

**BOARD OF FINANCE
MEETING MINUTES
MONDAY, DECEMBER 18, 2017
7:30 P.M. – GREENE COMMUNITY CENTER**

Chairman Michael Ayles called the meeting to order at 7:35 p.m.

Present: Board Members: Michael Ayles, Veronica Wallace, Kenneth Gamerman, Jeffrey Beatty, Jonathan Trotta and Kenneth Mackenzie

Town Officials: First Selectman Matthew Hoey, Finance Director Maryjane Malavasi and Clerk Traci Brinkman

BOE Officials: BOE Chairman Bill Bloss and Business Manager Linda Trudeau

Media: Mike Graziano, taping for GCTV

1. Appointment of Vacant Position to the Board of Finance in accordance with Section 6-1 of the Guilford Town Charter.

Mr. Ayles clarified the process. According to Chapter 2 of the Town Charter when a person vacates a seat on an elective board or commission, the vacancy should be filled by a member of the same political party. The elected members of the board, in this case the Board of Finance, shall fill the vacancy within 60 days. If the board fails to act then the Board of Selectmen shall fill it within 30 additional days. The appointed person fills the vacancy for the remainder of the unexpired term to until a successor is elected at a special election called by petition in accordance with state statutes.

Mr. Gamerman nominated Meghan Forgione Scanlon for the vacant seat on the Board of Finance and the nominated was seconded by Ms. Wallace.

There were no further nominations.

Motion: Upon a motion made by Mr. Gamerman and seconded by Ms. Wallace, the board voted unanimously to appoint Meghan Forgione Scanlon to the Board of Finance to fill the vacant seat that will expire on November 5, 2019.

*Vote: In Favor: Ayles, Wallace, Gamerman, Beatty, Trotta and MacKenzie
Opposed: None
Abstaining: None*

Ms. Scanlon was sworn into office by Mr. Beatty.

2. Public Forum (limited to 3 minutes on agenda items)

None

3. Approve minutes of:

3.1 Regular Meeting Minutes of November 20, 2017.

Mr. MacKenzie noted the figures discussed about the Long Hill Road project on the bottom of page 7. He added that he came up with different numbers. He couldn't understand why the numbers keep changing and they didn't have accurate figures related to the project. He thinks it's higher than what is in the minutes.

Ms. Malavasi said she did not have the figures with her this evening.

Mr. Ayles noted a correction to Page 7, the dollar figure should be \$2,841. He added that all the questions that came up at the meeting were responded to.

Motion: Upon a motion made by Ms. Wallace and seconded by Mr. Beatty, the board voted to approve the minutes of the November 20, 2017 meeting as presented.'

*Vote: In Favor: Ayles, Wallace, Gamerman, Beatty and Trotta
Opposed: None
Abstaining: Scanlon and MacKenzie*

4. Correspondence:

4.1 Standing Building Committee Minutes

Mr. Ayles said he still intends on attending the SBC meetings, but he was not able to be present at this meeting.

Mr. Gamerman noted on Page 2 with regard to the Baldwin windows that the contractor offered a \$25,000 credit for the color error they made with regard to the windows. A \$30,000 credit was later accepted by the BOE. He asked if this was acceptable compensation.

Mr. Bloss explained that it was purely a cosmetic issue and for \$30,000 they will put up with it.

Ms. Trudeau explained that they fixed the egress issue so that will be corrected, but the rest was just cosmetic.

Mr. Gamerman asked if they are proceeding with the Melissa Jones roof project.

Mr. Bloss said they are and there is no good reason to remove the gutters. They do have lead coated copper, but they are not near any drinking water areas. It has been fully tested and there are no health issues.

Mr. Trotta stated that it looks like they underestimated the Community Center roofing project and they could possibly take it from another bond.

Mr. Ayles explained that the numbers came in much higher than estimated and they would be seeking additional monies possibly in a future bond.

4.2 Pension Committee Minutes

Mr. Ayles said there was not much change in the cumulative.

Mr. Ayles added that he also received correspondence November 30th from Matthew Hoey resigning from his seat on the Board of Finance.

5. Review and accept report of expenditures for the Board of Education for November 2017.

Mr. Bloss said everyone is on track with the expenditures for November. They are within the approved budget in each of the major items. He received a letter today that the Guilford High School Building Committee is requesting the BOE close out the high school project and accept it as completed on time and under budget.

He discussed possible unbudgeted ECS money from the State. They cut the budget for the current fiscal year and it looks like the town will be getting more than anticipated. If there is an excess of funds, he suggested they go toward offering tax relief by putting it toward bonding or pension obligations or both rather than use it for new programs.

Mr. Bloss highlighted a few expenditures for the board, including \$3,000 spent to replace the glass canopy at the high school. Something hit it so they had to repair it. He added that there are a few HVAC expenditures since their technician is out on worker's compensation. There were several bills for irrigation at various fields. Mr. Bloss did note that they pay for irrigation of the Cox field even though it isn't used by the BOE. It is just an example of the Town and Board of Education working together. He also highlighted a payment for engineering work at GHS to raise the noise reduction fence on the side building near Long Hill Farm.

Mr. Gamerman noted 5% increases in Central Office Non-Certified and Insurance and Tuition is up by about 3%.

Mr. Bloss said he doesn't think any of the numbers are alarming. Ms. Trudeau said the actuals are similar than last year, but the percentage difference, especially with regard to Central Office, is mainly due to a change in the budget.

There was a discussion about the reduction budgeted in state revenues versus the actual reductions made by the state in the recently passed budget. Mr. Bloss explained that during the last fiscal year they received \$3 million in ECS funding, but during the current year they anticipated a reduction in state funding and cut that amount by \$1 million. They were told they would be receiving \$2.6 million, which is \$600,000 more than expected.

Mr. Hoey explained that while the ECS numbers are correct there were reductions in other areas of state funding. In the 2016-2017 budgeted they received \$4 million in state revenue and this year they budgeted \$3,191,000, which was an \$860,000 cut. The net effect is Guilford is set to receive \$3.4 million, which is a \$560,000 difference. Subsequent to that there has been an additional \$430,000 in cuts. He added that they will be putting together a spreadsheet showing the line item areas that were impacted by the state budget and governor's holdbacks.

Ms. Malavasi said bottom line they are looking at a deficit of \$180,000 in state revenues.

Mr. MacKenzie noted that there is a reference to outplacements going down next year. He asked if that was due to students aging out of the program.

Mr. Bloss said it is due to some aging out and as well as not adding new students, because of the programmable changes they put into place at the lower grades.

Mr. Trotta noted the unemployment compensation line is doing well.

Ms. Trudeau said it is doing well because they have had lower claims.

There was a brief discussion about the Pre-K programs.

Mr. Ayles asked about roof repairs at Guilford High School.

Mr. Bloss said it was caused by human error not a structural defect.

Mr. Trotta said computer software was high.

Ms. Trudeau noted that the biggest part of this is they are being billed annually for the MUNIS Software instead of annually.

Motion: Upon a motion made by Mr. Beatty and seconded by Mr. Trotta, the board voted unanimously to accept the report of expenditures for the Board of Education for November 2017 in the amount of \$4,986,293.

Vote: In Favor: Ayles, Scanlon, Wallace, Gamerman, Beatty, Trotta and MacKenzie

Oppose: None

Abstaining: None

6. Review and approve report of expenditures for Town Government for November 2017.

Ms. Malavasi first noted that she has the five-year capital reports ready and she will have the packets for the board at the end of the meeting. That meeting will take place on Wednesday. The audit is complete and in the final review by Blum Shapiro. They will be presenting it at the January meeting, but it will be filed with OPM by the end of December as required.

Revenues

Ms. Malavasi said through November they have collected 53.6% of the revenue budget compared to 53.4% last year at this time. Tax collections are higher because they did receive a substantial amount of tax payments this year. Engineering and Public Works is up due to an increase in projects and road inspection fees. They received their first ECS payment from the state and although it shows zero for other state revenues they did receive \$400,000 so the state has release some of the money.

Expenditures

Ms. Malavasi said on the town side about 54.8% expended compared to 54.9% last They are on track and there is not much fluctuations in the departments.

Mr. Gamerman said Legal is showing 13% higher than last year and all of it is in part-time.

Ms. Malavasi said they did have a change of personnel in that area and at one point had a temporary person in there. The larger expense in legal is Labor due to contract negotiations.

Mr. Gamerman asked about a payment to a Flight Training School.

Ms. Malavasi explained that this is drone training. CIRMA requires the town to provide training for the drones.

Mr. Trotta asked about the fire hydrant costs. There was some discussion related to this, but they are regulated costs and nothing the town can do about them.

Mr. Gamerman asked about a \$29,500 payment to Dell.

Ms. Malavasi explained that these are budgeted capital items. About \$15,000 of that was to replace an outdated windows server and the remaining \$14,000 was to replace personal computers on their standard replacement plan. All were approved through the capital plan.

Mr. Gamerman asked about a payment to New England Geo Systems.

Ms. Malavasi said it is for mapping software.

There was a lengthy discussion about the Long Hill road project and the costs associated with it. Mr. Hoey said he would get back to the board with a definitive breakdown of the cost and information on the accounting at the board's January meeting.

Mr. MacKenzie suggested when they have larger projects like this that they can have a total number so they can reconcile that with what they are spending every month. This way the board can keep better track.

Mr. Gamerman asked about a payment to Pullman and Conley for \$3,000 for services on DEEP notice of violation related to Old Quarry and Tuttle Point Road.

Mr. Hoey explained that support structure extended beyond the overall footprint and the containment area. DEEP inspected it and issued a notice. The town engaged counsel and reached a settlement with them. He added that they will be looking at other projects as well.

Medical Benefits

Ms. Malavasi noted that it was a good month. December was down, which is what they had hoped would happen through the HAS. They do have a couple of claims in the catastrophic claims area. A total of \$164,000 has been covered by the stop-loss.

Motion: Upon a motion made by Mr. Ayles and seconded by Mr. Trotta, the board voted unanimously to approve the report of expenditures for Town Government for November 2017 in the amount of \$2,040,787.

*Vote: In Favor: Ayles, Scanlon, Wallace, Gamerman, Beatty, Trotta and MacKenzie
Oppose: None
Abstaining: None*

7. Committee Reports

Mr. Ayles said the Board of Education and Board of Finance had a budget subcommittee meeting this evening. Mr. Gamerman went over major points discussed in the meeting. They anticipate the upcoming bus contract will be higher and anticipate a drop in ECS money. Enrollment is pretty stable. They discussed two major areas in bonding – HVAC for Baldwin and Jones. They are not planning any major initiatives this budget. The BOE continues to study school start times and they are looking to make some adjustments to music and art at the elementary level.

Mr. Ayles said the BOE is juggling a lot of issues. With the study on the new start times, they are looking at ways to be as close to neutral with the cost.

It was noted that the town has tentatively scheduled its budget workshops for January 17 and 18.

8. Old Business

Mr. Ayles explained that the Energy Performance Contracting was approved by the BOS this morning and the BOE has also approved it. He submitted some comments from the BOF to the BOS and talked with members of JCI and ECG. They did receive the questions, they have responses and would be happy to share them with the board.

There as a brief discussion regarding the Energy Performance Contracting.

9. New Business

None

10. Public Forum (limited to 2 minutes on any item)

None

Motion: Upon a motion made by Ms. Wallace and seconded by Mr. Gamerman, the board voted unanimously to adjourn the meeting at 9:10 p.m.

*Vote: In Favor: Ayles, Scanlon, Wallace, Gamerman, Beatty, Trotta and MacKenzie
Opposed: None
Abstaining: None*

Respectfully submitted,

Traci K. Brinkman
Clerk
Board of Finance