

The Board of Finance held a regular meeting on December 17, 2008 in the Courtroom of Town Hall, 979 Main Street, Willimantic, CT 06226

Members Attending: Barbara McGrath, Hanna Clements, Janice Fournier, Tom White, Jay Handfield, Peter McDevitt Jr., Leo Santucci

Note: The chairman votes only to make or break a tie.

Chairman, Barbara McGrath called the meeting to order at 7:02 p.m.

Public comment

Joe Underwood advocated for funding for the Town Garage.

Tom DeVivo presented letters of support and some history on the parking structure. He is in favor of the Walnut Street location for the parking garage. Parking is crucial for the Town. He would like the board to support this endeavor to get the design built.

Jack Guarnaccia talked about the design phase of the garage at the Walnut Street location. The garage will help with the development of the existing property owners and make the properties worth more money. The garage will benefit any future development for other parcels.

Joe Duval is in favor of the funding for the parking garage. This is the first step to get anyone to come here and spend money and urges the board to spend the money for the parking garage.

Dan Lein asked the board if they are willing to work with a joint meeting with the Planning Commission and Board of Selectman to talk it all out. He also asked if they are willing to access the \$100,000 for the study. The building of the garage is the foundation for which other things are going to move forward.

Upon a motion by Jay Handfield, seconded by Tom White to move agenda item number seven to item number three for discussion only.

The motion passed unanimously.

Discussion on Resolutions for Parking Garage and Bike Path

Jay Handfield asked if the Board of Selectman voted on the appropriations.

Tom DeVivo commented that the Board of Selectman did vote that creating a parking structure is a priority of the Board of Selectman.

Tom White asked if the resolutions had been passed.

Jean de Smet commented that the language of resolutions had been voted on back in July. She explained the last sentence of the resolution says to set a Town meeting date so it didn't make sense to set a Town meeting date without the approval of the other boards.

Barbara McGrath commented about identifying the source of funds and the source of funds will be the undesignated fund balance. Is this the appropriate use of undesignated funds at this time?

Peter McDevitt asked if the \$107,000 can be appropriated or do we have to appropriate the entire amount.

Barbara McGrath commented that we have to appropriate the entire amount and will be reimbursed 80%.

Approval of Regular Meeting Minutes – November

Upon a motion by Jay Handfield, seconded by Peter McDevitt Jr., to accept the meeting minutes from November 19, 2008.

Tom White had an adjustment that from now on if a Board of Finance member requests something at a meeting, it should be put in the minutes.

Also, a request had been made thru Jean de Smet for the Board of Finance to receive the Board of Selectman minutes.

The motion passed unanimously with Janice Fournier and Hanna Clements abstaining.

Town Controllers Report

Controller's Report was presented by financial advisor Kathy Maxwell. As requested by Tom White, information on last year was submitted to the Board in a memo. For the 2007-2008 year, the Willimantic Service District fund balance will drop. This represents 8% of fund balance so the undesignated is about 8% of their budget. The General Fund will see a slight increase. However, funds were authorized for the current year to offset taxes, so it is lowered back down. Fund balance has stayed pretty stable at 9.4%.

We still have not have tied with the Board of Education expenditures for 2008.

We need to start working on the budget process for 2009-2010.

The auditors are in now. We received an extension from OPM.

For 2008-2009, one problem is with the \$75,000 that was suppose to come out of the cemetery trust but cannot come out of cemetery trust. Kathy recommends the board approve a transfer of \$75,000 from contingency into the salary line item in the cemetery budget to correct the problem. This will leave \$125,000 in contingency. Generally, there

are no major problems with expenditures. There are problems on the revenue side. For example, recording fees and real estate conveyances are behind from last year and this could result in a short fall this year. We should plan that investment income will be non-existent. The budget could be fine but the revenue will be down significantly. Anticipate ending the year with at least a \$500,000 deficit. This would lower the undesignated fund balance to 8.2% from 9.4%.

Tax collection rates are steady at this point.

We are not out of the mutual funds as paper work needs to be done by the Board of Selectman because the three signatories on the account are no longer at the Town.

Concerning the parking garage, the Public Transportation Fund has approximately \$70,000.00 that has been earmarked for something similar to a parking garage.

The second to last line in the memo given to the Board members urges the Board to review all additional requests for funding with extreme caution.

General Fund budget transfers for Fiscal Year 2009

Upon a motion by Tom White, seconded by Hanna Clements to transfer \$6,709.00 from 50706-283 to 50201-280.

The motion passed unanimously.

Upon a motion by Leo Santucci, seconded by Jay Handfield, to transfer \$400.00 from 50108-299 to 50801-103, and to transfer \$50.00 from 50108-301 to 50109-206.

The motion passed unanimously.

Upon a motion by Jay Handfield, seconded by Tom White, to transfer \$195.00 from 50506-280 and \$28.00 from 50506-322 to 50503-223.

The motion passed unanimously.

Upon a motion by Tom White, seconded by Hanna Clements, to transfer \$75,000 from the Town contingency to Cemetery salary account 50312-101.

The motion passed unanimously.

Upon a motion by Jay Handfield, seconded by Leo Santucci, to transfer \$1,000.00 from 50114-280 to 50114-401.

The motion passed unanimously.

Discussion and possible action on the reservation of fund balance for the mills.

In the closing of the mills the town was able to recapture \$280,000 in back taxes. We have received \$190,000 in back taxes and the rest will be paid in January. Board of Selectman has requested the Board of Finance use \$40,000 per year for the next seven years to use to offset the abatement on the Mills. No action was taken.

Discussion and possible action on a policy regarding matches requiring Town match

A policy regarding grants requiring a town match has not been put together and should be addressed by the Capital Improvements Committee. No action will be taken on the policy but under the same item is the discussion and possible action on the appropriation of funds for the parking garage and bike path. If the Administration and Finance Committee and Board of Selectman are able to come up with \$600,000 of cuts for the rest of this fiscal year and the Board is able to address that, they can discuss the appropriation at a later date if funds are available.

Upon a motion by Tom White, seconded by Jay Handfield to postpone the appropriation of funds for the parking garage and bike path until the report from the Capital Improvements Committee comes up in February 2009.

During a discussion, this postponement is until more information is available. Tom White would like to know from the Contoller's office, how this gets paid back if we appropriate \$500,000 to this project? Does the 80% get paid back in a lump sum after the project is done or drawn down as money is being used?

The motion passed unanimously.

Appointment of Board members to Library Building Committee and Capital Improvement Committee

Upon a motion by Tom White, seconded by Jay Handfield, to appoint Barbara McGrath to the Capital Improvement Committee and Peter McDevitt to the Library Building Committee.

The motion passed unanimously.

Other business to come before BOF

Barbara McGrath shared some information from the Board of Education Finance and Budget Committee.

Tom White questioned about insurance coverage: where an individual who is not a Town employee or contractor is visiting different departments, if he were to get hurt on Town

property for going where employees only work, will the Town's insurance cover the individual.

Tom White also questioned an expense for the dog warden. Was a person who is not an employee and lived in another town sent to a class or certification for a dog warden job and Town funds were used to pay for it?

Jean de Smet replied that the person paid for the class themselves. The Town employee was asked to take the course and didn't show up; the Town found out the person was ill so he did not attend. The other person was able to replace him, and paid for that slot.

Barbara McGrath shared a letter from Coutu Auto Sales about the Tax Collector hiring a Marshall to collect taxes.

Public Comment

Bernie Doltay asked if the audit that is going on included the Board of Education and is the board getting the information to get the money coming back? Is the Board of Finance working with the Board of Education and is the board satisfied with the cooperation it is receiving?

Upon a motion by Tom White, seconded by Jay Handfield, the meeting was adjourned at 9:30 p.m.

Attest: _____
Karen Williams, Clerk