

1. Call Meeting to Order – The Regular Meeting of the Town of Plymouth Board of Finance was called to order on **Thursday, January 21, 2010 at 7:03 p.m.** by Chairman Ralph Zovich. Members in attendance: Patricia Budnick, Vicky Carey, Peter Cook, Mike Drodzik, Dan Murray, Ralph Zovich. Also present: Dave Bertnagel, Comptroller; Mayor Festa; Robin Gudeczauskas, Recording Secretary and DiAnna Schenkel, Council Liaison.

2. Pledge of Allegiance

3. Board of Education update – Dr. Distasio, Mike Santogatta, Tommy Meehan
Mike Santogatta stated the existing budget looks good; outplacements is getting low but still good; utilities are good; lighting replaced in high school gym with no cost to the town; repair issues in other buildings i.e. boilers; bond issue for roofing problems at middle school noting sections put on in 1969; currently working on next year's budget; Anthem estimate for next year is about .8% and currently running at 89% of what claims would be. Peter Cook, like update on Chartwell lunch program as he hears food is bad, not enough, and they run out. Dr. Distasio stated financially the lunch program is doing very well and any time they get complaints they address them. The high school students all like the lunch program and has not heard these issues but will look into.

4. Approve Minutes:

a. December 17, 2009

MOTION: To accept the Minutes of December 17, 2009 by Vicky Carey; second Pat Budnick. Discussion: none. Vote: unanimous with Dan Murray abstaining.

5. Mayor's Report – (a) Almost to bottom of tax issues for 2006 with IRS and have report from IRS and CPA coming. There is a problem with 2007 (magnetic problem in terms of delivery of electronic filing issue) and have had to send check in of approximately \$8,000 on issues for non reporting and there may be issues with 2008 in first quarter. 2007 was \$1200 in penalty and taxes owed which was sent in and will fight penalty. Tax advocate is free; and will know cost of CPA next week and approximately \$500. (b) Budget process has started, have met with department heads and looking to conserve. There are monetary issues and a few negotiated positions to take care of from previous budget; holding off on filling vacancies. (c) COST conference attended and all indications are that there is another bad year with no idea on what cuts will be or from where. There is concern about government deal with unions and furloughs, an idea to turn state roads over to the municipalities in which they run through, may cut educational funding. (d) Have had golden handshakes and when do replace positions in future it will be at a lower salary. Waiting to hear from Anthem on rate increase. (e) Town meeting next Monday at 7 p.m. for appropriation of \$228,000. (f) Human Services Director on board for just over a month now and she has been meeting with different organizations and individuals, update given noting we can hire a nurse per diem relative to clinics and will come out of funding we have. (g) Streetscape moving forward (\$450,000 in grants approval),

engineering firm selected and map in foyer relative to proposed sites on streetscape issue. Will work with Khara Dodds on grant application through HUD for purpose of revitalizing certain businesses and residential areas within confines of downtown area. Brownfield's application going in with deadline of May 1st; we had to make application on Brownfield for waterwheel a long time ago and waiting to hear on those applications at federal level. Seymour Road has had surveying work relative to have that shovel ready and hopefully implication is we have reports back on water quality testing. Waiting for Brownfield's to come through on Hart property and just got contract back from state relative to waterwheel grant. (h) Small City Block grant, 5 accounts and have final word money is ours \$188,700 plus interest. (i) Last piece of news is regionalization and looking at health districts to regionalize and assessors as well to create mini counties and we could end up with county tax as well. (j) Old news, equipment purchased by highway department on truck and no new starters in new trucks except for pickup truck and reason is original truck has one and new one will. ((k) There are no definite numbers for cuts in state funding and they are far apart in every issue. Dave Bertnagel responded to question on Bristol pension money funding medical stating overfunded in pension plans and it has to be negotiated with unions. Plymouth does not have an overfunded pension plan to do so.

6. Follow-up letter to Mayor for \$228,000 special appropriation at Town Meeting set for Jan. 25th

Chairman Zovich read draft letter read into record and reviewed history of this subject noting the Board voted unanimously to approve the appropriation and that vote or this letter in no way impedes members from attending the town meeting and express your comments. Construction on sidewalks is done and this was cost to complete.

7. Discuss & Take Action on following items in current FY2009-10 Budget:

a. Update on current revenues and efforts to improve delinquent tax collections.

Chairman Zovich stated we do not have written update from Ted but he did call and early escrow check from Bank of America for town homeowners received for \$1 million. Also, name and address of a 3 family property on Route 6 that has not paid taxes since July will be taken to Attorney Vitrano to initiate foreclosure proceedings. Board asked that the Chairman remind Ted that in the past we have garnished rents when taxes are not paid. Also, pending is repayment plan with Structus who agreed to plan contingent on financing and have not gotten refinancing yet and they have not yet paid anything on back taxes. Peter Cook distributed and reviewed prepared format for tax collector information noting in December '08 collected \$13 million and at 55% and December '09 at 59%. Dave Bertnagel stated we are up 2.5% at end of December in current collections.

b. Transfers between accounts or budget adjustments (if any). none

8. Discuss Strategy & Schedule for upcoming FY2010-11 Budget.

Comments on upcoming budget. We used \$230,000 for current budget and VNA and we

have no one shot revenue streams this year. Can revisit mayor's contingency plan; have already cut overtime, hiring freeze in effect and reorganization possibility. Need to be frugal including cutting on capital budget; cross training of workers is very good; discussion on sharing workers and put more work on some directors might help; in favor of implementing furloughs. For teachers this is second year of step freeze but there is a 3.5 or 3% cost of living on the steps and still a pay increase. Zero base increase and look at absolute increases and it would be interesting to see percentages; look at labor contracts and reopening; we have increase of 10 million in 10 years in overall budget and that is huge where number of employees is almost flat from where it was 10 years ago on municipal side. A lot is contingent on state funding; even if they do not cut main grants to us but do cut excess cost that hurts. People on social security had no increase this year and why should town employees expect an increase, and why are we giving teachers a cost of living. Restructuring is good. Discussion on holding a workshop with Representative Hamzy or Senator Colapietro to attend meeting for discussion on budgetary issues. Like way budget preparation was done last year, went through revenues carefully to understand how much money we had. Biggest problem is if the state cuts on town funding and 10% reduction in state funding is 5% increase in town taxes; goal should be 5% reduction or 3% in budget. Discussion held. Has the BOE been asked or told scenario if ECS money is cut how they will plan to prepare their budget. It is unfair that the town keeps getting hit and think the BOE has to get walloped and if we cut 3% so do they. The BOE begins their budget meeting on the 27th at the high school. Chairman Zovich distributed and reviewed draft of Charter Revision and one of four questions passed. Changes include name change of Comptroller to Director of Finance; by February 22 the BOF should receive budgets and by Feb. 28 the BOE should submit their budget; the BOF shall hold a public hearing by April 23rd and schedule the referendum on or before May 3rd. Melanie Church, 328 Main Street, stated the reason moved up is because if the budget fails you have time for public hearing and have second referendum where before you changed yourself. Discussion held. Dave Bertnagel stated he and the Mayor have gone through all the line items and have come up with recommendations. Charter Revisions, Page 3, Special Appropriations clarifications made noting any budget over \$50,000 requires a town meeting according to the way charter revision is written and if we were to approve 49,900 for public works and then another area of public works ends up \$10,000 in deficit it would go to a town meeting as no more than one special appropriation per year. Dave Bertnagel stated an additional appropriation means increase in base line of budget. Sub Paragraph c is new, read into record and discussed noting may need opinion of Attorney Vitrano. Chairman Zovich asked for clarification from Attorney Vitrano to look at section 3 (c) for interpretation. Discussion held on items such as whether \$160,000 from Small Cities can be allocated into special projects fund. Chairman Zovich stated \$160,000 from Small Cities Block grant, the BOF should be able to decide where to put it and ability to transfer. Vicky Carey stated the BOF has taken money from Capital Improvements project, non recurring, to fund our own yearly budget. BOF requested budget workshop meetings should have agenda that includes only Call to Order, Pledge of Allegiance, Review and

Discuss Proposed 2010-2011 Budget, Public Comments, Adjournment and be adjourned by 9 pm. Discussion held on scheduled meeting dates and cancellation notices will be posted for February 1 and February 11. The BOF would like to meet with the BOE early in March (4th or 8th); public hearing before April 23 and referendum before May 3rd. Tony Lorenzetti, Director of Public Works, stated he realizes the board had a difficult job in preparing the budget and last year almost every section in Public Works was whacked and Capital projects took a significant whack. Seeing moderating in costs but salt costs went up. Any help he can get in the upcoming budget would be appreciated. Discussion held. Tony stated he and the Highway Superintendent are offering tours of the Town and what is going on and to call any time to go out on the road. Chairman Zovich stated without public safety at risk, is it possible not to bring full crew in on weekends and nights and to hold off to keep costs down in overtime. Peter Cook stated we need to find places to save money and every department needs to look at it. Dan Murray noted it is warm in this room tonight and watch reads 74 degrees. The Board will only call in department heads we absolutely need to discuss budget requests.

9. Finance Director's Report – Spreadsheets distributed and reviewed stating current budget is in very good shape and we have had surplus for 2 years. Chairman Zovich requested the 6 month proforma be given to Council for their review. Distributed and reviewed valuation or Other Post Employment Benefit (OPEB) which tells us liability if we were to shut down noting page 6 shows summary snapshot and total liability as of July 1, 2008 of \$13,987,000. Discussion held on funding which set up as pension trust fund and Dave will make recommendations on funding. OPEB is reported on our balance sheet. Town and BOE pensions are in line and report distributed that gives overview. Need to discuss investment strategy/ policy for the town; town is limited due to state guidelines. We need bonding rate upgrade and mechanisms are in place. Sand and salt budget as of today reviewed noting overtime expended and encumbered. To date have spent \$125,713.92. Dave Bertnagel stated as of today overtime unexpended is \$54992.60.

10. Public Comment

a. Melanie Church, 328 Main Street – almost have to start looking and one idea is opening up negotiations same as private industry as people don't have money for pensions and they are being frozen in a lot of places; we are different than Bristol whose are self funded. Feel in this town you can cut back on employees, being done all over the place noting Tilcon, Manafort all doing same amount of work. Combine workers i.e. Parks and Rec to Public Works. Recommendation for work share where employee works 3 days and gets unemployment for 2 days and saving on payroll and allowed to do that for 1-1/2 years which could be cost savings to implement.

11. Correspondence

a. Solicitation from Spring Brook software company offering on line municipal packages for tracking applications for job, on line payment for licenses, fees, permits, accounts receivable and also approvals/notifications i.e. Inland/Wetlands, Planning & Zoning.

Mayor Festa stated the town has a program of theirs.

12. Board Member Comments

- a. Vicky Carey– for basic information when Tony’s sand/salt budget came up people do not realize on days there are not storms there are days where have freezing temperatures and water over roads and does need to go out there and not just for storms alone.

13. Adjournment

MOTION: To adjourn by Vicky Carey; second Dan Murray and the vote unanimous.

Meeting adjourned at 9:50 p.m.

Respectfully submitted,

Robin Gudczauskas
Recording Secretary