

Town of Plymouth

80 Main Street, Terryville, CT 06786
www.plymouthct.us

Board of Finance

Telephone: 860-585-4002
Fax: 860-585-4015

1. Call Meeting to Order –The Regular Meeting of the Plymouth Board of Finance was called to order on Thursday, September 18, 2014 at 7:00 p.m. in the Assembly Room, Plymouth Town Hall by Chairman Peter Cook. Members in attendance: Vicky Carey, Peter Cook, Pattie DeHuff, Dan Murray, Jim Zalot. Also present: Mayor David Merchant; David Bernagel, Director of Finance; Robin Gudeczauskas, Recording Secretary; Sue Murawski, Council Liaison; Michael Santogatta, BOE Business Manager; Ted Smith, Tax Collector. Excused absent: Mike Drozdick.
2. Pledge of Allegiance
3. Board of Ed Report – Mike Santogatta reported the BOE ended the 13-14 fiscal year with \$53,086.00 surplus of which the BOE requested that \$40,000 be put in the reserve fund. The district did buy chrome books from the 2013-2014 budget and planning to send chrome books for every child grades 6-12. Pattie DeHuff questioned staff development and why over by \$90,000; M. Santogatta stated staff development was contracted out and used more than budgeted with consultants for data teams, SRBI and did sign a contract for this year to allow continuation of data team consultants. Currently 2.5 months into budget of which allotted 50,000 for legal and over and estimate with anticipated bills they may have spent 80,000 to date; will go higher as entering into teacher negotiations starting September/October. With regard to the salary line items, have had a number of people retiring and leaving the district, reviewed. Special Ed budget was cut over \$200,000 by the Superintendent from last year and had anticipated reaching an agreement with Thomaston for an alternative school program, reviewed, and never came to fruition and now numbers with out-placements are same as last year. Superintendent salary, paying a salary out until Nov 30th with interim in 3 days a week. The BOE hired 7 tutors for class size issues and those are not budgeted. Enrollment is up at the middle school about 30; high school down 20 and elementary kindergartens are heavy and 4th/5th grade class that are 26/27 children. Smooth opening to school year, reviewed. Vicky Carey questioned (a) whether the 97,000 for tutors is including insurance etc; M. Santogatta stated it is an accurate figure and they are not part of labor association and hourly rate with no benefits. Funds to cover this will be transferred midyear from other salary accounts. (b) Interim 3 days and what is price for him. M. Santogatta stated \$600 per day and pay auto allowance of \$500 per month and medical benefits of approx. \$485 a month. (c) Are they looking for a superintendent? M. Santogatta stated not yet and interim just started Monday. (d) Chrome books, article in paper that an account will be made for \$25 insurance and where is it going; the town should create a fund; do you return money at end of year and if not, that is extra from kids. M. Santogatta stated the policy the BOE is adopting and implementing a line item in the student activity fund and run it there; the policy does not return the \$25 as strictly insurance. Chairman Cook stated it is a technology fee and price to get chrome book for a child; it does not go back and if the chrome book breaks that will cover repair or

replacement. Discussion held.

MOTION: To add Agenda Item 4 - Approval of Minutes for May 15 and June 19, 2014 by Dan Murray; second Jim Zalot and the vote unanimous.

4. Approval of minutes

MOTION: To accept the Minutes of May 15, 2014 by Pattie DeHuff; second Dan Murray and the vote unanimous.

MOTION: To accept Minutes of June 19, 2014 by Pattie DeHuff; second Dan Murray and the vote unanimous.

5. Tax Collector Report – Ted Smith distributed summarization and 3 page document of efforts accomplished during fiscal year period. Reviewed 97% collection rate. Pattie DeHuff referenced May minutes which Ted stated he was hoping to collect another 400,000 and did that happen; Ted Smith stated 338,000 collected in May and in June 164,000; collected grand list levy 96% of collection rate. He stated this year is going very well, as of end of today over 50% of budgeted amount with July and January usually the two biggest collection months; collecting delinquent taxes on smaller accounts and today processed 3 accounts totaling over 23,000. Dave Bertnagel will put together breakdown of outstanding accounts. Dan Murray asked for clarification of part time person and is this new or existing; Ted Smith stated she has been a town employee and in tax office since last October. Year to date report not available.

6. Mayors Report – Working on economic develop and getting new business in town; this past month had ribbon cutting in business park for dance academy; karate school moved into facility where church used to be and another for Cleveland Country Store; activity in business park includes Nutmeg Spice bought a second lot and will double in size; 3 Leaf Landscaping has a building going up; on Container Drive a business will put a building up in the spring as well as Katie Murdock. Napco building is back up and operational with 30 employees; gave grant money to Model Craft on Altair who combined with a Waterbury company and now have 50 employees (up 15 from where they started with). Hoping for a company (inland fuel) moving to South Main Street who will put in excess of \$6 million in infrastructure. Good things going on. Dave Bertnagel reviewed economic development money used for grant and that company is on tax rolls; reviewed waterwheel grant appropriated years ago and had restrictions and strings and Mayor Festa had made contact with the State of CT and restrictions on grant were freed up allowing us to use general vicinity for improvements which are sidewalks. Discussion held on streetscape money and waterwheel project.

7. Finance Director's Report – in process of audit and received tax collectors information today; town ended year with surplus; all other funds are positive variances including WPCA, open space, revenue grants, etc.; received notification today for \$67,000 coming back from the South Main Street project and that will net against project and can appropriate to another project or fund balance. Discussion held.

8. To Make An Additional Appropriation of \$500,000.00 For The Main Street Scape Project Funded By STEAP Grant

MOTION: To appropriate \$500,000 for the Main Street Scape Project funded by STEAP Grant by Vicky Carey; second Jim Zalot. Discussion: Dave Bertnagel reviewed the Small Town Economic Assistance Program grant stating the Town applies annually

with approximately 100 towns eligible to receive STEAP grants, competitive process. Governor's office reviews each application and awards grants based on merit projects. \$500,000 that was earmarked for Plymouth was designated for streetscape program but not designated to a certain area. The Mayor is working with Economic Development and other groups on next series of sidewalks. To date Plymouth has received \$1.1 million toward streetscape program. We appropriate money and get reimbursed based on expenditures. Pattie DeHuff stated if we do this we are putting the state in bonded indebtedness. Mayor Merchant stated if money does not come here, it will go to some other town. Dave Bertnagel stated this is an annual grant program through the state budget. Vote: unanimous.

9. Board of Education

a. Sinking Fund transfer

MOTION: To put \$40,000 into the Board of Education sinking fund by Dan Murray; second Pattie DeHuff. Discussion: none. Vote: unanimous.

Dave Bertnagel stated \$13,000 goes back to the General Fund.

MOTION: To go into executive session at 7:45 p.m. for personnel issues inviting the Mayor and Dave Bertnagel by Dan Murray; second Jim Zalot and the vote unanimous.

Chairman Cook called the meeting back to order at 8:02 p.m. stating there will be no action from Executive Session.

10. Public Input

a. Melanie Church, 328 Main Street – questions (a) highway garage that was completed and under budget but whole back has been dug out, lined and all leveled off. GH Kelly did that and took 10-12 days and where is cost of that coming and if going to be paved, there is enough up there to do another road. GH Kelly came from contract services and thought that was for leasing like skid steer; and highway garage paving that needs to be done and cement and that done and ballards put up is coming from town aid to roads. Said needed x amount for roads and that is not a road and again being short changed on roads. Needs to be more accounting with monies; goes to public works advisory and not watching money; capital improvements is not watching money; runaway train and the public has a right to know where money coming from, where being spent and next year when budget comes up and town aids to roads it will not go to roads we are not getting an honest budget. (b) looking to buy house on Charles Street that is blighted and man can't fix because in negotiations and where is money coming from for that and who will knock it down; cannot be on taxpayers. (c) did ask about waterwheel project because Economic Development did not know where money was coming from and waterwheel people did not know.

b. Ralph Zovich, 4 Knight Lane – (a) glad to hear about success in attracting new businesses; (b) have 80% residential grand list and 20% commercial and industrial; wants the town to grow and keep residential tax burden low; all these activities are attracting new businesses and way to go; (c) all for transparency and wants to see taxpayer money spent efficiently and what troubles him is matter of judgment and whose is it money is spent wisely for better of all people or for special interest; who is to determine to pave 10 miles vs. 9.5 miles of road and at some point we have professionals to make that decision. Trust explicitly the financial judgment from Dave and the new public works director is qualified. Issue at town council meeting was implication that money was not being spent appropriately from bond authorization and comment this evening about highway garage. We should be able to share but always a underlying implication of wrong doing or misappropriation and you have auditors, the best in CT, ask them for

details and they are the ones who caught embezzlement in Winsted. If think money is not accounted properly you have authority to ask the auditors. Dave has every expenditure logged in by project number and this board can ask for itemized listing from Dave. His opinion is perhaps the bond authorization for 9.8 will come in under budget and if so, what shall we do with this money; if so can we take money and pave more roads and that is what we told people that 9.8 is for roads. Can we take savings and pay off bonds earlier, but ask for what purpose. We borrowed that money at historically low interest rates. What is in the best interest of the town vs. those who want to cut taxes; we know 10 years ago when we cut the capital budget and allowed roads to crumble and the hole in the library roof to grow. On record as saying that if there is any money left from Seymour Road project, to pave more roads because it will benefit the greater good in long run.

c.Rob Wilcox, 155 South Main Street – to Mr. Zovich the point mentioned on Blum and Shapiro and after last meeting mentioned fraud risk assessment and has one been completed and it was their recommendation following last audit. Is that up to the BOF to conduct? Dave Bertnagel stated inventory is part of fraud risk and a multiyear project, the school has done so, we did public works and ongoing. In terms of identifying public assets that is ongoing project. Inventory was one piece and other piece was information technology and in budget for multi years to get infrastructure up to date. Years ago we had IT 2000 and then did nothing. Now have Rich Trudeau who took over town's piece and doing excellent and a significant component. The third component is financial which is annual audit each year. Until we have a comprehensive list of all assets and IT infrastructure it will stay in audit. To do the entire thing was \$1 million and we put a few hundred thousand each year toward it.

d.Melanie Church, 328 Main Street, one other thing on list was bids and are they going out and are we using lowest bid and getting minimum of 3 bids. Chairman Cook stated that is prevue of town council and not us. (b) high school, junior high and grammar from bonding package to have audited by state and when will high school be done. Dave Bertnagel stated Mike Santogatta has to prepare final forms and that process can take 3-4 years to finish by state. High school does have a certificate of occupancy.

11. Correspondence

a.Letter to BOE and a copy was sent to BOF; gave to secretary for record

b.Chris Simo Kinzer letter regarding his thoughts on something that happened at BOE meeting; read into record and given to secretary to be filed with minutes. Pattie DeHuff asked for a copy.

12. Board Member Comments

a.Dan Murray – have we done anything with dams this year and did reports come in and assessment. Dave Bertnagel stated receipt of approved beaver relocation process. Mayor Merchant stated Bemis Street dam is of concern; Dan will contact Charlie Wiegert.

b.Vicky Carey – (a) Michael Ganem was to come to September meeting; Chairman Cook stated because the tax collector was attending tonight he asked Michael for next month. (b) regarding the reservoir, wants long range plan, reservoir budget update and does not want him to over expend and let him know some monies need to stay for contingency.

c.Jim Zalot – hope everyone had a nice summer and good to get back to work.

d.Pattie DeHuff – \$118,000 under spent in budget and that will go back to general fund; Dave Bertnagel stated it will; (b) it was stated there is an itemized listing of every expenditure and can we have for next meeting. Chairman Cook stated in October or

November we should go through bonded stuff and usually done when Dave finishes audit; (c) to every board member, does not have a clue on how to keep all reports organized and if anyone has a way please let her know. Feedback given. (d) grant money, how do we keep track to make sure; Dave Bertnagel stated system has project codes to keep track of each project; reviewed. He stated financial system (BOE and town) are separate and at end of year he reconciles our system to the BOE; mundane process; that is why technology is improving each year and important to keep going.

e. Peter Cook – Parks and Rec will be in next month; bond and grant summary account balances next month.

13. Adjournment

MOTION: To adjourn by Dan Murray; second Pattie DeHuff and the vote unanimous. Meeting adjourned at 8:30 p.m.

Respectfully submitted,

Robin Gudeczauskas
Recording Secretary