not be allowed to reduce a municipality's grant in any year in which its adopted budget expenditures exceed the cap by an amount proportionate to its population increase over the previous fiscal year, using the most recent Department of Public Health population estimate.

The penalty for exceeding the cap will be 50 cents from the MRSA Revenue Sharing grant for every dollar the municipality spends over the cap. OPM will require each municipality to provide information on whether or not it has exceeded the cap and by how much. This will be done through a form created by OPM.

Municipalities must add language to their tax bills informing taxpayers of the penalty for going over the spending cap. The statement must be in the following form:

"The state will reduce grants to your town if local spending increases by more than 2.5 percent from the previous fiscal year."

Local Option Admission Surcharge

A municipality will be allowed, by ordinance, to impose a surcharge of up to five percent on admission charges to events held at facilities located in the municipality.

The bill prohibits municipalities from imposing the surcharge on the following:

- events from which all proceeds go exclusively to a federally tax-exempt organization, provided that organization actively engages in and assumes the financial risk of presenting the event;
- pari-mutuel or off-track betting facilities already subject to a local admissions tax; and
- additional events or facilities approved by ordinance.

The surcharge applies to:

- tickets;
- licenses;
- skybox/luxury suites;
- club seat rentals or purchases; and
- any other admission charges, including any charges for the right to buy seats.

It covers:

- theaters;
- lecture and concert halls;
- amusement parks and fairgrounds;
- dance halls;
- sporting facilities, such as ballparks, race tracks, tennis courts, golf and miniature golf courses, skating rinks, beaches, swimming pools, and gyms;
- stadiums and amphitheaters;
- convention centers;
- auto, boat, camping, home, dog, and antique shows; and

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- other similar venues and events.

It applies in addition to any other applicable tax (i.e., admissions tax).

The surcharge applies to facilities at which the events take place, and the facility must collect the surcharge from purchasers upon payment. It is also a recoverable debt from the purchaser to the facility.

The same administrative, enforcement, liability, and appeal process requirements established in statute for the local option pari-mutuel or off-track betting facility admissions tax apply to the surcharge.

Regional Tax Base Sharing Program (Optional)

COGs are allowed to establish a property tax base revenue sharing program under which the municipalities can share revenue (up to 20 percent) from growth in their commercial and industrial (C&I) tax base. The program requires unanimous approval from all municipalities within a COG. COGs must decide by August 1, 2016, whether they will participate, and the program would begin in FY 17.

Determining Growth in Commercial and Industrial Tax Base

Participating municipalities would first determine if they have had growth in their C&I tax base. Growth is measured as the difference between the total assessed value of a municipality's C&I property for the current year and the total assessed value of its C&I property for the base year (2013 grand list). Real property located in an enterprise zone would be excluded.

Calculating the Mill Rate

Municipalities that have seen an increase in their C&I tax base would establish a "municipal commercial industrial mill rate." Municipalities that have seen no increase or a decrease in their C&I tax base would use their local mill rates.

The municipal commercial industrial mill rate is determined by a formula that takes into account the average mill rate in the COG ("regional mill rate") and the municipality's mill rate for the following fiscal year.

1. The revenue sharing percentage determined by the COG (20 percent or less) is multiplied by the increase in C&I property and the regional mill rate;
2. One minus the revenue sharing percentage is multiplied by the increase in C&I property and the municipal mill rate for the following fiscal year.
3. The total assessed value of C&I property for the base year is multiplied by the municipal mill rate for the following fiscal year.

The sum of items 1-3 above is then divided by the total assessed value of C&I property in a municipality to determine the municipal commercial industrial mill rate.

Municipal Contribution to the Area-Wide Tax Base

Each participating municipality must submit its revenue sharing payment (i.e., "municipal contribution to the area-wide tax base") by February 1. The amount is the revenue sharing percentage multiplied by the increase in C&I property and the regional mill rate;

Municipal Distribution Index

COGs must distribute the revenue sharing payments according to a formula, the "municipal distribution index." The index uses a municipality's population and its fiscal capacity, which is the value of taxable real and PILOT-eligible property.

The average fiscal capacity in the COG is divided by the municipal fiscal capacity. That ratio is multiplied by a municipality's population to determine the municipal distribution index. The amount distributed to a municipality is the proportion its municipal distribution index has to the total municipal distribution indices in the COG.

Revenue sharing payments can be used for the same purposes as property tax revenue.

Administrative Auditor

Each participating COG must elect an administrative auditor by August 1, 2016, and in subsequent even-numbered years. The auditor will be responsible for collecting and distributing the program revenue.

In the event that a COG's members cannot agree on an auditor (by majority vote), the OPM secretary will appoint one from among the members.

Fixing an Assessment on Improved or Newly Developed Property

The budget allows municipalities to determine the amount and length of a fixed assessment on improved or newly developed property, as long as the assessment does not exceed 10 years.

Also, a fixed assessment for residential projects is limited to those projects with four or more units.

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If you have any questions, please contact George Rafael at grafael@ccm-ct.org or 203-498-3063.

BOARD OF FINANCE
REGULAR MEETING
May 17, 2016 7:00 pm
Town Hall
MINUTES

Members Present: Chairman David Scata, Diane Malozzi, Elizabeth Charron, Meghan Bruce, Kevin Cwikla, Vin Shea (Alternate), Michael Nintean (Alternate)

Members Absent: Philip Johnson, Stephen Salisbury (Alternate)

Also Present: First Selectmen Betsy Petrie, Selectmen Glen Coutu, Finance Director Veronica Calvert, Recording Secretary Laurie Bergeron

A. Call to order – D. Scata called the meeting to order at 7:00 pm. Mike Nintean to sit for Phil Johnson.

B. Presentation by the Lyman Memorial High School Agricultural Issues Team The team introduced themselves to the Board and explained the purpose of their committee. The team is going to competition and wanted to present their debate to the BOF for comment and critique. The team explained the issues of Ag students taking part in programs that are not necessarily handicapable ready. They discussed how many students in the CT AG program that are handicap able students. The concern of the team is that the Ag programs are not as available to handicapable students.

C. Correspondence

a. BOE Expenditure Report

D. Minutes April 19, 2016, Regular Meeting

M. Bruce MOVED to accept the April 19, 2016 regular meeting minutes. D. Malozzi SECONDED. All in Favor – K. Cwikla and M. Nintean abstained

E. Public Comments None

F. Financial Report: Town Monthly Reports for Fiscal Year 2015-2016 Expenditures, Revenues, TIP/SIP, Contingency Balance and Fund Balance

Veronica Calvert shared the monthly reports to the Board. The surplus and deficit totals have been updated as of 4/30/16. Approximately \$54,692 surplus for the end of the year. We are still waiting for the resident state trooper invoice. Anticipate one more invoice for the snow removal contract. DPW will have a need of additional salt. Solid Waste anticipates a surplus of \$11,300. D. Scata asked if there were any other anticipated expenses. Veronica replied that as far as she knows, no. Revenue: doing well compared to what we had collected last year at this time. We did receive an ECS deposit from the state. L. Charron asked if we expected any more from the state for ECS. Veronica replied

that she does not expect any additional deposits. M. Bruce noted that transportation shows uncollected. Veronica replied that we just received the deposit today.

TIP/SIP as of 4/30 tip balance \$45,391, anticipate \$8,500 expense for stove replacement at fire safety complex. SIP balance as of 04/30/2016 is \$96,609. Technology balance is \$66,772, and Athletic Facilities \$34,055.

Contingency: As of 5/17 \$109,500 balance. Fund Balance \$3,870,010. Does not reflect monies deposited for Senior Housing project as the figure is from the last reconciled audit.

Betsy Petrie commented that Department 400 Legal FY 2016 budget has been exceeded. Additional legal funded is needed for contract negotiations that have just begun. Two contracts had not been approved by legal counsel in the past. Town Hall and Public Works employee contracts expire 6/30/16. The First Selectman has retained Shipman and Goodwin attorneys to help with the process. There have been legal issues with the election to the BOE. K. Cwikla asked if the attorneys have been used prior in the contract negotiations. Betsy replied that she believed they had not.

G. New Business

a. Information for BOF: Windham Paramedics and Fire Department (Mark Elliott)

Board of Selectman will process a memorandum of services – will manage account thru finance and the town. Veronica made the board aware that there may be some billings paid in current year from previous year services due to lag time in receiving payments from Medicare and Medicaid. No action required.

b. Discuss a special fund for Board of Education FY 2016 surplus funding

D. Scata was under the understanding that a fund was to be set up attached to certain capital items. Some examples of Surplus Fund Verbiage had been given to the Board to review. L. Charron commented that maybe Coventry gives approval to the Town Council due to fact that they don't have a Board of Finance. L. Charron and D. Scata suggested that a subcommittee be formed – Will consist of D. Scata, M. Bruce and D. Malozzi. They will represent the Board of Finance on the committee. L. Charron suggested that \$27,749 of the projected BOE surplus be used to satisfy the \$27,749 deficit in a Vo Ag fund. This item has shown this deficit for some time and now is the time to take care of it. Al Vertefeuille commented that numerous attempts to receive info on payment from state but no one seems to know anything about it. No action required.

c. Discuss and act on Town FY 2016 surplus funding and capital requests

D. Scata – The balance in contingency surplus is at \$109,500 after approving \$40,000 for the garage site assessment for public works.

L. Charron made a suggestion to reflect in the Amendment column of the Expenditure Report any amounts we have voted on to be moved out of contingency to various accounts. This would include Department 411 for Audit Services for \$10,000 and Department 420 Police Services for \$20,500. After this change, there will be \$85,192 in operating surplus and \$109,500 balance in contingency. . L. Charron had contacted Steven Hopkins, auditor, regarding what the BOF planned

to do with surplus and asked what authority does BOF have to move surplus around without going to Town meeting? State statute states that BOF has the right to move but auditor recommends that we go to Town meeting because this is the voting entity that approved the original budget. He feels we should come up with list of what we want to do with surplus and go to Town meeting and present how we want to shift funds. D. Scata agrees to go to town meeting. Betsy Petrie came up with a priority list and presented to BOF. Fire Safety Complex has \$45,550 remaining in the capital account 220-00-422-2717-0020 that will not be needed for the exhaust system. Would like to use this excess to install new garage doors, passage doors and a portable air cleaning unit for the DPW building. See Attachment A for the breakdown of the needed DPW equipment, Fire Safety Complex equipment, cemetery repairs, and Lebanon Volunteer Fire Department equipment.

L. Charron MOVED to request the Board of Selectman to call a special Town meeting for the purpose of transferring \$99,000 from contingency in fiscal year 2016 to Fund 220 capital non-recurring fund accounts to be used in the following way: \$5,000 - leaf blower; \$45,000 for compact roller; \$5,000 for extendable boom; \$14,000 for four in one clam shell; \$10,000 for cemetery repairs; and \$20,000 for 10,000 gallon water tank for LVFD; and to also reallocate remaining funds from the exhaust system for fire safety complex improvements and DPW fan unit as listed in Attachment A. M. Bruce SECONDED. All In Favor – K. Cwikla inquired if the remaining \$12,880 of the FSC surplus will go back to fund balance. MOTION PASSED

d. Discuss State estimated revenues for the FY 2016-2017 budget

M. Bruce feels that this should be tabled until we are well into fiscal year 2016/2017

D. Scata noted that now that the budget has been passed from the State there is more additional dollars than anticipated in our projection. We should see an increase of 222,078 over what we budgeted for this year. However, everyone agrees that we cannot depend on these revenues actually coming to us.

e. Discuss and act on setting the mil rate for Fiscal Year 2016-2017

L. Charron MOVED to set the mil rate at 28.9 for fiscal year 2016-2017. M. Bruce SECONDED. All in Favor. Motion PASSED

H. Other

L. Charron reported that we have another fund – an old roads and bridges fund with a negative balance \$32,979.00 – The auditor recommended that we take care of. L. Charron MOVED to add to the agenda to consider using LoCIP dollars to take care of the deficit of \$32,979 in account 100-00-000-2292. D. Scata MOVED to add this item to the agenda. K. Cwikla SECONDED – All in Favor

L. Charron MOVED that we authorize Finance Director, Veronica Calvert to apply \$32,979 of LoCIP money to 100-00-000-2292 to offset the deficit and close the fund. M. Bruce SECONDED. All in favor – MOTION PASSED.

I. Adjourn – M. Bruce MOVED to adjourn at 8:39 pm. D. Malozzi SECONDED. All in Favor. MOTION PASSED

Respectfully Submitted,
Laurie J. Bergeron

Please see the minutes of subsequent meetings for the approval of these minutes and any corrections hereto.

Attachment A

<u>Account Number</u>	<u>Description</u>	<u>From</u>	<u>To</u>
100-00-490-5749-0000-0000	Transfers Capital Non Recurring	\$ 99,000	
220-00-430-2799-0030-0000	DPW Leaf blower (attached to skid steer)		\$ 5,000
220-00-430-2791-0030-0000	DPW Compact roller		\$ 45,000
220-00-430-2793-0030-0000	DPW Extendable boom		\$ 5,000
220-00-430-2795-0030-0000	DPW 4 in 1 clam shell		\$ 14,000
220-00-439-2701-0010-0000	Cemetery Repairs		\$ 10,000
220-00-422-2719-0040-0000	LVFD 10,000 gallon water tank		\$ 20,000
			<u>\$ 99,000</u>

<u>Account Number</u>	<u>Description</u>	<u>From</u>	<u>To</u>
220-00-422-2717-0020-0000	LVFD Exhaust system in bays	\$ 32,670	
220-00-426-2711-0040-0000	FSC Garage Doors and Controllers: Advanced Overhead Door		\$ 25,200
220-00-426-2711-0040-0000	FSC Garage Doors and Controllers: Electrical		\$ 400
220-00-426-2713-0040-0000	FSC Passage Doors: Replace 3 doors including hardware		\$ 2,000
220-00-430-2797-0030-0000	Fan Unit for DPW: Air cleaning specialists		\$ 4,300
220-00-430-2797-0030-0000	Fan Unit for DPW: Associated electrical		\$ 770
			<u>\$ 32,670</u>

BOARD OF FINANCE
SPECIAL MEETING
May 26, 2016 6:00 pm
Town Hall
MINUTES

Members Present: Chairman David Scata, Kevin Cwikla, Elizabeth Charron, Michael Nintean (Alternate), Vin Shea (Alternate)

Members Absent: Meghan Bruce, Philip Johnson, Diane Malozzi, and Stephen Salisbury (Alternate)

Also Present: Finance Director Veronica Calvert, Recording Secretary Laurie Bergeron

A. Call to order – D. Scata called the meeting to order at 6:00 pm – V. Shea will sit for P. Johnson and M. Nintean will sit for M. Bruce

B. New Business

a. Discuss and act on requesting the Board of Selectmen schedule a special town meeting to:

i. **Authorize the transfer of remaining unspent appropriation in the amount of \$72,023 from Fund 220 Capital Account 220-00-430-2711-0030-0000 (Taylor Bridge Road Bridge over Bartlett) to Fund 220 Capital Account 220-00-492-2701-0060-0000 (Capital Contingency)** – K. Cwikla MOVED to request the Board of Selectmen to call a special town meeting for the purposes of transferring the remaining unspent appropriation in the amount of \$72,023 from Fund 220 Capital Account 220-00-430-2711-0030-0000(Taylor Bridge Road Bridge over Bartlett) to Fund 220 Capital Account 220-00-492-2701-0060-000 (Capital Contingency). V. Shea SECONDED. All in Favor. Motion Passed

ii. **Authorize the transfer of \$32,979.17 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in roads and bridges in account 100-00-000-2292-0000.** L. Charron MOVED to request the Board of Selectmen to call a special town meeting for the purposes of authorizing the transfer of \$32,979.17 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in roads and bridges in account 100-00-000-2292-0000. K. Cwikla SECONDED. All in Favor. Motion Passed

- iii. **Authorize the transfer of \$1,893.62 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in senior center construction, account 217-00-000-4301-0000.** V. Shea MOVED to request the Board of Selectmen to call a special town meeting for the purposes of transferring \$1,893.62 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in senior center construction, account 217-00-000-4301-0000. L. Charron SECONDED. All in Favor. Motion Passed
- iv. **Authorize the transfer of remaining unspent appropriation in the amount of \$11,640.78 account number 100-00-000-2298-0000-0000, Fire Safety Complex construction, to General Fund Balance, 100-00-490-5751-0000-0000.** M. Ninteau MOVED to request the Board of Selectmen to call a special town meeting for the purposes of authorizing the transfer of remaining unspent appropriation in the amount of \$11,640.78 account number 100-00-000-2298-0000-0000, Fire Safety Complex construction, to General Fund Balance, 100-00-490-5751-0000-0000. K. Cwikla SECONDED. All in Favor. Motion Passed
- v. **Authorize the movement of budget dollars in the amount of \$27,749.00 from Account 100-00-490- 5492-0000-0000 BOE Expenses to Account 100-00-490-5751-0000-0000 Transfers – Miscellaneous.** No authorization needed.
- vi. **Authorize the transfer of \$27,749.00 from Account 100-00-490-5751-0000-0000 Transfers – Miscellaneous to Account 100-00-000-2289-0000-0000 Vo Ag Equipment to close the grant liability account.** No authorization needed.
- vii. **Authorize expenditures in Account 100-00-445-5301-0000 for \$589.00 and in Account 100-00-445- 5210-0000 for \$38.71 be transferred to Account 100-00-000-2257-0000-0000 State and Drug Abuse grant to close the grant liability account.** K. Cwikla MOVED to request the Board of Selectmen to call a special town meeting for the purposes of authorizing expenditures in Account 100-00-445-5301-0000 for \$589.00 and in Account 100-00-445-5210-0000 for \$38.71 to be transferred to Account 100-00-000-2257-0000-0000 State and Drug Abuse grant to close the grant liability account. L. Charron SECONDED. All in Favor. Motion Passed.

C. Adjourn

L. Charron MOVED to adjourn at 6:07 pm. K. Cwikla SECONDED All in Favor. Motion Passed

Respectfully Submitted,
Laurie J. Bergeron

Please see the minutes of subsequent meetings for the approval of these minutes and any corrections hereto.

**LEGAL NOTICE
TOWN OF LEBANON
SPECIAL TOWN MEETING**

Pursuant to Connecticut General Statutes Section 7-1, et seq., public notice is hereby given to the Electors and those qualified to vote at town meetings of the Town of Lebanon that a Special Town Meeting will be held on Monday, June 20, 2016 at 7:30 P.M. at the Fire Safety Complex, 23 Goshen Hill Road, Lebanon, Connecticut, to consider and act upon the following:

1. A Revised Ordinance for Municipal Building Permit Fees for the Building Department in the Town of Lebanon.
2. Authorizing the transfer of \$99,000 from Account 100-00-490-5741-0000-0000 Contingency to Account 100-00-490-5749-0000-0000 Capital Non-Recurring to Fund 220 Capital Accounts for DPW leaf blower in the amount of \$5,000; DPW compact roller in the amount of \$45,000; DPW extendable boom in the amount of \$5,000; DPW 4 in 1 clam shell in the amount of \$14,000; Cemetery repairs in the amount of \$10,000; and Lebanon Volunteer Fire Department 10,000 gallon water tank in the amount of \$20,000.
3. Authorizing the transfer of remaining unspent appropriations in the amount of \$32,670 from Fund 220 Capital Account 220-00-422-2717-0020-0000 to Fund 220 Capital Accounts for Fire Safety Complex Garage Doors and Controllers in the amount of \$25,600; Fire Safety Complex Passage Doors in the amount of \$2,000; and DPW fan unit in the amount of \$5,070.
4. Authorizing the transfer of remaining unspent appropriation in the amount of \$72,023 from Fund 220 Capital Account 220-00-430-2711-0030-0000 (Taylor Bridge Road Bridge over Bartlett) to Fund 220 Capital Account 220-00-492-2701-0060-0000 (Capital Contingency).
5. Authorizing the transfer of \$32,979.17 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in roads and bridges in account 100-00-000-2292-0000.
6. Authorizing the transfer of \$1,893.62 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in senior center construction, account 217-00-000-4301-0000.
7. Authorizing the transfer of remaining unspent appropriation in the amount of \$11,640.78 account number 100-00-000-2298-0000-0000, Fire Safety Complex construction, to General Fund Balance, 100-00-490-5751-0000-0000.
8. Authorizing expenditures in Account 100-00-445-5301-0000 for \$589.00 and in Account 100-00-445- 5210-0000 for \$38.71 be transferred to Account 100-00-000-2257-0000-0000 State and Drug Abuse grant to close the grant liability account.

Dated at Lebanon, Connecticut this 7th day of June, 2016.

Lebanon Board of Selectmen

First Selectman Betsy Petrie _____

Selectman Glen Coutu _____

Selectman John A. Bendoraitis, Jr. _____

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Town of Lebanon		Board of Finance		Monthly Expenditure Report		As of 05/31/2016		Account Number / Description		Adopted Budget		Amendments		Reported Period		Amount		Percent		Notes		Surplus		Deficit	
		07/01/2015-		06/30/2016		07/01/2015-		06/30/2016		07/01/2015-		06/30/2016		07/01/2015-		5/31/2016									
400	LEGAL COUNSEL	\$20,500	\$0	\$34,113	(\$13,613)	-66%	BOF 12/15/2015: BOS informed BOF of overexpenditure in legal, approx. \$32K as of 04/30/2016 which includes add'l dollars for contract negotiations, library, senior housing, Adams trust, charter, and election results.	\$	\$ 32,000																
401	SELECTMEN	\$131,021	\$0	\$109,498	\$21,523	16%																			
402	ELECTIONS	\$36,552	\$0	\$29,864	\$6,688	18%	BOF 12/15/2015: Registrar informed BOF of new training requirement																		
403	PROBATE COURT	\$2,017	\$0	\$2,017	\$0	0%																			
405	BOARD OF FINANCE	\$2,600	\$0	\$1,760	\$840	32%																			
406	FINANCE OFFICE	\$149,060	\$0	\$108,056	\$41,004	28%	Estimated surplus \$14,100 as of 04/30/2016	\$	14,100																
407	TAX COLLECTOR	\$101,075	\$0	\$66,254	\$34,821	34%	Add'l funding for temporary Tax Collector's office coverage covered until June 30, 2016. Estimated surplus \$15,750 as of 04/30/2016	\$	15,750																
408	BD ASSESSMENT	\$1,000	\$0	\$827	\$173	17%																			
409	TOWN CLERK	\$95,893	\$0	\$83,460	\$12,433	13%																			
410	ASSESSOR	\$71,720	\$0	\$61,200	\$10,520	15%																			
411	AUDITOR	\$15,500	\$10,000	\$27,950	(\$2,450)	-16%	BOF 08/18/2015: Authorized add'l \$10,000 for new audit contract from Contingency; BOF: 02/16/2016 add'l \$2,450 needed for final audit invoice.	\$	2,450																
412	TOWN REPORT	\$1,000	\$0	\$953	\$47	5%	Annual Report distributed at the annual town meeting.																		
415	COMPUTER SERVICE	\$103,763	\$0	\$99,599	\$4,164	4%	Invoices paid: \$14,265.30 tax collector Quality Data; \$11,004.09 Twn Clerk Cott; \$22,612.50 Assessor Quality Data; \$13,917.00 Walker computer support as of 01/31/15; over-expenditure \$6,500 (\$1,000 Twn Clk Cott Sys; \$5,512 Assessor Vision)	\$	6,500																
417	TOWN HALL	\$74,560	\$0	\$62,269	\$12,291	16%																			

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Town of Lebanon		Adopted Budget	Amendments	Reported Period	Amount	Percent	Notes	Surplus	Deficit
Board of Finance		07/01/2015-	07/01/2015-	07/01/2015-	Remaining	Remaining			
Monthly Expenditure Report		06/30/2016	06/30/2016	5/31/2016	5/31/2016	5/31/2016			
As of 05/31/2016									
Account Number / Description									
418 INSURANCE	\$186,125	\$0	\$162,182	\$23,943	13%	CIRMA Property, Auto, Liability; Workers Comp 1st, 2nd, 3rd, 4th quarter invoices paid; estimated surplus of \$18K as of 04/30/2016	\$ 18,000		
420 POLICE SERVICES	\$195,870	\$20,500	\$71,053	\$145,317	74%	BOF 08/18/2015: Authorized add'l \$20,500 for RST salary and benefits from Contingency. Invoice received from State Police for Resident Trooper's salary on 6/6/2016 for \$123,204.05.	\$		
422 VOLUNTEER FIRE DEPT	\$175,000	\$0	\$175,000	\$0	0%				
423 FIRE MARSHALL	\$21,780	\$0	\$14,221	\$7,559	35%				
424 BURNING OFFICIALS	\$3,250	\$0	\$855	\$2,395	74%				
425 BUILDING DEPT	\$23,641	\$0	\$20,696	\$2,945	12%				
426 FIRE SAFETY COMPLEX	\$33,400	\$0	\$21,937	\$11,463	34%				
429 TREE WARDEN	\$185	\$0	\$70	\$115	62%				
430 DEPT PUBLIC WORKS	\$796,341	\$0	\$623,149	\$173,192	22%				
431 BLDGS & GROUNDS	\$107,262	\$0	\$87,229	\$20,033	19%				
433 SNOW REMOVAL	\$200,000	\$0	\$188,333	\$11,667	6%	Anticipate payment in June of one more invoice from Pond View for \$7,200; need balance of \$4,467 for additional sand as of 04/30/16			
434 STREETS LIGHTS	\$2,350	\$0	\$1,972	\$378	16%				
436 SOLID WASTE	\$188,604	\$0	\$147,706	\$40,898	22%	04/21/16 D Roberts identified a surplus of \$11,300	\$ 11,300		
437 WATER POLLUTION CONTROL	\$6,730	\$0	\$2,228	\$4,502	67%				
439 CEMETERY COMMISSION	\$13,364	\$0	\$8,911	\$4,453	33%				
441 HEALTH DEPARTMENT	\$47,428	\$0	\$47,486	(\$58)	0%	Three Uncas Health District 4 invoices paid as of 04/30/16; projected over-expenditure \$58.03	\$ 58		
443 PUBLIC HEALTH NURSE	\$1,000	\$0	\$0	\$1,000	100%				

Town of Lebanon		Adopted Budget	Amendments	Reported Period	Amount Remaining	Percent Remaining	Notes	Surplus	Deficit
Board of Finance		07/01/2015-	07/01/2015-	07/01/2015-	07/01/2015-	07/01/2015-			
Monthly Expenditure Report		06/30/2016	06/30/2016	5/31/2016	5/31/2016	5/31/2016			
As of 05/31/2016									
Account Number / Description									
445 HUMAN SERVICES	\$19,770	\$0	\$16,685	\$3,085	16%				
446 WCMH PARAMEDIC PROGRAM	\$41,285	\$0	\$24,050	\$17,235	42%	No surplus anticipated for FY 2016. Change in billing for service calls is creating lag time for receiving invoices.			
448 UNITED SERVICES	\$5,252	\$0	\$5,252	\$0	0%				
449 SWITCHBOARD	\$69,350	\$0	\$19,300	\$50,050	72%	Projected surplus for FY 2016 is \$50,050. FY 16 budget built on paying an early withdrawal penalty to KX Dispatch which did not materialize. \$ 50,050			
455 SPECIAL EVENTS	\$1,000	\$0	\$591	\$409	41%				
458 SENIOR CENTER	\$77,545	\$0	\$61,661	\$15,884	20%				
461 PLANNING & ZONING	\$137,823	\$0	\$116,050	\$21,773	16%	BOF 07/21/2015: Authorized over expenditure of \$2,000 for clerical support for building/land use activities.	\$ 2,000		
464 ZBA	\$5,060	\$0	\$2,798	\$2,262	45%				
465 ECONOMIC DEVELOPMENT	\$2,000	\$0	\$380	\$1,620	81%				
467 INLAND WETLANDS	\$2,000	\$0	\$1,868	\$132	7%				
469 CONSERVATION COMMISSION	\$250	\$0	\$148	\$102	41%				
480 FRINGE BENEFITS	\$581,064	\$0	\$458,776	\$122,288	21%	Estimated surplus \$19,000 as of 04/30/2016 \$ 19,000			
SUBTOTAL FOR TOWN	\$3,750,990	\$30,500	\$2,968,407	\$813,083					
490 TRANSFERS	\$21,194,721	\$0	\$16,976,673	\$4,218,048	20%				
GRAND TOTAL	\$24,945,711	\$30,500	\$19,945,080	\$5,031,131	20%		\$ 128,200	\$ 43,008	\$ 85,192

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TOWN OF LEBANON									
YEAR TO DATE REVENUES FOR FY 2016									
AS OF 05/31/2016									
TRIAL BALANCE									
Account Number / Description	FY 2016 Approved Budget	FY 2016 Budget Actuals	FY 2016 Difference Budget vs Actuals	FY 2016 Percent Collected	FY 2016 State Revised Revenues				
	07/01/2015-06/30/2016	07/01/2015-05/31/2016	07/01/2015-05/31/2016	05/31/2016	as of 06/15/2016				
100 GENERAL FUND									
100-00-000-4300-0000-0000 EDUCATION COST SHARING (State)	\$5,524,550	\$5,476,521	(\$48,029)	0.9%	\$5,476,521				
100-00-000-4301-0000-0000 ARRA ECS REVENUE	\$0	\$0	\$0	0.0%					
Subtotal	\$5,524,550	\$5,476,521	(\$48,029)	0.9%					
100-00-000-4304-0000-0000 TRANSPORTATION (State)	\$91,780	\$73,839	(\$17,941)	19.5%					
100-00-000-4306-0000-0000 VOCATIONAL AGRICULTURAL (State)	\$293,544	\$281,963	(\$11,581)	3.9%					
100-00-000-4308-0000-0000 CONSTRUCTION PRINCIPAL	\$0	\$0	\$0	0.0%					
100-00-000-4310-0000-0000 CONSTRUCTION INTEREST	\$0	\$0	\$0	0.0%					
100-00-000-4315-0000-0000 SPORTS LICENSE - TOWN	\$0	\$134	\$134	0.0%					
100-00-000-4316-0000-0000 MARRIAGE LICENSE- TOWN	\$0	\$275	\$275	0.0%					
100-00-000-4317-0000-0000 OTHER REVENUE- TOWN CLERK	\$0	\$258	\$258	0.0%					
100-00-000-4317-0001-0000 MERS GENERAL - TOWN CLERK	\$0	\$8,405	\$8,405	0.0%					
100-00-000-4317-0002-0000 MERS EXCEPTION- TOWN CLERK	\$0	\$2,496	\$2,496	0.0%					
100-00-000-4318-0000-0000 CONVEYANCE TAX - TOWN	\$0	\$58,569	\$58,569	0.0%					
100-00-000-4319-0000-0000 DOG LIC TOWN CLERK FEES	\$0	\$136	\$136	0.0%					
100-00-000-4320-0000-0000 BOATS	\$0	\$0	\$0	0.0%					
100-00-000-4321-0000-0000 BURIAL PERMITS - TOWN CLK	\$0	\$57	\$57	0.0%					
100-00-000-4322-0000-0000 IN LIEU OF TAXES (State)	\$28,014	\$0	(\$28,014)	100.0%					
100-00-000-4323-0000-0000 CERTIFIED COPY VITAL RECORDS	\$0	\$4,555	\$4,555	0.0%					
100-00-000-4324-0000-0000 CIRCUIT BREAKER (State)	\$31,000	\$32,940	\$1,940	0.0%					
100-00-000-4325-0000-0000 DOG LIC - TOWN PORTION ACO	\$0	\$0	\$0	0.0%					
100-00-000-4327-0000-0000 CERTIFICATIONS - TOWN CLERK	\$0	\$124	\$124	0.0%					
100-00-000-4328-0000-0000 ADD VETS EXEMPT (State)	\$3,200	\$4,658	\$1,458	0.0%					
100-00-000-4329-0000-0000 MUNICIPAL REVENUE SHARING (State)	\$30,427	\$0	(\$30,427)	100.0%					
100-00-000-4330-0000-0000 DISABLED (State)	\$700	\$797	\$97	0.0%					
100-00-000-4340-0000-0000 TOWN AID ROADS (State)	\$317,096	\$318,154	\$1,058	0.0%					
100-00-000-4342-0000-0000 MASH-PEQUOT (State)	\$37,612	\$23,445	(\$14,167)	37.7%					
100-00-000-4350-0000-0000 MISC - STATE OF CONN.	\$0	\$0	\$0	0.0%					
100-00-000-4331-0000-0000 NPU WATER STORAGE	\$35,000	\$50,220	\$15,220	0.0%					
100-00-000-4360-0000-0000 UTILITIES DIRECT PILOT	\$30,000	\$29,539	(\$461)	1.5%					

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TOWN OF LEBANON
YEAR TO DATE REVENUES FOR FY 2016
AS OF 05/31/2016
TRIAL BALANCE

Account Number / Description	FY 2016 Approved Budget	FY 2016 Actuals	FY 2016 Difference Budget vs Actuals	FY 2016 Percent Not Collected	FY 2016 State Revised Revenues for State Grants as of 06/15/2016
100-00-000-4361-0000-0000 INTEREST TAXES	\$135,000	\$145,878	\$10,878	0.0%	
100-00-000-4362-0000-0000 LIEN FEES	\$3,800	\$9,497	\$5,697	0.0%	
100-00-000-4363-0000-0000 SUSPENSE BOOK	\$8,000	\$7,962	(\$38)	0.5%	
100-00-000-4365-0000-0000 MISC SELECTMAN	\$3,500	\$12,400	\$8,900	0.0%	
100-00-000-4366-0000-0000 TOWN CLERK FEES (Town Clerk)	\$6,000		(\$6,000)	100.0%	
100-00-000-4367-0000-0000 LAND RECORD FEES (Town Clerk)	\$70,000	\$19,129	(\$50,871)	72.7%	
100-00-000-4368-0000-0000 COPIES (Town Clerk)	\$7,000	\$7,454	\$454	0.0%	
100-00-000-4369-0000-0000 BOOKS AND ORDINANCES (Town Clerk)	\$100	\$0	(\$100)	100.0%	
100-00-000-4370-0000-0000 FILING MAPS (Town Clerk)	\$200	\$120	(\$80)	40.0%	
100-00-000-4371-0000-0000 ASSESSORS	\$550	\$434	(\$116)	21.1%	
100-00-000-4372-0000-0000 INSURANCE REIMBURSEMENTS	\$0	\$0	\$0	0.0%	
100-00-000-4373-0000-0000 POLICE	\$3,000	\$3,981	\$981	0.0%	
100-00-000-4374-0000-0000 FIRE MARSHAL	\$1,000	\$1,475	\$475	0.0%	
100-00-000-4375-0000-0000 BUILDING FEES	\$50,000	\$89,727	\$39,727	0.0%	
100-00-000-4376-0000-0000 FIRE SAFETY	\$1,000	\$650	(\$350)	35.0%	
100-00-000-4377-0000-0000 SOLID WASTE FACILITY	\$115,000	\$98,721	(\$16,279)	14.2%	
100-00-000-4378-0000-0000 SEXTON FEES	\$7,500	\$9,000	\$1,500	0.0%	
100-00-000-4380-0000-0000 PZC FEES	\$5,000	\$4,725	(\$275)	5.5%	
100-00-000-4381-0000-0000 ZBA FEES	\$2,500	\$1,200	(\$1,300)	52.0%	
100-00-000-4382-0000-0000 IWC FEES	\$1,500	\$918	(\$582)	38.8%	
100-00-000-4383-0000-0000 BOARD OF ED MISC REVENUE	\$0	\$0	\$0	0.0%	
100-00-000-4384-0000-0000 SCHOOL TUITION	\$604,068	\$624,198	\$20,130	0.0%	
100-00-000-4385-0000-0000 INVESTMENT INCOME	\$12,000	\$20,436	\$8,436	0.0%	
100-00-000-4389-0000-0000 TOWN MISC REVENUE	\$31,000	\$4,745	(\$26,255)	84.7%	
100-00-000-4390-0000-0000 SALE OF ASSETS	\$0	\$100,000	\$100,000	0.0%	
100-00-000-4391-0000-0000 TOWN DEPOSIT	\$0	\$0	\$0	0.0%	
100-00-000-4392-0000-0000 LOCAL SCHOOL	\$0	\$3	\$3	0.0%	
100-00-000-4393-0000-0000 SCHOOL PRIZES	\$0	\$0	\$0	0.0%	
100-00-000-4394-0000-0000 CARE CEMETERY	\$0	\$0	\$0	0.0%	
100-00-000-4395-0000-0000 LYMAN FUND	\$0	\$0	\$0	0.0%	
100-05-420-4350-0000-0000 MISC. STATE GRANTS	\$0	\$0	\$0	0.0%	
TOTAL	\$7,490,641	\$7,529,736	\$39,095	0.0%	\$ 7,151,411
					3.9%

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Town of Lebanon

TIP Report as of 05/31/2016

Trial Balance

Account Number	Class	Description	Expenditure
208-00-510-5100-0000-0000 BUILDINGS & GROUNDS			
Posting Date			
07/30/2015	ED'S REFRIGERATION	Fire Safety Complex	\$ 183.75
07/30/2015	HARRISON CRECRETE LLC	Town Hall Handicap Ramp	\$ 8,215.00
08/11/2015	HARRISON CRECRETE LLC	Town Hall exterior sidewalk and stairs repair	\$ 3,300.00
08/11/2015	MOORE SUPPLIES	Animal Control door	\$ 221.95
08/17/2015	OCEAN STATE	Town Hall conference room air conditioner	\$ 264.81
08/26/2015	COLCHESTER COMMUNICATION	Town Hall office relocations	\$ 213.75
09/01/2015	COLCHESTER COMMUNICATIONS	Town Hall office relocations	\$ 271.20
09/22/2015	TRANSFER ENTERPRISES	Town Hall office relocations	\$ 759.05
09/22/2015	TRANSFER ENTERPRISES	Town Hall office relocations	\$ 470.25
09/01/2015	HOME DEPOT	Town Hall office relocations	\$ 640.06
09/08/2015	OVERHEAD DOOR CO.	Fire Safety Complex overhead door repairs	\$ 1,030.00
09/08/2015	OVERHEAD DOOR CO.	Fire Safety Complex overhead door repairs	\$ 40.00
09/10/2015	LINCOLN DOOR	Senior Center replacement door	\$ 3,220.00
10/27/2015	SYLVIA ENGR & WELDING	Town Hall repair of hand railings	\$ 984.40
12/02/2015	NEW ENGLAND MECHANICAL	Fire Safety Complex furnace repair	\$ 272.00
12/02/2015	NEW ENGLAND MECHANICAL	Fire Safety Complex boiler controller repair	\$ 373.00
12/02/2015	W B MASON	Assessor's office furniture	\$ 86.58
12/14/2015	EMCOR SERVICES	DPW repair to propane furnace at town garage	\$ 396.57
12/14/2015	CARBONI PLUMBING	Community Ctr repair toilet, blockage, reset	\$ 186.04
12/16/2015	SERVICE STATION EQUIPMENT	DPW repair to Fuel Master System	\$ 532.46
12/17/2015	GENALCO INC.	DPW sander rack sling, link grab hook slip hook	\$ 1,064.03
12/17/2015	GENALCO INC.	DPW sander rack sling, link grab hook slip hook	\$ 15.54
12/24/2015	STAR SUPPLY CO	Senior Center thermostat replacement	\$ 233.33
01/14/2015	HARRISON CONCRETE LLC	Regional Animal Pound	\$ 650.00
01/19/2016	EMCOR SERVICES	Library heater emergency repair- pressure switch	\$ 518.70
01/28/2016	FENCE MAN	Animal Control outside enclosure fence	\$ 1,250.00
03/08/2016	EMCOR SERVICES	Fire Safety Complex furnace repair	\$ 377.82
03/08/2016	EMCOR SERVICES	Fire Safety Complex furnace repair	\$ 221.50
03/08/2016	CARBONI PLUMBING	Animal Control hot water line to kennel	\$ 280.29
03/08/2016	CARBONI PLUMBING	Animal Control repiped dog pound	\$ 1,290.13

Town of Lebanon

TIP Report as of 05/31/2016

Trial Balance

Account Number	Class	Description	Expenditure
03/09/2016	NICHOLS ELECTRIC	DPW garage pressure washer circuit	\$ 698.00
03/09/2016	EMCOR SERVICES	Fire Safety Complex boiler and water heater repair	\$ 120.50
05/05/2016	ALL WASHED UP	Town Hall painting of exterior wood 50% paid	\$ 1,639.00
05/10/2016	COLUMBIA GLASS	Town Hall repair to entrance door	\$ 650.00
208-00-620-6200-0000-0000	FURNITURE, FIXTURE, EQUIPMENT		
Posting Date			
07/01/2015	WALKER GROUP	Server, Office 365, Cloud	\$ 22,280.91
07/01/2015	WALKER GROUP	Server, Office 365, Cloud	\$ 1,299.00
07/01/2015	WALKER GROUP	Server, Office 365, Cloud	\$ 9,350.00
09/21/2015	STAPLES	Office 365 conversion Wd My Pssprt Ultr-500GB	\$ 49.95
07/23/2015	STAPLES	Library chair	\$ 149.99
07/23/2015	BIBLIOMATION	Library Ethernet	\$ 210.00
07/27/2015	QUASAR INTERNET	Town Website Redesign (50% payment)	\$ 750.00
08/06/2015	HOME DEPOT	Replace freezer for Fire Safety Complex	\$ 169.00
09/21/2015	ERGONOMIC GROUP	DPW computer part	\$ 70.00
09/28/2015	ERGONOMIC GROUP	DPW HP Zbook Mobile Workstation	\$ 1,045.00
09/28/2015	ERGONOMIC GROUP	DPW HP LED Monitor (2)	\$ 450.00
09/28/2015	ERGONOMIC GROUP	Selectmen HP LED Monitor (1)	\$ 225.00
10/23/2015	TRANSFER ENTERPRISES	Town Hall office furniture	\$ 118.00
11/05/2015	WALKER GROUP	Town Website Redesign (2nd payment)	\$ 750.00
11/17/2015	WALKER GROUP	Server Project, extra hours for installation	\$ 2,128.25
11/23/2015	WALKER GROUP	Four AP2308; HiveManager (software/portal access)	\$ 3,619.25
12/02/2015	ERGONOMIC GROUP	Building Dept HP LED Monitor	\$ 225.00
12/02/2015	COLCHESTER COMMUNICATINS	Sexton's phone	\$ 393.65
12/14/2015	GRAINGER	DPW air compressor	\$ 1,902.92
12/14/2015	GRAINGER	DPWelement intake filter for air compressor	\$ 55.84
12/14/2015	WINSUPPLY WILLIMANTIC	DPW Blk S40 stl nip for air compressor	\$ 2.54
12/17/2015	WALKER GROUP	Server Project, extra hours for installation	\$ 1,451.25
01/29/2016	SCHILLERS	Library vacuum	\$ 549.95
02/04/2016	WALKER GROUP	Town Hall Wireless aerohive wireless solution	\$ 775.00
02/11/2016	WILLIMANTIC AUTO SUPPLY	DPW 10 ton service jack	\$ 1,149.00
03/08/2016	PIELA ELECTRIC	Fire Safety Complex Motor-Deloran Cook 700 Series	\$ 194.64
03/09/2016	STAPLES	Town Clerk USB splitter & 8 port netgear	\$ 97.82

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Town of Lebanon
TIP Report as of 05/31/2016
Trial Balance

Account Number	Class	Description	Expenditure
03/22/2016	ERGONOMIC GROUP	Finance Laptop	\$ 727.00
03/31/2016	WALKER GROUP Adjustment	Server Project, extra hours for installation	\$ (1,673.31)
04/06/2016	COLCHESTER COMMUNICATION	Town Hall repair of two telephone sets	\$ 118.75
		Total FY 16 Expenses as of 05/31/2016	\$ 79,304.11
		Fund Balance as of 05/31/2016	\$ 43,102.85

Town of Lebanon
TIP Report as of 05/31/2016
Trial Balance

Account Number	Class	Description	Expenditure
		Projects > \$5,000.00 (BOF approval)	
		Server, Office 365, Cloud	\$ 35,000.00
		Walker Group	\$ (22,280.91)
		Walker Group	\$ (1,299.00)
		Walker Group	\$ (9,350.00)
		Staples	\$ (49.95)
		Walker Group Adjustment	\$ 1,673.31
		Walker Group	\$ (2,128.25)
		Walker Group Invoice #71188	\$ (1,784.00)
		Balance	\$ (218.80)
		Town Hall ramp	\$ 10,000.00
		Harrison Concrete, LLC	\$ (8,215.00)
		Balance	\$ -
		Balance	\$ 1,785.00
		Senior Center replacement exterior door	\$ 6,500.00
		Lincoln Door (paid in FY 2015)	\$ (3,220.00)
		Lincoln Door	\$ (3,220.00)
		Balance	\$ -
		Balance	\$ 60.00
		DPW Air Compressor 10/06/2015	\$ 2,000.00
		Grainger air compressor	\$ (1,902.92)
		Grainger element intake filter	\$ (55.84)
		Winsupply Willimantic blk S40 stl nip	\$ (2.54)
		Balance	\$ 38.70
		FSC Stove Replacement Nov 2014 FY 2015	\$ 8,500.00
		FSC replace stove Pymt #1 VOIDED \$2,468.60	\$ -
		FSC replace stove Pymt #2 VOIDED \$4,937.18	\$ -
		FSC replace stove Pymt #3 VOIDED \$822.85	\$ -
		Balance	\$ 8,500.00

Town of Lebanon Trial Balance

Report # 29846

Account Groups: (First) - (Last)
 Accounts: 220-00-490-2735-0050-0000 -
 220-00-490-2755-0050-0000
 Dates: 07/01/2015 - 05/31/2016
 Book Type: Actual
 Sort By: Account Number
 Detail Option: Full Detail
 Include Zero Activity Accounts: Nc
 Subtotal First Account Segment: Nc
 Select Accounts Utility: Nc

Account Number	Description	Class	Beginning Balance	Total Debits	Total Credits	Net Change	Ending Balance
220-00-490-2735-0050-0000	School Improvement Plan (SIP)	Liability	(105,279.99)	158,670.34	150,000.00	8,670.34	(96,609.65)
		Reference		Debit Amount	Credit Amount		
08/11/2015	General Journal	FY 16 Capital trf fr General Fund		0.00	150,000.00		
09/22/2015	Voucher	LHS FIRE ALAR 2676		33,316.67	0.00		
10/20/2015	Voucher	1119 LMS PARK 5092		17,650.00	0.00		
12/02/2015	Voucher	9375 LHS AUDIT 4702		60,237.00	0.00		
01/13/2016	Voucher	1128 NORTHWAL5092		12,500.00	0.00		
02/11/2016	Voucher	1146 5092		1,650.00	0.00		
03/09/2016	Voucher	9429 LHS FIRE 2676		33,316.67	0.00		
		Account 220-00-490-2735-0050-0000 Totals:		\$158,670.34	\$150,000.00		
220-00-490-2745-0050-0000	Technology	Liability	(20,140.29)	48,118.57	90,000.00	(41,881.43)	(62,021.72)
		Reference		Debit Amount	Credit Amount		
08/11/2015	General Journal	FY 16 Capital trf fr General Fund		0.00	90,000.00		
01/13/2016	Voucher	634608 LHS 5132		3,580.58	0.00		
01/13/2016	Voucher	634609 LHS 5132		3,580.58	0.00		
01/13/2016	Voucher	634610 LMS 5132		990.93	0.00		
01/13/2016	Voucher	B04209570 5131		11,155.00	0.00		
03/09/2016	Voucher	B04434070 5131		2,173.00	0.00		
03/09/2016	Voucher	B04587912 5131		21,888.00	0.00		
05/09/2016	Voucher	636189 LMS 5132		4,750.48	0.00		
		Account 220-00-490-2745-0050-0000 Totals:		\$48,118.57	\$90,000.00		
220-00-490-2755-0050-0000	Athletic Facilities	Liability	(53,265.00)	49,210.00	30,000.00	19,210.00	(34,055.00)
		Reference		Debit Amount	Credit Amount		
08/11/2015	General Journal	FY 16 Capital trf fr General Fund		0.00	30,000.00		
10/19/2015	Voucher	CD99044460 L 5091		10,423.00	0.00		
12/02/2015	Voucher	29884 LHS SOC 1717		22,425.00	0.00		
01/13/2016	Voucher	180151256 LM 4706		13,810.00	0.00		
03/09/2016	Voucher	5855 LMS LOC 46		2,552.00	0.00		
		Account 220-00-490-2755-0050-0000 Totals:		\$49,210.00	\$30,000.00		

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Town of Lebanon Trial Balance

Report # 29846

Account Number	Description	Class	Beginning Balance	Total Debits	Total Credits	Net Change	Ending Balance
Report Totals:							
			(\$178,685.28)	\$255,998.91	\$270,000.00	(\$14,001.09)	(\$192,686.37)

3 Accounts Listed.

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CONTINGENCY AND FUND BALANCE
FY 2015-2016

Approved BOF	Approved TM	Action Approved by Board & Town Meetings	Amount Authorized	FY 16 Impacts Contingency	FY 16 Impacts On Fund Balance
	FY 2016	Fiscal Year 2016			
		Fund Balance as of June 30, 2015, page 13 of 2015 Audit Balance July 1, 2015	\$	\$ 180,000.00	\$ 3,870,010.00
07/21/2015		BOF discussed the future purchase of a new police cruiser to be part of the FY 2016-2017 budget process.			
07/21/2015		BOF authorized the acceptance of an audit engagement letter from Sandra E. Welwood, CPA for the June 30, 2015 audit.			
07/21/2015		BOF authorized the allocation of up to \$10,000.00 for the upper ramp deck replacement at the town hall with funds to come from TIP.			
07/21/2015		BOF authorized an over expenditure in the Land Use account, account number 100-00-461-5110-0000 in the amount not to exceed \$2,000.00 for clerical support.			
07/21/2015		The Town Treasurer appointed the Finance Director to act as Deputy Treasurer.			
08/18/2015		BOF discussion on defining how the State Town Aid Road money is to be divided between Improved Roads and Unimproved Roads.			
08/18/2015		BOF authorized to increase Dept 411 Auditor by \$10,000.00 for increased auditor costs for FY 2016 by transferring amount from Contingency. FY 2016	\$	\$ (10,000.00)	
08/18/2015		BOF authorized to increase Dept 420 Police Services in the amount of \$20,500.00 for salary and benefits due to State budget increase percentage from 70% to 85% that Town must pay by transferring amount from Contingency. FY 2016	\$	\$ (20,500.00)	
08/18/2015		BOF authorized to hold a Special Town Meeting to approve the \$35,000 expenditure from Open Space Account 220-00-461-2701-0060-0000 FY 2006 allocation.			
09/15/2015		BOF authorized the BOS to call a special town meeting for the purpose of entering into a lease purchase agreement NTE \$145,000 to finance costs related to the acquisition of a plow truck for DPW.			
10/20/2015		BOF authorized the progress payment of \$7,000.00 to Sandra Welwood for the FY 2015 Audit.			
10/20/2015		BOF authorized the support of LVFD's request for the 10% cost share not to exceed \$100,000 for the AFG grant application.			
10/20/2015		BOF authorized the BOS's request to spend up to \$6,500.00 for the replacement			

FO

CONTINGENCY AND FUND BALANCE
FY 2015-2016

Approved BOF	Approved TM	Action Approved by Board & Town Meetings	Amount Authorized	FY 16 Impacts Contingency	FY 16 Impacts On Fund Balance
		of exterior doors at the Senior Center, TIP account 208-00-510-5100-0000			
11/10/2015		BOF approved the FY 2016-2017 budget calendar.			
11/17/2015		BOF authorized the BOS's request to ask for an extension from OPM for the 2015 audit.			
12/15/2015		BOF approved the appointment of Diane Malozzi to fill vacant BOF position.			
12/15/2015		BOF authorized the payment of \$10,000.00 to Sandra Welwood for the FY 2015 Audit.			
12/15/2015		BOF authorized the acceptance of the FY 2015 audit report.			
01/19/2015		Motion failed to fund up to \$40,000 for the Phase II study and hazardous building study requested by the Public Works Building Committee.			
02/16/2015		Motion failed to expend up to \$40,000 for the town garage site from contingency fund.			
02/16/2015		BOF authorized the payment of \$10,950.00 to Sandra Welwood for the FY 2015 Audit and an over expenditure in Dept 411 of \$2,450.00.			
02/16/2015		BOF authorized the revised FY 2016-2017 budget schedule.			
02/16/2015		BOF authorized the hire of the recording secretary to attend all 2017 budget meetings.			
02/16/2015		BOF authorized the RFP for audit services for 2016 and 2017.			
03/15/2016		BOF authorized \$40,000.00 from Contingency for the Public Works Garage Site Assessment, account 220-00-430-2786-0030-0001.		\$ (40,000.00)	
03/29/2016		BOF authorized the 2016-2017 budget proposal to go to Public Hearing on April 11, 2016 for \$25,650,444; revenue estimate of \$7,457,060; estimated mil rate of 29.1			
04/12/2016		BOF motioned to ask the BOS to include, as part of the annual town meeting, a motion to transfer funds in capital account 220-00-430-2789-0030, Roads and Bridges Improvement Plan to Fund 244 Roads and Bridges Project in the amount of \$251,053.96			
04/19/2016		BOF authorized transfer of \$5,000 from Department 400 (Legal) to Department 407, (Tax Collector) for expenses associated with Gardner tax sale.			
05/02/2016		Annual Town Meeting approved the 2016-2017 budget for the Town of Lebanon of \$25,326,444, revenues of \$7,249,460, mil rate of 28.9, which represents an increase of .9%.			

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CONTINGENCY AND FUND BALANCE
FY 2015-2016

Approved	Approved	Action Approved by Board & Town Meetings	Amount Authorized	FY 16 Impacts Contingency	FY 16 Impacts On Fund Balance
BOF	TM				
05/17/2016		BOF Subcommittee formed for a special fund for Board of Education surplus funding. Subcommittee consists of D. Scata, M. Bruce, and D. Malozzi.			
05/17/2016		BOF authorized a request to the Board of Selectmen to call a special town meeting for the purpose of transferring \$99,000 from Contingency in FY 2016 to Fund 220 Capital Non Recurring fund accounts as follows:			
		DPW Leaf blower (attached to skid steer) 220-00-430-2799-0030-0000	\$ (5,000)		
		DPW Compact roller 220-00-430-2791-0030-0000	\$ (45,000)		
		DPW Extendable boom 220-00-430-2793-0030-0000	\$ (5,000)		
		DPW 4 in 1 clam shell 220-00-430-2795-0030-0000	\$ (14,000)		
		Cemetery Repairs 220-00-439-2701-0010-0000	\$ (10,000)		
		LVFD 10,000 gallon water tank 220-00-422-2719-0040-0000	\$ (20,000)		
05/17/2016		BOS authorized a request to the Board of Selectmen to call a special town meeting for the purpose of reallocating remaining capital funds from the Exhaust System capital account, 220-00-422-2717-002-00000 to Fire Safety Complex improvements and DPW fan unit, total of \$32,670, as follows:			
		FSC Garage Doors and Controllers: Advanced Overhead Door, \$25,200			
		FSC Garage Doors and Controllers: Electrical, \$400			
		FSC Passage Doors: Replace 3 doors including hardware, \$2,000			
		Fan Unit for DPW: Air cleaning specialists, \$4,300			
		Fan Unit for DPW: Associated electrical, \$770			
05/17/2016		BOF set the mil rate at 28.9 for the Fiscal Year 2016-2017 Budget.			
05/26/2016		BOF authorized a request to the Board of Selectmen to call a special town meeting for the purpose of: Transferring the remaining unspent appropriation in the amount of \$72,023.00 from Fund 220 Capital Account 220-00-430-2711-0030-0000 (Taylor Bridge Road Bridge over Bartlett) to Fund 220 Capital Account 220-00-492-2701-0060-0000 (Capital Contingency); Transferring \$32,979.17 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in roads and bridges in account 100-00-000-2292-0000; transfer of \$1,893.62 from Fund 220-00-492-2701-0060-0000 Capital Contingency to cover the deficit in senior center construction, account 217-00-000-4301-0000; transfer of remaining unspent appropriation in the amount of \$11,640.78 account number 100-00-000-2298-0000-0000, Fire Safety Complex construction, to General Fund Balance, 100-00-490-5751-0000-0000; authorize expenditures in Account 100-00-445-5301-0000 for \$89.00 and in Account 100-00-445-5210-0000 for \$38.71 be transferred to Account 100-00-000-2257-0000-0000 State and Drug Abuse grant to close the grant liability account.			
		Balance	\$	10,500.00	\$ 3,870,010.00

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Mattern & Stefon Land Surveyors
148 Route 2
Preston, CT 06365
(860) 889-1999
www.matternstefonsurveyors.com

BILL TO
TOWN OF LEBANON
Job # 16-0505

INVOICE 1170

DATE 05/04/2016 TERMS Net 14

DUE DATE 05/18/2016

DATE	ACTIVITY	QUANTITY	RATE	AMOUNT
05/04/2016	Gerald J. Stefon, L.S. Research Lebanon Town Green	30	85.00	2,550.00

TOTAL DUE **\$2,550.00**

Sec. 10-248a. Unexpended education funds account. For the fiscal year ending June 30, 2011, and each fiscal year thereafter, notwithstanding any provision of the general statutes or any special act, municipal charter, home rule ordinance or other ordinance, the board of finance in each town having a board of finance, the board of selectman in each town having no board of finance or the authority making appropriations for the school district for each town may deposit into a nonlapsing account any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the town, provided such amount does not exceed one per cent of the total budgeted appropriation for education for such prior fiscal year.

[http://search.cga.state.ct.us/dtsearch pub statutes.html](http://search.cga.state.ct.us/dtsearch_pub_statutes.html)

**Town Council Policy Establishing a
Board of Education Reserve Fund for Capital Expenditures**

General Description

Establishment of a Non-lapsing Account for BOE as allowed by CT general statute 10-248a. Assets of the reserve account are to be used for capital expenditures which have been previously approved in the six year Capital Improvement Plan. Expenditures of a capital nature not previously approved in the six year Capital Improvement Plan will qualify for funding with prior Council approval.

Revenue Sources

Upon the recommendation of the Board of Education no later than June 30 of any fiscal year, and with the approval of the Town Council no later than July 31, amounts shall be transferred from the general fund Board of Education operating budget surplus, as deemed available at the end of any fiscal year. Funds to be transferred shall not exceed 1% of the amount appropriated to the Board of Education in the fiscal year. Investment income earned by the funds held in the fund will remain in the fund. The maximum amounts held in the Non-Lapsing Account fund may not exceed 3% of the amount appropriated to the Board of Education in the most recently ended fiscal year.

Allowable Expenditures

The fund is to be used for capital and non-recurring expenditures as identified in a previously adopted six-year capital improvement plan. Emergency conditions, repairs or replacements to capital items not previously included in the six-year capital improvement plan can be added with a recommendation by the Board of Education and approval by the Town Council. Emergency requests may be approved by the Council retroactively. All other projects or acquisitions from the fund will require pre-approval by the Town Council. Requests from the BOE to the Town Council will be acted on within 30 days. Upon the recommendation of the Board of Education and the approval of the Town Council, an appropriation shall be set up and designated for the project or acquisition for which it has been authorized and such unexpended appropriation may be continued until such project or acquisition is completed. Any unexpended portion of such appropriation remaining after such completion shall revert to said reserve fund. Any appropriation no longer needed upon recommendation of the Board of Education and approval of the Town Council, shall revert to said reserve fund. All expenditures of the fund must comply with the purchasing rules of the Town of Coventry and applicable requirements in the Town Charter concerning approvals by Town Meeting.

Closing the Fund

The fund, once established, will continue until action is taken by the Town Council to close such fund. The Town Council will not close the fund without a public hearing. If the fund is closed, any remaining balance will be returned to the general fund.

Adopted by the Coventry Town Council: June 16, 2014.

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**TOWN OF NORTH STONINGTON
BOARD OF FINANCE**

**RESOLUTION TO ESTABLISH A NONLAPSING ACCOUNT FOR THE
DEPOSIT OF UNEXPENDED EDUCATION FUNDS AND TO AUTHORIZE THE
BOARD OF EDUCATION TO APPROVE EXPENDITURES FROM THE
ACCOUNT**

WHEREAS, pursuant to Connecticut General Statutes § 10-248a, for the fiscal year ended June 30, 2011, and each fiscal year thereafter, the authority making appropriations for the school district for a town may deposit into a nonlapsing account any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the town, provided such amount does not exceed one per cent of the total budgeted appropriation for education for such prior fiscal year; and

WHEREAS, the North Stonington Board of Education may, from time to time, have such unexpended funds in a fiscal year and may request that the North Stonington Board of Finance, as the authority making appropriations for the Town of North Stonington school district, approve the deposit of all or a portion of such unexpended funds into such nonlapsing account.

BE IT RESOLVED, that the North Stonington Board of Finance hereby establishes the Unexpended Education Funds Account (the "Account") which shall be a nonlapsing account established pursuant to Connecticut General Statutes § 10-248a; and

BE IT FURTHER RESOLVED, that the North Stonington Board of Finance may deposit into the Account all or a portion of any unexpended funds from a prior fiscal year from the budgeted appropriation for education for the Town, provided that such amount shall not exceed one per cent of the total budgeted appropriation for education for said prior fiscal year; and

BE IT FURTHER RESOLVED, that the Account shall be used for the expenses of maintaining the Town's public schools, which expenses may be incurred upon the approval of the North Stonington Board of Education and paid by the Town as provided in Connecticut General Statutes § 10-248.

FW:

Angeli, Robert <Robert.Angeli@lebanonct.org>

Mon 6/13/2016 2:34 PM

To: Betsy Petrie <bpetrie@lebanonct.gov>; Vertefeuille, Albert <Albert.Vertefeuille@lebanonct.org>; David Scata <dscata@charter.net>;

Cc: Veronica Calvert <vcalvert@lebanonct.gov>; Sirpenski, Robert <Robert.Sirpenski@lebanonct.org>;

Hello,

Please see below. Bob and Veronica have been in communication with Stephen regarding how BOE funds can be used to close out the Vo-Ag building grant account. He is recommending we include the dollar amount in the funds we return to the Town. There would need to be approval at a Town Meeting for the funds to then be used to close out the account. See below. We will ensure the funds are there for this purpose.

Bob

From: Stephen Hopkins [mailto:skyscan101@yahoo.com]**Sent:** Monday, June 13, 2016 12:47 AM**To:** Sirpenski, Robert**Cc:** Veronica Calvert; Angeli, Robert**Subject:** Re:

Hi Bob

That is the perfect way to phrase it and as long as the Town acts on the matter prior to the completion of the current fiscal years audit then the deficit can be eliminated for the current fiscal year. Thanks.

Stephen T. Hopkins, CPA

On Tuesday, June 7, 2016 8:09 AM, "Sirpenski, Robert" <Robert.Sirpenski@lebanonct.org> wrote:

Thanks Stephen – Things can get complicated – It seems as though the best solution and only way would be for the BOE to ensure that surplus funds will be available from the BOE operating budget to cover the \$27K and ensure that at least that amount would be returned to the Town's general fund. The Town could then do the appropriate transfer, town meeting etc. to wipe out the VO-Ag deficit of \$27K – In a roundabout way this would accomplish having the BOE "pay" or wipe out the Vo-Ag deficit.

From: Stephen Hopkins [mailto:skyscan101@yahoo.com]**Sent:** Tuesday, June 07, 2016 12:54 AM**To:** Sirpenski, Robert

Cc: Veronica Calvert

Subject: Re:

Hi Bob

I apologize for not responding earlier in the week but your followup email makes things a bit more complicate. It would seem as though a fairly straight forward idea is unfortunately harder to accomplish that it would appear. The school can't simply write a check or journal entry an expense for the amount of the deficit as the offset to an expenditure in the general fund would be a revenue in the special revenue fund. This would result in overstating both revenues and expenditures within the financial statements. Based on your email the Board of Education cannot reduce the school budget and increase a school transfer out account and the Board of Finance cannot make changes to the school budget either.

It seems as though there would realistically be two options at this point. The town could simply make an approved operating transfer out of the general fund and into the special revenue fund without approving the amount to come from any existing budgetary line item. However, in the notes to the financial statements any budgetary over expenditures are supposed to be disclosed. Conversely, the town could hold a special town meeting at some point after the end of the current fiscal year and prior to the completion of the audit in which a portion of any remaining school surplus were appropriated to be transferred from the general fund to the special revenue fund. This would in effect be using a portion of the school appropriation being closed to fund balance to absorb the prior fiscal year deficit in the applicable school grant.

I will be out of my office until Friday so if you would like to discuss this item in more detail just let me know and I will give you a call when I get back into my office. Thanks.

Stephen T. Hopkins, CPA

On Thursday, June 2, 2016 2:02 PM, "Sirpenski, Robert" <Robert.Sirpenski@lebanonct.org> wrote:

Hi Stephen – hope all is still well. Perhaps I misunderstood but I do not think it is possible for the BOE to reduce (nor increase) our operating budget – The budget is voted upon by the citizen's at a Town meeting – by statute, the BOE has no legislative authority to make changes to it. Thanks

Bob

Bob Sirpenski
Business Manager – Lebanon Public Schools
860-642-3555
Fax – 860-642-4589
Robert.sirpenski@lebanonct.org