

Town of Plymouth

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Board of Finance

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1. Call Meeting to Order - Chairman Ralph Zovich called the Thursday, February 23, 2012 Regular Meeting of the Plymouth Board of Finance to order in the Assembly Room (instead of Senior Lounger due to cancellation of Planning & Zoning meeting), Plymouth Town Hall, at 7 p.m. Members in attendance: Pat Budnick, Vicky Carey, Peter Cook, Dan Murray, Ralph Zovich. Also present, Dave Bertnagel, Director of Finance; Mayor Festa; Robin Gudczauskas, Recording Secretary; Ana LeGassey, Tax Collector; Ted Scheidel, Administrative Assistant to the Mayor. Excused absent: Mike Drozdick

2. Pledge of Allegiance

3. Board of Education update – Dr. Distasio, Superintendent, and Mike Santogatta, Business Manager, stated there are no budgetary problems/concerns; utilities doing very well; fuel doing well; 3 facilities running on gas are THS, ETJMS, PCS. Fisher not on gas and have outside quote to dig trench; Yankee gas will lay pipe. Repairs, Chairman Zovich stated (a) there is \$81,000 in THS fuel account and \$15,000 in gas at THS and should have surplus questioning if the BOE will take some of that and make repairs to things that have been put off. Mike Santogatta said the Board will make appropriate suggestions. (b) The BOE adopted zero increase budget. Discussion held on joint meeting date with the BOE and BOF; meeting will be held in the Community Room on March 22nd at 7 pm. Mayor stated on behalf of the residents thank you to the Superintendent and Business Manager for the budget presentation as to present it and do the work done shows the financial responsibility and efficiency that his BOE has created over the past several years.

4. Approve Minutes:

a. Jan. 19, 2012

MOTION: To accept the meeting minutes of January 19, 2012 by Vicky Carey; second Pat Budnick and the vote unanimous.

5. Mayor's Report – Noted award received by the Town and made a presentation to the Board of Finance, Certificate of Achievement for Excellence in Financial Reporting presented to the Town of Plymouth Connecticut, read into record, congratulating Dave Bertnagel for high standards of financial accounting and outstanding work. Also, discussion on conceptual issue regarding a number of businesses in the community falling into the blighted area and a few have a combination commercial/residential real estate. He has had an opportunity to look at some of these buildings for rehab but there are no longer Small Cities Block Grants available and no money for commercial rehab at this point; however, there is an opportunity to get some creative financing going by doing tax abatements which will come about from his presentation to the Town Council and before the BOF tonight to present the concept to make them aware of what the mayor's office is looking to do; discussed noting next step will be Town Council and Economic Development. He wanted the BOF to know that there are businesses out there willing to establish themselves in town but they need an incentive and would like to start moving forward in that direction. Streetscape bids have been received and sent off to the State for review and have had some very good bids on the project; once approved by the State we will move forward with construction. Discussion held on Prospect Street School options.

6. Discuss & Take action on following items in current FY 2011-12 General Fund Budget:

a. Status of delinquent tax collections and update to Tax Sale List – Chairman Zovich read into record a memo from Ronda Porrini to Attorney Vitrano on tax sale bids noting highest was 8 Highland Road and old ones on “dead” list were sold and now back on the Grand List. Ted noted that did not sell as offer taken back. The Town made \$10,726.10 from tax sales but 6 properties are off dead list and back on tax rolls. Have 13 more going on March 8th and noted entire packet for tax sale properties is on the web site. Discussion held. Have roughly 40 properties the attorneys are working on that had conflicts and have taken payment schedule. They are very sensitive to residents with hardships and not sensitive to the absentee landlord. Had 3 recent sales, 2 Plymouth residents bought and one Bristol resident. Top 300 update given included back taxes owed by Coldform. Top ten tax payers reviewed. Revenue Collections as of January 31st reviewed noting phone calls made for collections; as of today need \$1,476,000 to make budget and ahead of last year at this time and have 4 more days including some closings coming up and a large pay down of \$40-50,000 next week. March 12th is hearing on Structus and we are still in line for money due the town, discussed. Ana noted monthly payments and depending on making payment the interest will go down and with motor vehicle if someone registers now they will pay back taxes and will then ignore again for two years; still need to consider but other option is ARG, reviewed; may think about finding someone else but also work with DMV and trying to see if this will work; a good percentage of tax dollars not collected are from motor vehicle. Ted, another problem is those who are delinquent and half do not live in this town any longer. Discussion held. Discussion held on the boot; constables serving notices. Ted noted they are ahead of where we were last year at this time in back taxes noting at 60 and 67% and today collected \$50,000 in back taxes and interest so almost at \$600,000; last year had 611 accounts and this year 495 delinquent accounts.

b. Recommended transfers between accounts, if req'd. - none

c. Update on cost saving measures; asset sales, reduction of OT, trak phones, etc. Sale of Crown Vics; Dave waiting for grant and planning on early spring; five will be sold. Reduction of overtime, constantly monitored. Trak phones have all been converted over and looking at another plan to save money. Have put spending freeze on and everything closely scrutinized; budget is closely watched and currently under. Did get notification we did get WPCA grant from wall collapse.

7. Begin review of revenue projections for upcoming FY2012-13 budget preparation. Dave Bertnagel distributed revenue projections, reviewed and discussed. Last year grand list was \$824,029,263 and this year is \$757,582,285; Dave did history analysis going back several years and 92.3% collection rate on motor vehicle each year. Ana Legassey, tax collector is here to discuss and answer any questions. Dave, personal property is 91% collection rate. Real estate 96.4%. avg grand list over 3 years about 96.4 – 5% and we are budgeting 97%. Mill rate at 97% collection is \$734,000 vs. \$799,000 prior. 34.27 would be new mill rate to keep everything equal. It will need to be clearly explained how reduction in grand list reflects value of property in town. Proposed revenues reviewed noting last year conveyance tax adjusted upwards and will have decline as well as recording fees. Need to look at misc/town clerk which depends on filings; tipping fees, transfer station goes down due to reduction in tonnage; metal reimbursement is conservative and going back out to bid. State grants reviewed noting pilot for

manufacturers we did not budget last year and this year estimating \$100,000 but dependent on legislation; Miscellaneous State of CT will get this year but next year it is gone; ECS grant expect increase; transportation grant has been reduced; Pequot grant reduced again. Investment income is down; looking at loss of revenue of \$383,090.

a. Voluntary assignments by functional section – Ralph, General Administration; Dan, Public Works; Mike, Public Health and Libraries; Pat, Public Safety; Peter, Recreation, Land Use and Cemeteries; Vicky, Capitals.

b. Revision of Net Grand List as of Oct. 1, 2011 – 1 mil of taxation will equal \$757,582.

8. Implementation of Independent Auditors recommendations, ref: Management Letter – Chairman Zovich stated school has cleaned up cash accounts; policy for transmitting cash receipts to the tax collector for deposit and Dave stated this will be part of policy and procedures manual. Cash accounts, Dave stated process he is doing now. Discussion held.

9. Update on \$9.8 million Infrastructure Bonding proposal – Public Hearing set Feb. 27th. Chairman Zovich noted the Board voted to endorse and the public hearing is next Monday; discussion held and the BOF meeting will be cancelled. Next meeting will then be Thursday, March 1st.

10. Finance Director's Report – Dave Bertnagel stated information distributed on winter storm Alfred, reviewed. State is coming in to determine eligibility on Bemis Street and other areas in town they are looking at so there will be other expenditures. Winter storm cost reviewed and have \$33,000 not yet paid and net cost from storm is approx. \$73,810.75. Discussion held.

11. Public Input

a. Pattie DeHuff, 20 Lynn Avenue – (a) what is balance in undesignated or unassigned fund. Dave Bertnagel stated it is closed out once a year and that is June 30th and number in audit report. (b) You have adopted your financial policy statement which is level debt service and in there is 3.3 million which is in current budget. Is it accurate to say that not all that money is going to pay debt service. Ralph Zovich, \$3.3 million budgeted; Dave Bertnagel, it is all paying debt service obligations. In July we are in a new fiscal year and that budget is not yet set. Ralph Zovich, schedules are in the annual report on bonded indebtedness, reviewed. (c) In the September 15, 2011 minutes Dave stated the BOF will get legal opinion re financial policy statement and she requested on Feb. 16th to get a copy of that but received a certified letter stating there is no such thing available. Dave Bertnagel stated it was for transfer request and a legal letter; there has never been a legal opinion done on her request. Discussion held on reviewing policies of other towns. (d) Level debt service policy in place and capital improvements will determine priority of projects and idea of keeping debt full is a violation of Charter because only the taxpayers and electors can vote to put themselves in debt. Ralph Zovich stated that is all debt that has been approved through referendum and this Board has to pay them. we have 17 million in bonded debt and our Charter allows for bonding. (e) Will you get a legal opinion as whether financial policy statement is in violation of the Charter. Ralph Zovich noted the Charter supersedes all policies and statements.

12. Correspondence

13. Board Member Comments

14. Adjournment

MOTION: To adjourn by Vicky Carey; second Pat Budnick and the vote unanimous.
Meeting adjourned at 9 p.m.

Respectfully submitted,

Robin Gudeczauskas
Recording Secretary