

**TOWN OF EAST HADDAM
BOARD OF FINANCE**

April 9, 2012

7:00 pm

Nathan Hale Ray High School - Cafeteria

Call to Order

The regular meeting of the East Haddam Board of Finance was called to order by Chairman Paul Maxwell on Monday, April 9, 2012 at 7:00 pm at the NHRHS cafeteria.

The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members:

Paul Maxwell, Chairman

Robert Bennett

Daniel Alexander

Bruce Dutch

Harvey Thomas

Others:

Mark Walter, First Selectman

Cindy Varricchio, Finance Administrator

Approval of Minutes

Regular Meeting Minutes, March 12, 2012:

Motion was made by Mr. Dutch to approve the minutes of the March 12, 2012 Regular Meeting with one correction, page three, fourth paragraph, third bulleted item, should read: "...has been reduced by...". Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.

Special Meeting Minutes, March 19, 2012 (6:45 pm):

Motion was made by Mr. Dutch to approve the minutes of the March 19, 2012 (6:45 pm) Special Meeting with one correction, page one, Board of Finance Member Attendance, remove Mr. Bennett. Mr. Thomas seconded the motion. Motion carried with Mr. Bennett abstaining.

Special Meeting Minutes, March 19, 2012 (7:00 pm):

Motion was made by Mr. Dutch to approve the minutes of the March 19, 2012 (7:00 pm) Special Meeting. Mr. Thomas seconded the motion. Motion carried with Mr. Bennett abstaining.

Special Meeting Minutes, March 20, 2012:

Motion was made by Mr. Dutch to approve the minutes of the March 19, 2012 (7:00 pm) Special Meeting. Mr. Thomas seconded the motion. Motion carried with Mr. Bennett abstaining.

Correspondence

Nothing noted.

Chairman's Report

a. Tax Collector's Monthly Report:

The Tax Collector's report was reviewed.

Mr. Maxwell noted that the Assessor has completed the worksheet from the auditors and that it has been sent to them for review.

First Selectman's Report

Mr. Walter reported that we are working toward closing the 4-8 Middle School Project and that he is working on a proposal to form a five town regional animal control to be located in East Haddam.

Finance Administrator's Report

Mrs. Varricchio distributed to the Board updated 2012-2013 budget documents detailing the changes the Board had made.

a. March YTD Budget Reports:

Mrs. Varricchio reviewed the March YTD budget reports and year-end forecast.

b. Payroll Service:

Mrs. Varricchio reported to the Board that the Finance Department has been interviewing payroll service vendors. Mrs. Varricchio noted that there would be no additional cost to the Town.

c. Appointment of Auditor:

Mrs. Varricchio stated that the board of Finance needs to appoint the auditor on an annual basis. The June 30, 2012 audit will be the second audit in the three year audit contract with Blum Shapiro.

Motion was made by Mr. Maxwell to appoint Blum Shapiro & Company, Inc. as the Town of East Haddam auditor for the July 1, 2011 to June 30 2012 fiscal year audit. Mr. Bennett seconded the motion and it was unanimously approved. Motion carried.

d. Budget Schedule Reminders:

Mrs. Varricchio reminded the Board that the Public Hearing is scheduled for April 25, 2012, Town Meeting for May 9, 2012 and Referendum for May 22, 2012.

Liaison reports

Board of Education: Mr. Maxwell reviewed correspondence from Board of Education liaison:

Mrs. Link attended the Board of Education Finance Subcommittee on Wednesday, March 21st where Dr. Solek presented to the Subcommittee members that the Board of Finance had reduced the Education budget by the \$128,000 for oil and then an additional \$110,000. Susan Taylor, Chair of the Subcommittee asked Dr. Solek which items she recommended the Board of Education reduce. Dr. Solek's recommendations were as follows:

- The budget includes the replacement of a retiring 7th grade teacher but Dr. Solek would like to transfer a 3rd grade teacher to that position therefore eliminating a 1.0 teaching position at the elementary school. The reasoning being that they have 5 third grade teachers for an estimated 73 children.
- Reduction of a .5 paraprofessional
- Reduction of supplies by \$20,000 - \$5,000 from each school and the central office

After much discussion, it was decided at that point the committee did not want to directly affect the children and asked Dr. Solek to find reductions that would not be a direct affect to the children.

An additional Subcommittee was scheduled that Mrs. Link was unable to attend.

At the April 3, 2012 regular Board of Education meeting, the final recommendations of the second BOE finance subcommittee meeting were presented and approved:

- Reduce Director of Technology to a .5 position—this position is currently a 1.0 earning over \$100,000; it was originally recommended that the position be eliminated but for some reason the position is in the teacher contract and therefore the deadline for eliminating the position had passed.
- Reduce current part time Elementary School Assistant Principal from .6 FTE to .5 FTE.
 - Reduce salary of vacant business manager by 50%—either through reduction in hours or reduction in rate of pay

Mr. Dutch inquired about the Public Works excavator that had been eliminated from the budget. Mr. Walter responded that he has asked Public Works to put together different options to include leasing, renting or used excavator. Mr. Dutch inquired about using the savings from the snow budget to purchase. Mr. Walter responded that he will await the Public Works recommendation.

Audience

No comments.

Unfinished Business

None.

New Business

a. East Haddam Farmers' Market Funding Request:

It was noted that as part of the budget process \$1,000 was budgeted to assistance in the establishment of a Farmers' Market and that there would be a request for \$1,000 special appropriation. It was noted that a Special Revenue Fund would be established for this purpose with a corresponding policy for revenues and expenditures.

Motion by was made by Mr. Maxwell to transfer \$1,000 from the Board of Finance Contingency Fund (704-588701) to the Farmers' Market Special Revenue Fund. Mr. Dutch seconded the motion.

Discussion: Concerns were raised with regard to insurance liabilities for the Market and the overall Market operations to ensure the Town is appropriately covered and protected.

Motion unanimously approved. Motion carried.

Other:

Mr. Thomas distributed a memo to Board members with regard to why he voted no for the proposed 2012-2013 budget. Mr. Maxwell noted that the Mr. Thomas' memo will be placed on the agenda for the May meeting for discussion.

Motion was made by Mr. Dutch to adjourn at 7:58 pm. Mr. Bennett seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,

Cindy Varrichio