

Town of Plymouth

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Board of Finance

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1. Call Meeting to Order - The Regular Meeting of the Town of Plymouth Board of Finance was called to order on Thursday, April 4, 2013 at 7:00 p.m. by Chairman Ralph Zovich in the Assembly Room, Plymouth Town Hall. Members in attendance: Pat Budnick, Vicky Carey, Peter Cook, Mike Drozdick, Ralph Zovich. Also present: Dave Bertnagel, Director of Finance. Excused absent: Dan Murray.

2. Pledge of Allegiance

3. Review and Discuss Proposed General Fund Budget for FY 2013-2014

Capitals – one page summary 2013/2014 Capital Outlay

Decreased \$15,400 so far

Police Department – 7 out of 11 in fleet and \$60,000 is to replace last 2 Crown Vics Target and Range Equipment, \$7000 – new qualification for gun training by State of CT

Bulletproof Vest – grant funded and we are paying \$4000 and grant pays other half Computer Upgrades, \$100,000 under Director of Finance

Assessor – Reval at \$20,000 and next year will decide what will get done

Computer networks are shot which were done in late 90's; 5-6 years behind on software and we estimated, now in year 2, of approximately 500,000-600,000 over 5 years; have completed year one mark of what we need to do; email systems replaced and up to date and coordinate with BOE system. Peter would like breakdown of hardware/software; Dave noted it will include phone upgrade, voice over ip as many issues with current systems that need to be replaced.

Fire Department

Pager replacement program, 4 out of 5 payments, \$9000

Engine 2 Replacement - spoke with Chief Sekorski and we do need it; this is replacement and we put it off for quite a few years and prices keep increasing; if wait another 2 years we could add another \$250,000 to this. Finance purchase of \$495,000. Ralph noted Chief Sekorski is in attendance; last year in budget at 450,000 and chose not to fund. Mark Sekorski stated cost up for simple reason is all diesel motors have emission which is 40,000 and International is the only one when made own emissions; now have to put additive in. Longer defer the more expensive; TFD has not increased fleet in 23 years and no plans to increase, we are replacing an aging piece of apparatus. Quick overview given of equipment at each station and how process works. Board question on salvage or resale of engine 2; Chief Sekorski stated they have never had luck to sell equipment but have been trying to due to lack of market for used; they trade in and if can get Scott airpack or hose for that truck, we are far better off. This truck

was hit in 1994 during fire in Lake Plymouth house fire, repaired. Discussion on how to donate a truck to another town/country and restrictions/costs, liability reviewed and discussed.

Pickup truck to replace 1977 Chevy, bed rotted out, flatbed used to carry sand for spills etc; Will be a state bid

Insulate headquarters, did put on new roof but some insulation got wet before new roof got on

Town aid to roads, general fund, \$100,000; grant funded is \$200,000 and LoCIP is \$100,000. Dave stated now the state will begin debating budget bill April 15th and we are going with the best numbers. Same amount as last year.

Highway Dept.

Gas generator, \$30,000 and is a backup and question of getting grant for this or some of this but total amount is put in (will apply for FEMA grant)

Underground storage tank removal – filling stations need replacement per State of CT; currently need to test daily (avgs 6-8 hours per week reporting); discussion held

Town Hall

Interrogation Room, \$20,000 – mandated and will see updated plan

Town Wide Security Upgrades – David noted safety committee meets regularly and there are things we need to do to make more secure such as doors, alarms etc.

North Street Reservoir – wanted 60,000 and cut to 50,000; need to reestablish property lines; might include dam maintenance; committee should have input; town needs to show commitment to property and may find matching grants; strict guidelines through DEEP; Dave will request itemized listing of what plan is; may fall under Parks & Recreation depending on Town Council

Plan of Development, \$10,000 – plan to do in house and working on some regulations; done every 10 years

Library

Paint and Repair, \$25,000 – interior ceiling walls in new section; peeling paint to be scrapped and painted, water leaks and replacing some ceiling tile from water damage; exterior painting, repairing retaining wall which is falling down by emergency exit near children's room and safety concern; Painting of soffit, recaulking trim and pointing of bricks on outside

Bookshelves, \$10,000 in fiction room to be replaced

Elevators – not approved but overview/update on approximately 1974 and working but if it springs any oil leaks it would be motor replacement of \$49,000 worth of repairs and could be emergency; if had to replace whole elevator it would be approximately ¼ million

Facility Assessment – \$50,000 will give list of critical issues that need to be addressed; this is Capital Improvements under BOF; including town hall, firehouses, ambulance, sewer; looking at safety requirements, ADA compliance, all new laws and compliance; 1994 recommendation was to replace the police department and that never took place.

This gets architectural and engineering work; discussion held. Line item wBOF/Town Council/Capital Improvements Facility Assessment

Emergency Management

Shelter, 6 back up radios which do not have, \$7600

Dam Emergency Plans, 6 or 7 waterways, \$15,000 noting flood and insurance policies and problems are coming about in new regulations that we might have to do Pequabuck River whether we want to or not; this will cover other dams, behind high school, upper pond and middle pond which are in flooding areas; list of ponds given last year; Chief Sekorski noted we need to have flood escape plan in effect for areas around these dams Dam Study was not included in this requested budget, \$27,500 for funding; Dave Bertnagel noted Dan Murray will be coming back on this. Vicky Carey noted leaks on dam at Wilton Road; high school has minor repairs needed; upper/middle pond needs work.

Tax payers to fund \$644,600 with capital outlays

Anticipate 204,000 in state grants; 100,000 in local capital improvement program; short terms financing 770,000

Summary total asking taxpayers to commit 3 years out for \$1,718,000 but expend the 295,000 in 2013/2014 year; making \$70,000 on engine 2 this year noting it takes 1.5 years to build the truck per Chief Sekorski

Discussion held on underground storage tank

Draft of Proposed Debt Service 2013-2014 reviewed by Dave Bertnagel

Over given: Payments outstanding, on school 14,175,000 principal; payments this year 1,045,000; interest 440,620; General improvements side, water lines at Fall Mountain and roads; Denitrification bond that was passed comes strictly out of WPCA through sewer assessments; Waterline debt that were refinanced as we were paying 6.5% for fall mountain water; Outstanding leases; New high school outstanding note

Total debt: \$3,100,000

Interest from 600,000 to 740,000 and principal dropping from 2,500,000 to 2,360,000

Roads and North Main Street Bridge need to have a line item created.

Update on current capital expenditures given; Dave will prepare listing of all roads, estimates and actual.

School Budget

Chairman Zovich noted pdf file was sent to all board members in response to Dan's request; overview given on 5 years worth of test scores. Discussion held on presentation of budget, mandates, updates, salaries, security requirements, etc.

Last year after all done, government came through with more money and is there anything coming up that will allocate additional money to the schools; Dave Bertnagel gave update on PILOTS reallocation to the BOE and we would have to give the BOE \$11,000 if passes (Hold Harmless Grant). We are adopting a budget prior to the State Legislature and cannot predict what will happen. Last year we gave them \$130,000. They put more in medical reserve and allocated for a teacher; due to savings in energy

they were able to absorb the raises and do staff reallocations in this year's budget presentation. Original BOE presentation by Dr. Distasio was a zero increase; the new superintendent came in and discussed concerns she had and came back with 1.5% and at lower increments, reviewed with reminder whatever is given is the baseline for next year's budget unless invoke \$3000 per student enrollment drop.

Chairman Zovich read email from Dan Murray into record on his insight for BOE budget; holding budget to last years' numbers. Current superintendent suggested the same initially. His proposal is we get plans, actions and programs in place and see where we are with the development.

Vicky Carey stated her personal recommendation is same as Dan and hold to last years' budget and see what happens.

Mike Drozdick, we need to increase the scores and how are we going to do that and the superintendent has some things in there that can help do that; compared with other school districts, our cost per pupil is, wow, and document given comparing the cost per pupil to the towns was obvious; our cost per pupil based on 2011-2012 is comparable to other places; we need to increase the performance of our students and also apply programs to the smarter kids to keep them here in our schools. Feel go with .5% or what requested.

Pat Budnick, can see both sides but they went from 1.5% from one meeting and pushing for that and then had other workshops, shuffled to keep staffing and did that in a short period of time and if they spent more time they could have additional cost savings; because of security mandates which probably won't be funded. Originally leaning toward half of what they asked and then one things that bothers her is addition of psychologist and then diagnostic services for another \$55,000. They have comfort level of what they will get out of that money. Feels we should give them \$50,000.

Peter Cook feels they have a plan and want \$120,000 to implement it in making middle school better; likes outsourcing psychologist where don't have to pay benefits; understands why they are doing what they are doing; good with whatever the board decides but \$120,000 is not a lot of money for this school; bothers him when look at ECS chart to see what the town has to fund as ECS is dropping.

MOTION: Give the BOE amount requested of \$23,252,791.00 which represents a \$123,115 increase over current budget by Peter Cook; second Mike Drozdick.

Discussion: Pat stated she has nothing against special help but point is they were able to move bodies to get down and still have potential to move finances. Chairman Zovich noted another option is the sinking fund which is a valid capital improvement if they want to use for security issues. Mike Drozdick noted increase in salary is about what they are asking for in their increase in the budget. Vote: Vicky Carey, no; Mike Drozdick, yes; Pat Budnick, no; Peter Cook, yes and Chairman Zovich votes yes and Motion passes 3-2.

4. Public Comment

a. Melanie Church, 328 Main Street, (a) the micro servicing or chip sealing or crack sealing along, material bought last year is sitting up at C&C Hydraulic and never put down and we expended money and does not even know if stuff is good and has concern with that. Never went out to bid and never put down. Chairman Zovich noted she is referring to money expended under road project; (b) yes, a gain and never went out to

bid, it is a waste of money. When you were totaling up this and came to under capital outlays, plan of development you only wanted to put 10,000. Went outside and talked to Mark Sekorski and she has been checking into everything, we do their fire trucks; he said they do not go by mileage but by hour use and think you need to also look at that and think that because it is open p.o.'s that are blanket still, money is still being spent and mentality and happening at Tyler Equipment and WI Clark and we are changing filters with 50 hours on it and wasting money. Chairman Zovich noted for clarification she is referring to highway garage/maintenance garage; (c) yes; also asked that someone check on 4 tv's and 3 extra cable bills for locations and hope someone does it. Reiterate think you still only need one mechanic and understands a lot of it, can name a number of construction companies with only one mechanic. (d) Also, given list of salaries for town employees and compared to WPCA who is available 24 hours a day and they are 15,000-20,000 less than we are for director or superintendent and think maybe on Saturday makes no sense why need two people at transfer station and believe you can get by with one; from what she hears or remarks there is always somebody sitting inside so do we need two. If manpower not necessary we need to look at it and at highway department and what is going on there. Major stuff going on and if everyone wants to bury heads it will get bigger.

b. Pattie DeHuff, 20 Lynn Avenue, (a) this as you are familiar with is the management letter from 2010-2011 and management letter from 2011-2012 and put side by side and read old one, and her husband read them, and practically identical and refer to one page that is a bit different and recommendation a bit different. What concerns her is that we have auditors we pay for who make recommendations and then from management letter nobody did anything about recommendations, most were not followed, reviewed questioning why don't we have those things. Question is you are BOF and is the audit directed to BOF or management letter to mayor's office; what are you doing so that our money is protected. When talking about BOE budget, we are not trying to punish the children. Why do we have this if we don't do anything about it. Chairman Zovich responded on January 17th the BOF agenda had an action item to discuss and take action on auditor recommendation and we went through every item and it is all in our minutes and all addressed. Discussion held. Pat Budnick stated she was given an accounting manual and hard copy and will get computerized copy and she will be working on it with Dave and we have had in process and just have not gotten to it. Dave Bertnagel stated when he first came there were 38 auditors recommendations and in his time has brought down to 4 items, reviewed. Financial risk assessment came up because of General Accounting Standards Board (GASB), just started and within 4 years will become part of auditors standards and basically another set of standards. Inventory in this town has never been done independently and we are working on it. We have accounting policies, in place but not in one binder, need one concise manual. Interfunds, reviewed. (b) mis-tint, and something you should think about if someone returns a color they didn't like, maybe those are suitable for walls i.e. in the library. Vicky stated Lynn does know about that but needs scaffolding and needs to get most bang for buck. (c) when refinance, do interest rate, but interest and is she wrong if you lower interest rate but now have to start from scratch are we really saving the taxpayers by refinancing. Dave reviewed old debt, that we had previously was 1.7 million and by

refinancing save; new bonds added a principal and interest payment to that to keep debt level and old debt still dropping down; yes, we did save 1.7 million.

c. Melanie Church, 328 Main Street, two other points, one is capital improvement commission is under jurisdiction of Council and Council is the one that approves they bring every bid to them and explain why approve and money under BOF belongs with Council and ones who oversee capital improvements; 2, public works, has another surprise for you; take a look at registered vehicles and at registration and vin number, they do not match. A major problem even though license plate number with registration not the right vehicle. They take plate from one to another and do not change it. You need to do honest inventory and point tried to bring up on true inventory. That is an unregistered vehicle. Dave Bertnagel, that was done as insurance listing with the town and has every vehicle on it. The insurance agent has come out and verified and done annually. Chairman Zovich read correspondence from Mr. Lorenzetti on televisions into record.

d. Mike Kennedy, 11 Overlook Road, disappointing in vote tonight and if memory, heard on Monday unemployment rate is 9% ; we are faced with some things that half this town doesn't realize, tremendous tax increases at federal and state level and here in town. Obviously no sympathy amongst members of board on taxpayers struggling. Even though BOE is asking for half percent increase they should get zero and live with budget they did last year. Out mill rate is through the roof and will keep going through the roof. We wonder why student enrollment is down, why would anyone would want to live here and why would industry want to come to this town. Think of ways to attract business and family to town. He is ready to move out of this town and because his taxes keep going up. You need to consider this is 2013 and when affordable healthcare goes in effect our taxes are going through the roof. If you think the economy is getting better you are wrong. It is time you say no and let them live within means. Find ways to cut spending and you are not. Zero percent increases period is way it should be. We need common sense decisions.

5. Board Member Comments

a. Pat Budnick, thought in past years had amended budgets so we knew what increase was and do not know overall impact. Dave will crunch entire budget detail, both expenditures and revenues for Monday meeting.

b. Peter Cook, we spent a lot of time here and in last few years keeping increases as low as possible and when hear people say federal taxes go up you will pay no matter where you live. We did not join the board to slash budget but to try to make the town better. We do not make decisions just on fact want a zero increase and it was easy last year when zero but when forced to make a hard decision with facts in front of us you make it.

6. Adjournment

MOTION: To adjourn by Peter Cook; second Vicky Carey and the vote unanimous. Meeting adjourned at 9:50 p.m.

Respectfully submitted,

Robin Gudeczauskas, Recording Secretary