

Town of Plymouth
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Board of Finance
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Minutes of Regular Meeting held October 21, 2010

Call to Order: Chairman Ralph Zovich called the scheduled October 21, 2010 Plymouth Board of Finance Commission Meeting to order at 7:03 p.m. in the Assembly Room, Town Hall.

Present were Plymouth Board of Finance Member Patricia Budnick, Plymouth Board of Finance Member Victoria Carey, Plymouth Board of Finance Member Peter Cook, Plymouth Board of Finance Member Michael Drozdick and Plymouth Board of Finance Chairman/Member Ralph Zovich. Excused absence: Plymouth Board of Finance Member Daniel Murray III. Also in attendance were Mayor Vincent Festa, Jr., PBOE Director of Pupil Services Thomas Meehan, and PBOE Business Manager Michael Santogatta.

Pledge of Allegiance

Chairman Zovich led the Plymouth Board of Finance Members in the Pledge of Allegiance.

Fire Exits Notification

Chairman Zovich noted the Fire Exits for the Board of Finance members and Public Audience.

R. Zovich stated that David Bertnagel, Director of Finance, and Ted Scheidel, Administration Assistant, were both unable to attend this evenings meeting.

R. Zovich stated that the audited Annual Report was not ready for distribution this evening, however it would be ready in time for the November 2, 2010 Election.

Item 3. Board of Education Update

Michael Santogatta stated that everything looked good in the Board of Education's budget this year, including the Special Education Out-of- District Accounts.

Michael Santogatta stated that the BOE had finished up with the auditors and that the process had gone very well.

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Board of Education Update Cont'd.

M. Santogatta stated that the Roof Project at the Eli Terry Middle School had been completed and that only some flashing work needed to be finished off. He further stated that everything went well considering the work had been done during the normal school day sessions.

M. Santogatta stated that there had only been one Change Order with the project and that the Change Order had been to the Board's favor (approximately \$8,000.00).

When questioned by R. Zovich regarding energy usage and savings, M. Santogatta stated that the Board of Education had to run the air conditioners at the high school a little longer than normal for the end of the summer and that the oil furnaces had been turned on this year, but only to take the chill out of the air and then they were shut down immediately, thereafter. M. Santogatta stated that the oil tanks were completely filled and everything looked good; he had no worries about fuel costs at this point in time.

When questioned by Cmsr. Budnick, M. Santogatta outlined the necessary window replacement work at the Harry S. Fisher Elementary School and noted that CL&P had reviewed the work, however the work did not qualify for any reimbursements.

M. Santogatta stated that there were four (4) students in-house from other districts for this school year.

Chairman Zovich had stated that the Connecticut Conference of Municipalities (CCM) had contacted the Board of Finance (and other groups) in hopes to meet concerning their political agenda. Zovich stated that the Board of Finance operates in a non-partisan manner, however a meeting should be set up after the elections with the newly elected officials, between the Board of Finance and the Board of Education, to discuss under-funded mandates, like Sp.Ed outplacement. R. Zovich stated that the Superintendent, Anthony Distasio, had been adamant about changing the burden of proof rules for outplacement, noting that this was an unfunded mandate which could be easily changed by the Ct General Assembly.

When questioned by Cmsr. Budnick, M. Santogatta explained the pension plan for the Town of Waterbury and the problem that had occurred there, noting it would not occur in the Town of Plymouth.

Chairman Zovich thanked the Board of Education officials for their report.

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Item 4. Approve Minutes

a. September 16, 2010

Cmsr. Cook made a motion, seconded by Cmsr. Budnick, to accept the September 16, 2010 Board of Finance minutes with the following changes: Page Four, Paragraph Seven, \$700,000,00, should be corrected to read \$700,000.00 (comma removed-decimal point inserted); Page Eleven, Paragraph Four, clarification noted by Mayor Festa stating that Anthony Lorenzetti had not chosen to run the Transfer Station Overtime Account into deficit, but should read he had no choice but to run it into deficit, because of the Town's contractual obligation; Page Two, Paragraph Ten, the word "Education's" had been misspelled. Motion to accept the Minutes as amended; this motion was approved unanimously.

R. Zovich read a letter, received from A. Lorenzetti, dated October 19, 2010 (see attachment) clarifying the Transfer Station Overtime Account comments that he had presented to the Town Council at their August 3, 2010, Regular Meeting.

Item 5. Mayor's Report

Mayor Festa stated that the Town of Plymouth had been approved for a Grant Proposal Award of \$650,000.00 from the State of Connecticut Department of Environmental Protection for the purchase of the 174 acres at the North Street Reservoir property. Mayor Festa read the Grant Award Letter into the record.

When asked by Chairman Zovich, Mayor Festa stated that he was waiting to hear back from Connecticut Water Company to find out what their asking sales price would be for the property and that the next step would be to discuss the proposal with the Town Council and the Board of Finance. He further stated that if both groups were in favor of the land purchase, the issue would then move forward to a Public Hearing.

When asked about the dam liability, Mayor Festa also stated he did not have information regarding the integrity of the dam on the property and that this would be one of the issues that would have to be investigated and worked out prior to the property purchase.

Mayor Festa stated that the land surrounding the area, as well as the water, would have to be tested for contamination because of the contamination issues that had occurred on the Harwinton side of the property. When questioned by R. Zovich, Mayor Festa stated that an independent appraisal had not been performed to date; a brief discussion followed.

Mayor Festa stated that after meeting with the State of Connecticut Water Company Officials, regarding the Harwinton/Burr Road contaminated wells issue, the Town had a serious problem on its hands. He further stated that at this point in time, there was no direct indication as to where the contamination source originated.

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Mayor's Report Cont'd.

Mayor Festa noted that the potential for laying a water line on top of the existing sewer line, existed; a lengthy discussion followed.

Melanie Church, 328 Main Street, Terryville, stated that the Plymouth Oil Company was also in the location of the contaminated wells, and that at one time there had been two other companies/factories in that same area.

M. Church stated that drilling had taken place in the area to remove the ledge and that no one knows what had stirred up the contamination or where it was coming from. Mrs. Church stated that years back people buried stuff in their yards and that the contamination could be a number of things.

M. Church stated that the source of contamination had never been identified at the Waterwheel property.

M. Church questioned if contamination was found at a house on Todd Hollow Road, how far down the road does the contamination go, and was it in the water in the Todd Hollow Road.

M. Church recommended that the Webster Auto also be examined as a possible source for contamination, noting that years back laws were different and a lot of stuff was allowed to be put in the ground by junkyards.

Chairman Zovich asked if there were any objections to the Mayor moving forward to solicit cost estimate proposals for contamination testing in the areas being questioned. No objections were noted.

Mayor Festa stated that at the last Town Council Meeting, discussion had taken place regarding the Bonding Debt Service Proposal, noting the Town Council had requested that the Capital Improvements Committee and the Municipal Facilities Committee provide Departmental descriptive narratives that included a more accurate accounting of dollars and cents for the projects being requested.

When questioned by R. Zovich, Mayor Festa stated this request was based on feedback and comments received at the two Public Hearings.

Mayor Festa stated that as a result of recent Union negotiations, the Town had consolidated two Secretarial positions, one being the Building Inspector's Secretary and the other the Assessor's Clerk, combined into the new position of a Building/Assessor Clerk. Mayor Festa stated the new position had been posted internally and that one application had been received to date.

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Mayor's Report Cont'd.

Mayor Festa stated this change would generate savings over time.

Chairman Zovich thanked Mayor Festa for his report.

Item 6. Discuss and take action on closing of all municipal funds for FY 2009-10:

a. Highlights of independent auditor's report by representative of Blum Shapiro

Chairman Zovich stated that David Bertnagel was ill this evening and would not be in attendance and further, that the independent auditor's report was not ready for publishing.

Vice-Chair V. Carey made a motion, seconded by Cmsr. Budnick, to table Agenda Item No. 6a. until the November meeting of the Board of Finance. This motion was approved unanimously.

b. Publication of Annual Financial Report prior to October 31st (print dry T.B.D.)

Chairman Zovich stated Town Charter required that the annual Financial Report be made available at the November 2, 2010 Election. He further stated because it was not a Presidential Election, there would probably be less than a 50 percent voter turnout and this would impact the number of copies to be printed.

It was recommended that 400 draft copies would be printed and this information would be forwarded to D. Bertnagel.

R. Zovich commented that additional copies would be made available through the Town's Web Site and at the Town Clerk's Office and he requested that a copy be scanned and e-mailed to each of the Board of Finance members as soon as it was available.

Item 7. Discuss and take action on the following items in current FY2010-11 General Fund budget:

**a. Status of delinquent tax collections and updates (if any) to Tax Sale List.
Follow-up to "boot" proposal for collection of motor vehicle delinquencies.**

Cmsr. Zovich stated Ted Scheidel, Administrative Assistant, was unable to attend this evening's meeting, however he did submit a report to Cmsr. Zovich, re. the Back Tax Collection Efforts, which was read into the minutes as follows:

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1. I have attached the percentage collection for October to-date; these are encouraging numbers
2. Attorney Vitrano continues to do his due diligence on Structus and Jaspar.
3. Attorney Smith is making good progress with the foreclosures he was given. Two taxpayers have paid off since the last Board of Finance Meeting.
4. I will have a recommendation for you on “the boot” for your November meeting.

Reviewing the submitted report, Chairman Zovich stated that the collections to-date were \$13,357,558.37, or a collection rate of 52.06%.

b. Recommended transfers between accounts, if required.

R. Zovich stated he had not received any transfers between accounts from David Bertnagel, and will be combined with next month's.

c. Update on implementation of cost savings; i.e. cell phones, surplus vehicle/asset sales, reducing OT, consolidating checking accounts, outsourcing and fee schedules.

R. Zovich stated that D. Bertnagel had been working on the revisions to the cell phone contracts, and that he was also putting together a surplus asset listing.

Mayor Festa stated he recently had discussion with D. Bertnagel and noted that other Towns were downsizing when they purchased new vehicles, and were eliminating their “gas guzzling” vehicles.

Mayor Festa stated that there would be meeting next week with the Town of Wolcott to discuss resource sharing ideas for a number of items, i.e. sharing their dog pound resources, etc.

Mayor Festa stated he was surprised by the high number of employees that have Town cars 24/7 in neighboring Connecticut towns.

Chairman Zovich noted that Ford had eliminated their Crown Victoria's from their production line and that the Town's share of these vehicles would become worth less over time, and perhaps more costly to maintain.

R. Zovich stated that he requested that all of the surplus vehicles in the Town lot to be shown on D. Bertnagel's asset listing.

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Item 7c. Cont'd.

Chairman Zovich requested the Mayor check with Police Chief Karen Krasicky and the Police Commission, to see if they had chosen a replacement vehicle for the discontinued model. He further noted this would be a good opportunity to downsize and procure more efficient vehicles, i.e. V6 engines, etc.

When questioned by Cmsr. Budnick, R. Zovich replied that D. Bertnagel was looking to consolidate checking accounts from 50 to 12-15, however he was uncertain if this had been done or not.

Mayor Festa stated that he knew D. Bertnagel had been working on this item; a brief discussion followed.

Item 8. Update on Capital/Non-Recurring expenditures, i.e., Eli Terry Roof, Waterwheel, Town Aid to Roads, Equipment Purchases, A.R.R.A. Projects, etc.

Chairman Zovich noted that M. Santogatta had provided an update on the Eli Terry Roof earlier this evening, noting the number would be \$213,000.00 to the Town's cost.

When questioned by R. Zovich, Mayor Festa provided a brief update for the Waterwheel Project, noting LFR had done the slab testing and that the Town was waiting for the results. He further stated that if no contaminants were found, the slabs would be removed with the grant money previously received. Mayor Festa stated that the actual testing monies were supposed to have come from the EPA Remediation Grant, however he noted that the EPA had pulled these monies and that the Town would now become responsible; a brief discussion followed.

R. Zovich stated that the Board of Finance had added \$100,000.00 to the budget for Town Aid to Roads and questioned where A. Lorenzetti was with those expenditures.

Cmsr. Zovich stated this Agenda Item would remain on the Agenda for the next scheduled meeting of the Board of Finance.

When questioned by Cmsr. Zovich, Cmsr. Carey stated that there would no further Equipment expenditures.

Cmsr. Zovich stated the A.R.R.A. Project had been the Federal Stimulus money that provided for Harwinton Avenue to be repaved and noted the work had been completed.

Item 9. Finance Director's Report

No report.

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Item 10. Public Input

Melanie Church, 328 Main Street, Terryville, stated that residential bank checking accounts have a lot more fees and that commercial accounts will have more fees coming as well, so there would be no more gaining interest on the accounts.

M. Church stated she was hearing confusion on the open space proposal and that if the Town planned on using any Bonding monies for purchasing Open Space it would have to go to Referendum and suggested listing it separately from the proposed Bonding Proposal, but have both items voted on at the same time.

M. Church stated that the proposed Bonding listing needed a lot more organizing and heard that other items were being added to it. M. Church stated that people were leery about putting out nineteen million dollars and they wanted to know exactly what was included for that number and how the Referendum question would be worded.

M. Church stated that two businesses in Town, the Eagle's Nest and Al's Deli, had signs out by the road advertising products they offered, as well as daily specials that they were running and both businesses were forced to remove the signs by the Town Zoning Enforcement Officer, who also threatened to damage the signs by putting stickers on the them.

M. Church stated that Al, the owner of Al's Deli, was upset and embarrassed by the incident.

Melanie Church stated that Al had tried to get CL&P to add more lighting, which would help brighten his parking lot at night, but they would not. She further stated that he was forced to close his store at 7:00 p.m. because of the lack of business due to the fact no one could see he was open. She further noted that Al was trying to be proactive, but that he was very discouraged.

M Church stated that Eagle Nest was also very discouraged and noted that Town businesses were going to continue to close down and leave unless the Town stepped in and assisted these types of businesses with their signs, etc.

M. Church stated that D. Elder also went to the business next to Al's Deli, The Garden Shop regarding signage and noted that the owner had closed shop.

When questioned by Chairman Zovich, M. Church stated they were not sandwich board signs, just signs stuck in the ground.

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Public Input Cont'd.

M. Church recommended the Board of Finance examine this issue and look to encourage businesses existing business in Town, noting the sign removal was a Town Ordinance that should be looked at again. M. Church stated that the Board of Finance needed to encourage the Town to be more “business friendly” and as a courtesy this issue should be brought to someone’s attention.

M. Church stated Lee Hardware had nothing in front of his store, however the Lucky Cup had a separate sign under his legal sign and that was blight. M. Church stated that the Package Store on Main Street had stuff all over the sidewalk in front of his store and that the rules had to be consistent for everybody.

M. Church stated that years back the owners tried to clean up the contaminated Hart property, but could not and then the Town took the property over. She further stated that things have to be looked at before the Town takes good money after bad.

M. Church stated the taxpayers were promised that taxpayer’s money would not go into the Waterwheel Project and noted that Commission needed to find monies/donations elsewhere.

M. Church stated she learned from the State of Connecticut that their bond rating was downgraded and questioned why the Town of Plymouth’s was going up and learned that the Town’s bond rating was not actually going up, it appeared higher because the State’s bond grading went down. She further stated this was a little confusing, however this information could be validate with the Office of Policy and Management (OPM).

Cmsr. Carey stated that the Town now has policies and procedures in place, which in turn gave the Town a better bond rating.

Chairman Zovich stated that the bonding ratings that the Town receives from Moody’s Standard & Poor’s does in fact have an effect on the interest rates based on maturity; a brief discussion followed.

M. Church stated that she would forward the Superintendent of Schools contract to the Board of Finance members as soon as she could. She stated that the Town was presently paying him over \$200,000.00 per year with benefits. She noted that he receives \$11,500.00 in longevity, however longevity had been taken away from the teachers in 1988 and 1989. She further stated that A. Distasio’s co-pays on his medical insurance were \$10.00/\$15.00 and that this had been taken away from the teachers, as well.

M. Church stated that A. Distasio’s life insurance came in at \$500,000.00 and that when he retired, both he and his wife would be receiving medical insurance for life, without ever having to pay one single penny.

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Public Input Cont'd.

M. Church stated that she had been told the Town had no control over his contract, but she disagrees and noted that the Town of Plainville had recently examined their Superintendents' contract.

M. Church stated that the Town of West Hartford had told their Superintendent that if he did not take a pay cut on his \$192,000.00 salary, he would be let go next year.

M. Church stated that the Town of Plymouth could not afford to keep giving A. Distasio these types of increases, noting that no one else in Town made the kind of money that he does and asked the members of the Board of Finance to be concerned about this issue and to examine the report she would be forwarding to them to see if they felt it was fair. She further stated that it was heartbreaking to say the money was for the children when it was not. She stated she had no problems with the teachers or the administrator's salaries.

M. Church stated the Town of Plymouth was not the City of Bristol and that the Town could not afford this Superintendent and further, that the Town should not be compared to the City of Bristol and that maybe it was time for a change. M. Church stated the Town of Plymouth was more comparable with the Town of Wolcott.

M. Church thanked the Board of Finance for listening to her issues and for their consideration.

Item 11. Correspondence

Cmsr. Zovich stated he had received correspondence (see attachment) dated August 20, 2010, from the Connecticut Water Company, announcing their offer for the reservoir property on North Street and their two Open Houses.

R. Zovich noted the correspondence had not been noticed in the mailbox or had been lost, and read the correspondence into the record.

When asked by R. Zovich, Cmsr. Carey stated she had attended the Open House, but did not walk the property.

R. Zovich stated the Board of Finance received the Torrington Area Health District's Annual Report (see attachment) for July 1, 2009 through June 30, 2010, and briefly outlined its contents.

Cmsr. Carey stated that the Torrington Area Health District continues to raise its charges to the Town and that she was ready to renegotiate their contract for the upcoming year.

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Chairman Zovich stated that he had received correspondence (see attachment) from Anthony Lorenzetti to the State Department of Transportation, regarding the Todd Road Bridge, and read the letter into the record.

When questioned by R. Zovich, Mayor Festa stated the request for the extension for construction was due to the lack of funding.

Mayor Festa stated that the Board of Finance needed to keep in mind that the Town was also obligated to work on the North Main Street Bridge, as well as the bridge on North Riverside Avenue.

R. Zovich noted the letter on the transfer station OT from A. Lorenzetti was read into record and discussed under item 4.

Item 12. Board Member Comments

When questioned by Cmsr. Cook, R. Zovich replied if the bridgework in question were not completed, weight restrictions would have to be applied to the bridge(s) in question.

Cmsr. Carey stated that eventually fines would occur, as well; a brief discussion followed.

Cmsr. Budnick stated the Town should, at the very least, begin working on one of the bridges in question.

Chairman Zovich stated that as soon as he heard from D. Bertnagel regarding the Auditor's Report, he would contact the Recording Secretary and have her forward the report to the Board of Finance Members, as quickly as possible.

R. Zovich reminded everyone not to forget to exercise their right to vote.

Item 13. Adjournment

There being no further business of the Plymouth Board of Finance, Cmsr. Carey made a motion, seconded by Cmsr. Cook, to adjourn at 8:45 p.m. This motion was approved unanimously.

Respectfully Submitted,

Acting Recording Secretary

Attachments