

1. Call Meeting to Order - The Regular Meeting of the Plymouth Board of Finance was called to order on Thursday, April 14, 2016 at 7:00 p.m. by Chairman Ralph Zovich in the Assembly Room, Plymouth Town Hall. Members in attendance: Vicky Carey, Pattie DeHuff, Jay Dorso, Ralph Zovich. Also in attendance: Sue Murawski, Council Liaison; Robin Gudeczauskas, Recording Secretary. Excused absent: Dan Murray and Jim Zalot.

2. Pledge of Allegiance

3. Notice of Fire Exits

4. Review of proposed FY2016-17 General Fund Budget

Draft updated and distributed for review:

Grand list reviewed

Current Property Taxes: recommended \$24,393,227 for 2016-2017 budget

Mill rate for 2016-2017 would be up 1.15

Budget breakdown reviewed

Vicky Carey asked how many tax abatements were given and what was loss in current year; are any due to expire and is anyone applying for extension. Discussion held noting approximately 5% is abated of grand list totaling approximately \$1 million. A portion of the \$48 million abatement is churches who do not go on grand list.

Summary of Revenues: Current Motor Vehicle Taxes is capped at 32 mills per State statute.

Inter Government Grants: ECS we have \$9,852,399 which the governor is proposing more cuts to this; discussion held. Chairman Zovich proposes that if we have to take a cut, his proposal is that rather to pass on to tax payers, we make up for ECS reduction out of fund balance (\$1.7 million last year); if ECS is cut \$200,000 this would add half a mill increase; or the Mayor would have to make reductions. This will be explained at the public hearing as the number is subject to change.

Expenditures: adjustments made reviewed: Legal services cut \$5,000

MOTION: To cut town attorney back down to \$45,000 by Pattie DeHuff; second Vicky Carey. Discussion: Vicky Carey asked would be better to cut labor attorney and left town attorney at \$50,000 and decrease labor attorney to \$60,000. Discussion held on contracts to be settled. Vote: Jay Dorso, yes; Vicky Carey, yes; Pattie DeHuff, yes; Ralph Zovich, yes.

Motion carries.

MOTION: To bring the labor attorney salary back down to that which he requested which is \$60,000 by Pattie DeHuff; second Vicky Carey. Discussion: none. Vote: Pattie DeHuff, yes; Vicky Carey, yes; Jay Dorso, yes; Ralph Zovich, yes. Motion carries.

Legal services now down to 145,750.

Pattie DeHuff questioned (a) statements that budget will fail; Chairman Zovich stated he started the tone but felt his message was we need to be prepared in case it fails. (b) we know workload and Ann Marie does not want to sit and review again and again and to reduce workload we should present budget that people will accept on first go around. Chairman Zovich asked for board's opinion on where do we need to be to get to pass: Pattie DeHuff, at current budget with no increase. Vicky asked about what we do with pension liability and medical. Ralph reviewed employee benefit numbers Ann Marie came in with; health insurance reduced to \$1,088,000. Line items reviewed in department. Pattie, we have not done a full forensic audit on budget or fraud risk and that was advice of auditors. \$15,000 was put in budget for risk assessment. Discussion held. Chairman Zovich reviewed last page on headcount in highway garage which is 11 and 1 in maintenance and 1 at transfer

station. Need to state 11 in highway as one moved from maintenance garage. Human Services, 060, \$3000 was put in as a one time line item if the town attorney can create the nonprofit, if the town attorney says the town cannot create a nonprofit that becomes surplus and they cannot spend it. Discussion on putting into contingency; Chairman Zovich stated we have the right to transfer line items from unspent money in any account and if the town attorney says we cannot do a nonprofit, we can take that money from that line item and move into contingency. Pattie DeHuff would like to cut it out altogether; asked if we can have a ruling from Attorney Hamzy by next Thursday; Chairman Zovich to contact the Mayor's office to get ruling.

Expenditures \$40,237,126 with total increase in expenditures of \$1.73%

Pattie DeHuff read from the Charter on referendum. Discussion held on if the budget fails twice, the increase by Council of up to 3% and need to have joint meeting with council to review budget.

Pattie DeHuff passed along public input on the budget: make building inspector part time; eliminate engineering tech; public works director personnel change; one day per month furlough; no continuing education for unqualified people; one year freeze on new police cruisers; part time animal control; get rid of 1.5% increases for nonunion positions; remove secretary from fire marshal and put that job in pool; training for public works offered for free from OSHA. Chairman Zovich stated he prepared draft slides and one is contingency plans and he put part time positions, furloughs, layoffs; will also talk about unfunded liability. Vicky Carey stated special ed is bound by laws; with declining enrollment they may have to cut teachers and or close one school

The changes tonight change mill rate to 36.569 or 36.57.

With reduced legal services the budget is \$40,227,126.

MOTION: To send this to public hearing on Thursday, April 21 as to the budget BOF recommended of \$40,227,126 by Vicky Carey; second Jay Dorso. Discussion: none. Vote: Jay Dorso, yes; Vicky Carey, yes; Pattie DeHuff, no; Ralph Zovich, yes. Motion carries.

Public hearing presentation: prior year's presentations distributed and discussed.

5. Executive Session (if req'd) for Personnel & Pending Litigation. Not Needed

6. Public Comment

a. Jim Mozalak, 18 Carriage Drive – (a) town budget, are we running in red or black; Chairman Zovich stated in red and if all revenues come in as projected would put \$200,00 over expenditures; however, we are getting extra \$150,000 back in special ed reimbursement. We will use \$150,000 to balance off \$140,000 spent for generator and antennae. (b) you have decrease of \$390,000 and talking about 292,000 for loss revenue on motor vehicles. Chairman Zovich stated those are next year; but this year if more is collected and we end up balance or small surplus; with emergency and special appropriation we have deficit built in. (c) agree to bring debt down on pension fund and when the \$415,000 comes back, can that be used. Chairman Zovich stated some can be used and before we can spend anything we need to restore \$230,000 from BOE sinking fund; reviewed. (d) Build up trust of taxpayer, what happened this past Monday we went back 35 years with town meeting. Chairman Zovich stated he did not know a motion supersedes a motion on the floor. We have bent over backward to be as transparent as possible to explain where money is coming from and where going and will give as direct an answer as he can based on information he has and will be honest with taxpayers that if he does not know he will tell them. He further stated the fact that we adjourned the meeting, the motion on bonding was not voted on.

b. John Murphy 385 Greystone Road – (a) thanked for volunteering; (b) Robinson and Cole

bond counsel, was there a recommendation by them for bond package and were you afforded a copy; Chairman Zovich said yes, they draft bond resolution with all sections of bond projects. That was handed out at last public hearing and what the Council voted to send to a vote. (c) if from bond counsel, do they say you are in good shape to ask for \$9 million; do they give legal advice. Chairman Zovich stated they got information from Phoenix Consulting as to the complete analysis on the principal and interest schedule. Bond counsel can look at audit and review statutory debt limit; Vicky Carey stated they compare 3 years and can look at more. Discussion held; Vicky reviewed 3.1 level debt service history. (d) 236,000 for a street sweeper is a lot and why not buy used or refurbished equipment. Chairman Zovich stated previously we made changes but there are protocol to follow.

c. Melanie Church, 328 Main Street – (a) for last 3 years there has been increases and some exorbitant for non union people; one is mayors secretary even though called administrative assistant. This year we are hurting and asking employees to change insurance which saves money but all these people who are not part of the union are being given 1.5 increase and would like to know breakdown of how much increases were given this year for employees. There was a special appropriation for mayor’s secretary. (b) 10,000 raises given; everyone non union is getting 1.5 and what are percent increases. Rewards have to stop and would like to hear breakdown. (d) did you figure the extra monies that the mayor and council requested that you gave them as part of the budget added on to the budget as if so it would be aggregate and we voted against it 6-8 years ago and you can’t have an aggregate budget; example given. Chairman Zovich responded on budget year from original budget followed by adjustments by BOF and when make an adjustment it becomes amended budget and then additions made of 75,000 for generator; 71,000 for antennae as one time emergency appropriations. We did do \$41,000 special appropriation to cover shortfall in administrative assistant account and to cover the contract accountant needed to finish audit. Chairman Zovich reviewed administrative assistant salary line item 2013-2014, 2014-2015, 2015-2016 for next year 16-17, \$54,133 is pay. Discussion held.

c. Sue Murawski, Town Councilperson – always thought revenue taken in goes to general fund but Ralph said extra duty has to be spent on police dept expenses. Chairman Zovich stated it is a fiduciary fund; reviewing audit, page 17, exhibit 4 has reconciliation; reviewed

d. Jim Mozalak, extra duty fund and just went for pistol permit and police officer is doing 5 a day, given price and so much to fingerprinting and background check from FBI and where does extra money. Chairman Zovich noted departmental revenues in budget under police department.

e. Melanie Church, money transferred when no longer have mechanic and put into highway as position no longer exists, you transfer money and why not in contingency. Chairman Zovich reviewed headcount in highway, maintenance and transfer station and money put into highway to pay upgrade.

7. Board Members’ Comments – none.

8. Adjournment

MOTION: To adjourn by Vicky Carey; second Pattie DeHuff and the vote unanimous.

Meeting adjourned at 9:45 p.m.

Respectfully submitted,

Robin Gudeczauskas
Recording Secretary