

**TOWN OF EAST HADDAM
BOARD OF FINANCE**

Special Meeting
August 9, 2011
7:00 pm
Town Office Annex

Call to Order

The special meeting of the East Haddam Board of Finance was called to order by Chairman Paul Maxwell on Tuesday, August 9, 2011 at 7:20 pm at the Town Office Annex.

The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members:
Paul Maxwell, Chairman
Robert Bennett
Bruce Dutch
Edward Schwenzfeier

Others:

Mark Walter, First Selectman
Cindy Varricchio, Finance Administrator
Joanne Maynard, East Haddam Free Public Library
Barbara Kiley, East Haddam Free Public Library

Motion was made by Mr. Maxwell to alter the agenda to move the East Haddam Free Library Request to the top of the agenda. Mr. Dutch seconded the motion. The motion carried unanimously.

First Selectman's Report

A. East Haddam Free Library Request:

Joanne Maynard read the letter she had sent to First Selectman Walter as follows:

"Thank you for attending our board meeting on July 21, 2011. The Board of Trustees asked me to write to you about a problem that will arise for us in December 2011. At this time, Michael our director of the library, will no longer be able to be on his parent's insurance. Michael is an asset to our library and has brought the library to an outstanding level of service to our community. Because of the tough economic times we have faced for the past two years, we have not been able to afford insurance as part of his pay. To be honest, Michael Gilroy's pay would not allow him to afford insurance on his own. Michael agreed to this extremely low pay while he completed his degree.

The Board of Trustees for the library would like to request from the Board of Finance that Michael Gilroy, director of the town library, be a part of the town insurance starting in January 2012. Possibly, he could afford what town employees pay as part of their employment. We would continue to pay Michael's salary and would understand that we need to put this in our budget for next year.

We know that this is not in the category of usual requests. We are not looking for insurance for any other employee. Michael is the only one that we feel would qualify for this. The community, especially the youth of our town have benefitted from his programs. This is not just a place that Mike comes to work. This is the place that Michael has chosen to live and be an active part of its community.

Thank you for your time and we do hope you can help in the East Haddam Free Public Library's request.

*Sincerely,
Joanne Maynard
President of the Board of Trustees"*

Mrs. Maynard reported to the Board that Mr. Gilroy now holds his Master of Library Science. Mr. Gilroy has been developing the Library into a friendlier place with more programs. Mrs. Maynard reported that his rate of pay is \$14 per hour whereas most librarians are paid \$54,000 per year. Mrs. Maynard sought clarification as to whether or not Mr. Gilroy is a Town employee.

Mr. Maxwell stated that it is his opinion, one that he had not previously discussed, that neither of the Libraries presents a sustainable financial model. Mr. Maxwell stated that he would like to see the endowments turned over to the Town, that the employees become Town employees and the Library Board oversee the Library operations without responsibility to the upkeep and maintenance of the building. Barbara Kiley expressed her concern with the Town taking over the Library citing the condition of many Town buildings.

Mr. Maxwell, Mrs. Maynard and Mrs. Kiley all agreed that Mr. Gilroy is an asset to East Haddam and that we should work to retain him.

Mrs. Kiley asked Mr. Maxwell what would happen to the Library's endowment fund. Mr. Maxwell indicated that it would have to be part of the agreement. Mrs. Kiley expressed her concern about co-mingling Library funds with Town funds. Mr. Maxwell indicated that the Town would not be able to do that in accordance with accounting rules.

There was discussion regarding when the Library more specifically Library contents were given to the Town and that the East Haddam Free Public Library is the Town Library. The history of the Library was reviewed.

Mr. Maxwell provided the example of the Cragin Library in Colchester and the positive impact when the Town took over the administration of the Library. There was discussion regarding surrounding properties and opportunities for Library expansion.

Mr. Maxwell will attend the next Library meeting and he will also review the Library finances etc. for more formal review by the Board of Finance. Mr. Bennett stated that he is very interested in discussing and exploring this issue. Mr. Maxwell clarified that this was his personal position and that the Board of Finance will review at a future meeting.

Approval of Minutes

Motion was made by Mr. Bennett to approve the minutes of the Special Meeting of July 12, 2011 as presented. Mr. Dutch seconded the motion. The motion carried with Mr. Bennett abstaining.

Correspondence

Nothing noted.

Chairman's Report

a. Tax Collector's Monthly Report:

The Tax Collector's monthly report was reviewed.

First Selectman's Report

a. East Haddam Free Library Request:

Discussed above.

b. CIRMA Equity Distribution:

Mr. Walter reviewed the \$6,775 distribution from the Connecticut Interlocal Risk Management Agency (CIRMA). CIRMA is sharing the surplus with its participating Towns.

c. East Haddam Village Revitalization Commission:

Bill Gerrish, Chairman of the Commission reported that the Commission is ready to issue a Request for Proposals for the village district and they are seeking a \$1,000 appropriation from the Board of Finance to accomplish that. The \$1,000 would be used for procuring a mailing list, graphic design services for a one page brochure. It is their goal to get the information out to as many developers as possible. Mr. Walter spoke to the special appropriation from two years ago for George Fellner to draw up the plans.

Motion was made by Mr. Maxwell to transfer \$1,000 from Board of Finance Contingency (704-588701) to the East Haddam Revitalization Commission for the purpose of issuing a Request for Proposal for the village district (789-542101). Mr. Schwenzfeier seconded the motion. The motion carried unanimously.

Finance Administrator's Report

a. Preliminary Year End Results:

Ms. Varricchio reported she is in the process of compiling the information for the auditors and that she anticipates a full report for the Board in September.

b. Year End Encumbrances/Carry Forwards:

Ms. Varricchio reviewed the year-end encumbrances/carry forwards with the Board:

2010-2011 REQUESTED CONTINUED APPROPRIATIONS	ENCUMBER
750 530000 PUBLIC WORKS— ENGINEERING	7,410
756 530000 LANDFILL—ENGINEERING	1,750
756 585670 LANDFILL—LANDFILL MONITORING	2,440
775 587720 DEBT SERVICE—4-8 MIDDLE SCHOOL BOND	98,000
775 587725 DEBT SERVICE—OPEN SPACE	67,000
823 572301 23140 TECHNOLOGY—SYSTEM UPGRADES	1,300
847 570703 ANIMAL CONTROL—BUILDING MAINTENANCE	25,000
850 575001 50137 PUBLIC WORKS— ROAD PROGRAM	54,000
850 575001 50144 PUBLIC WORKS— AP GATES	51,225
850 575001 50145 PUBLIC WORKS— RIDGEBURY ROAD	31,000
850 575001 50199 PUBLIC WORKS— MISC ROAD AND DRAINAGE	105,175
890 579001 89001 EDUCATION— HIGH SCHOOL CHIMNEY	192,679
890 579001 89002 EDUCATION— ELEMENTARY SCH VENTILATORS	305,176
890 579001 88003 EDUCATION— ELEMENTARY SCHOOL ROOF	25,000
TOTAL 2010-2011 REQUESTED CONTINUED APPROPRIATIONS	967,155
2009-2010 CONTINUED APPROPRIATIONS—REQUEST TO CONTINUE	
907 566000 TOWN OFFICE— BUILDING MAINTENANCE	1,724
907 570702 TOWN OFFICE— TOWN OFFICE SITE PREPARATION	12,278
907 570703 TOWN OFFICE— BUILDING MAINTENANCE	661
907 570706 TOWN OFFICE— GENERAL CODE CODIFICATION	9,579
935 566000 TOWN HALL— BUILDING MAINTENANCE	550
935 573501 TOWN HALL— BUILDING MAINTENANCE	4,000
936 566000 RIVER HOUSE— BUILDING MAINTENANCE	690
936 573601 RIVER HOUSE— INTERIOR PAINTING	2,050
937 566000 RIVER HOUSE— BUILDING MAINTENANCE	420
937 573702 RIVER HOUSE— BUILDING IMPROVEMENTS	500
946 574601 EMERGENCY MGMT— EQUIPMENT AND SUPPLIES	2,250
950 575001 50121 PUBLIC WORKS— SUNSET ACRES	45,600
950 575001 50128 PUBLIC WORKS— O'CONNELL ROAD EXTENSION	75,000
950 575001 50142 PUBLIC WORKS— TOWN ROAD	60,000
963 566100 RECREATION— MOWING	1,810
990 589001 EDUCATION— BOARD OF EDUCATION	138,875
TOTAL PRIOR YEAR CONTINUED APPROPRIATIONS	355,987
TOTAL REQUEST FOR CONTINUED APPROPRIATIONS	1,323,142

Motion was made by Mr. Maxwell to encumber/carry forward \$1,323,142 from fiscal year 2010-2011 to fiscal year 2011-2012. Mr. Dutch seconded the motion. The motion carried unanimously.

Ms. Varricchio also reviewed with the Board the Board of Education year end information:

Funds expended	\$16,948,003.58
Reserved for outstanding encumbrances	<u>494,611.78</u>

Remaining	\$633,065.64
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The Board of Education is requesting that the remaining funds be utilized as follows:

Cover shortfall in ECS Revenue (ARRA)	\$530,533.00
Cover shortfall in Transportation Revenue	35,687.00
Transfer to Reserve for Education Fund:	
Specifically for High School Water System Improvements	35,000.00
For future use	<u>31,845.64</u>
	\$633,065.64

It was the consensus of the Board to wait until the audit is completed, before taking action to move funds.

c. Firefighter Pension Update:

Ms. Varricchio requested that the Board consider a joint meeting with the Firefighter Pension Committee and Attorney Gregory Bezz to review the plan documents and actuarial report. It was the consensus to schedule for the September meeting.

Liaison Reports

Nothing noted.

Guests and Audience Comments

None.

Unfinished Business

Nothing noted.

New Business

a. Conservation Commission Grant Opportunity:

Request withdrawn.

Adjournment

Motion was made by Mr. Bennett to adjourn at 8:40 pm. Mr. Dutch seconded the motion. The motion carried unanimously.

Respectfully submitted,

Cindy Varricchio