

August 24, 2005
Board of Finance Regular Meeting
Marlborough Elementary School
7:30 p.m.

CALL TO ORDER

Chairman Mike Gut called the regular monthly meeting of the Board of Finance to order at 7:30 p.m. Board of Finance members in attendance were Mike Gut, Cathi Gaudinski, Joseph LaBella, William Secord and seated for Brian Breeden was John Cunningham. Alternate Pasquale Amodeo was also present. Present were First Selectman Nancy Bader, and Selectmen Sharon Reiner and Bill Black.

RECOGNITION OF GUESTS

Sarah Schultz, Press, Rivereast	Carl Carlson
Victor Preissner	Roseanna Carlson
Ingrid Traber	David Boston
Barbara J. Gagne	Jane Boston
Joan Fyske	Marilyn Murphy
Gordon Isleib	Georgette Goodale
Judy Denberg	Dorothy Foley
Ann Kilby	David Goodale
John Murray	Joanne Goode
Barbara Murray	Violet Schwarzmann
Dorothy Nowsch	Debbie Bourbeau
Ken Hjulstrom	David Bourbeau
Evelyn Godbout	Bill Gould
Maria Grove	Donna Lee Kay
Albert Daigle	Carolyn Bernardo
Scott Foley	Mary Quirk
Ray Nordlund	Rosa Taylor
Shirley M. MacLachlan	Michael Turner
Mike Quincy	Joan Fries
Elizabeth Sullivan	Victoria Sickla
Rick Sumolis	Bob Hannon
Dick Horrigan	

REVIEW OF CORRESPONDENCE

Mr. Gut did not present any correspondence.

ACCEPTANCE OF MINUTES

Mr. Gut suggested that the Committee not make any motion regarding acceptance of minutes for this evening.

PUBLIC FORUM

F. Request for Transfer – Delegation of Duties.

Mr. Gut opened the meeting to public comments.

Jane Boston questioned the monetary affects of the upcoming sewer project in regard to sharing the system with other towns. Mr. Gut answered that no discussions had been had on that topic yet.

Dick Horrigan asked who had authority under the Town Charter to transfer funds and delegate duties. Mr. Gut answered that the Charter is vague. There has been a precedent whereby the BOS has come to the BOF to authorize transfers between various accounts. Interpretations can be accomplished by the selectmen themselves however, he said.

Mr. Gut answered a question from an unidentified man that a vote regarding this transfer will most likely be deferred until the September regular meeting of the BOF.

Mr. Gut informed all present that the BOS had already voted to establish this administration position with a 2 to 1 vote to fund the position.

Ken Hjulstrom is concerned about the continued increases in the amount of staffing in the Town Hall and he gave special reference to the increase in salary of a bookkeeper.

In answer to an unidentified man, Mr. Gut said that the First Selectman's duties do not change with this transfer. Some administrative functions will be delegated.

To further explain to an unidentified woman, Mr. Gut said if it occurs, it will be a transfer of salary funds from one account to another.

Ms. Bader presented the proposal of the request for transfer of funds and delegation of duties to the Board of Finance and to the Public as follows.

At the beginning of Ms. Bader's administration, two years ago, voters had approved \$30M in projects. Also approximately \$3.5M had been appropriated for capital projects. In an attempt to ascertain how voters wanted their tax money spent, a survey was done which indicated that town roads should be improved and that nature trails were very much desired. Other projects are desired as well and a 10-year capital improvement plan is in progress. Committees have been formed to facilitate services for seniors as well and in social service areas also. A meeting is to be held on September 18 and the hope is that people will volunteer to serve on committees and for services needed.

Ms. Bader explained the responsibilities of Peter Hughes by saying that he is responsible for the Planning and Zoning Commission, Economic Development Commission, Conservation Commission, Water Pollution Control Authority, Community Development Advisory Commission, Appeals Boards. He also does Assessors' reports, drafts ordinances, writes grants. Ms. Bader gave credit to him and to all the town's employees who are all working very hard. There are many unfunded projects and the two other

selectmen beside Ms. Bader are working very hard. There is an administrative side of Ms. Bader's job which involves much time. Ms. Bader would like to be able to attend meetings such as the Connecticut Council of Municipalities, the Capital Region Council of Government, the Council of Small Towns. She would like to be able to spend time lobbying at the State Legislature. (She and Ms. Reiner were able to meet recently with Governor Rell in an attempt to obtain money for the design of the sewer project.) Ms. Bader believes that the only way to obtain more money for necessary and upcoming projects is to have enough time to focus on meetings outside of the Town Hall. The job of First Selectman has grown she said.

Ms. Bader is proposing that Peter Hughes take over some of the administrative chores in an attempt to allow Ms. Bader to focus externally so that more revenue can be obtained for the town. Peter Hughes will be reducing some of his responsibilities on the various commissions mentioned above. Therefore, she is recommending that a position be established so that Peter Hughes can help more with administrative duties and another person be hired in the Building Department. The money is not presently in the budget to hire another person.

Peter Hughes spoke about how to approach the town's many projects. The key to obtain money is to get to organizations and get to the legislature and the chief elected officer is the person who must talk to these organizations - politician to politician to try to obtain the necessary money. For example, the sewer project needs money now for construction. Mr. Hughes emphasized that his duties are changing adding that the building boom is down. He said that Ms. Bader needs the time to go to Hartford and/or Washington in an attempt to obtain money to build roads, sewers, water, etc. The selectman must introduce the needs of the town and then follow up over time with the government for grants, etc. Mr. Hughes also added that Ms. Bader is reducing her salary in order to hire the right person to help with duties in the Building Department.

Mr. Gut opened the meeting to questions from the members of the BOF only at this time.

Mr. LaBella requested the details of the proposal. At this time Ms. Bader passed out summary sheets showing figures in one column for the final budget 2005/2006, another column showing the proposed adjustments and the third column showing the potential impact of 3 percent on the budget for 2006/2007. Ms. Bader explained these figures are based on assumptions that the positions be filled in November. The amount requested for transfer is \$25,881.19 - the amount that Ms. Bader wishes to reduce her salary. Mr. Gut further explained that after moving the selectman's salary, that budget portion will be under by approximately \$13,000. Mr. Gut also added that the budget should be about \$8,000 under in the salary line item even with a 3 percent increase anticipated.

Mr. Cunningham questioned Ms. Bader about some figures and hours saying that approximately 2 days would be non-working days at Town Hall, and 3 days would be working days if this perspective is used based on reduction of salary by \$25,000 or 38 percent. Mr. Secord added that a reason that the First Selectman's salary is \$60,000 is that that amount would attract responsible people to run for that office, and if the salary

amount is cut back, this may jeopardize the pool of people who may find it desirable to seek that position.

Ms. Gaudinski raised a question about the Assistant Building Official's salary. It is stated in the summary passed around that it would be \$30,500. Last year, said Ms. Gaudinski that salary was in the budget for \$41,600 and she asked if there is a cut of \$11,000 in that person's salary. Ms. Bader said that money was moved to adjust the Assistant Treasurer's salary. Mr. Black further explained that the position of Assistant Building Official would be unfilled for one-quarter of a year going into the current budget year. Mr. Black added that the Town Attorney has said that delegation of duties can be accomplished under the Charter by the First Selectman. Mr. Black believed that this subject should be brought before the public before approval and all issues should be brought before the public. Mr. Black added that he was the selectman who voted "no" on the transfer request.

Pasquale Amodeo questioned how many new positions are being created. Ms. Bader explained that titles are being changed. "There is one new body" said Mr. Hughes. The numbers are confusing because they represent salaries beginning next November. Mr. Amodeo also asked for detailed job descriptions. He cannot tell if a new person is an "add" or not an "add". Before he can make any approvals, he would like to see job descriptions and delegation of duties and to the extent that they pertain to any elected official type of duties. Ms. Bader said that the members of the BOF cannot approve job descriptions but Mr. Amodeo said he did not want to approve but he wanted to be educated before voting yes or no.

Ms. Gaudinski said that although the number of positions are the same, the amount of the line item is being increased significantly – such as almost a 20 percent increase by transferring the funds to this account. She feels that considering the tax consequences it is a significant increase, perhaps not in the short term, but should this position be put back to full time it would be necessary to add that in. Transferring of duties is in fact a transferring of Town Manager duties. On another subject, Ms. Gaudinski also questioned when the school project would be completed. Mr. Hughes said that the State BOE must approve four electrical projects.

Although delegation of duties is authorized by the Charter, Mr. LaBella asked why not go to a special town meeting on this subject. Mr. LaBella's concern is that the structure of town government will be shifted toward administrator, and why not have a special town meeting to hear the public's comments. Ms. Bader answered that the BOS is not required to do that. She felt that she has been elected to bring cost-effective approaches to the town. There is no reason to go to town meeting to vote unless additional appropriations are being sought. At this time Ms. Bader read Section 3.8 from the Charter. If the town could have the time to have Charter Revision, it would be best for the town but Ms. Bader said that work must be done now and the town does not have the luxury of time.

Mr. LaBella said he was uncertain about the interpretation of the Charter, but Section 5.7 of the Charter states that "the Selectman may appoint additional officers as is necessary

or may be permitted by law”. This may be perceived that a town administrator is being created and that is different than a town manager. Mr. LaBella added that a special town meeting may be called under Section 7.3H of the Charter “to act on any proposal deemed of sufficient importance”. At this time Ms. Bader passed to the members of the BOF the legal opinion of the Town’s attorney, Mr. William Fish. Mr. LaBella asked if the new position would be considered an officer of the town or an employee of the town and he also asked if there is a difference. Ms. Bader answered that appointed officers are considered employees of the town. Mr. Black added that Section 5.2 discusses and defines officers. Discussion followed about the vagueness of the Charter and the frustrations therein. Ms. Bader cautioned the BOF members to be clear about what the duties of the BOF are and what the duties of the BOS are. She added that it is not the duty of the BOF to approve a job description. Mr. Amodeo, although agreeing with Ms. Bader on this point, felt that it is still important to let the townspeople know what the job description is. Ms. Bader gave Mr. Amodeo some idea of the duties involved, and an individual from the public suggested that it be put in writing.

Ms. Gaudinski asked if additional compensation is required to accommodate the duties of the Building Official and Mr. Hughes answered no. Ms. Gaudinski requested the definition of “special appropriations”. Mr. Gut answered it pertains to incremental funds that were approved over and above what was approved by the voters.

Mr. Cunningham referred to Section 6.7 of the Charter regarding “transfer of unexpended funds” and said that it states that “the Board of Finance, when requested by the Selectmen may transfer funds”. He said that his interpretation is that they also “may not”. Ms. Bader added that she hoped that if the request is turned down, it would be for a fiscal reason, not a policy reason because the BOF is not a policy board.

A MOTION was made by Mike Gut to continue discussion of the subject “Request for Transfer – Delegation of Duties” to the next regular monthly Board of Finance meeting on September 14, 2005. It was seconded by Joseph LaBella. All members voted in favor. **MOTION PASSED.**

Mr. Gut added that Attorney William Fish would be invited to the September meeting.

Mr. Gut closed the meeting to comments of the Board of Finance and opened the meeting to comments and questions from the Public.

Joan Fries said that Mr. Hughes and Mr. Giola are not elected town officials as Ms. Bader is and she feels that the First Selectman should be in the office to oversee the day-to-day activities. Since she has lived in town, there has always been an open-door policy, but now the door is closed in the Selectman’s office. She also wanted to know why an \$11,000 raise was given to a bookkeeper. Also she wanted to know why needs of the social services department are not met.

Mr. Gut answered the above question by saying that “nothing was given to the bookkeeper” – she was underpaid relative to surrounding towns and it was within the

authority of Ms. Bader to retain this valued employee with the amount of \$11,000 in additional salary. He added this salary of \$57,000 is still relatively low as compared to other towns.

Ms. Fries also expressed dissatisfaction about nothing being done with the Chatham Health District for emergency procedures.

Mr. Amodio is troubled by the fact that it is easy to propose a budget and for the BOF to pass it and then not actually have the funds spent the way it was proposed. It may be time to address a charter revision. He added that he was told that the budget approved in May was a “bare bones” budget and there was no room to move and to fund another position.

Mr. Gut answered Mr. Amodio by saying that in his position in his full-time job he must react to day-to-day requests that differ from the time when a budget was approved.

Ken Hjulstrom thinks there will be a problem when seeking a qualified replacement for a First Selectman’s position at that reduced salary. He added that he thinks that the town is being short-sighted to reduce the salary now.

Ted Pesce said he thinks it is bad precedent to drop the First Selectman’s salary. He does not believe in moving money and titles, he said.

An unidentified man said that the salary range of the First Selectman should be between \$40,000 and \$70,000. Negotiations could take place for salary.

David Goodale asked about a breakdown of job analysis for town employees, including hours worked, etc. Ms. Bader answered that they are not all hourly employees – some are salaried. His concern is that each person has a job description so that if there is another person hired, another job description would be devised and be made available.

Marilyn Murphy said that the three selectmen were elected by the town and if a committee is needed to serve lobbying then it should be formed and delegated to serve lobbying. Ms. Bader should not have to appoint another person to do the job of First Selectman. The three selectmen should run the town and appoint committees.

Joanne Goode said she came to the meeting tonight to “learn”. She asked people “Do not have a knee-jerk reaction” – she encouraged all to do “our homework” to have an educated opinion, she said. Pasquale Amodio said to Ms. Goode that he is asking for the same thing as well. Ms. Goode said she would like to have the documents to read beforehand and Mr. Amodio said that these documents were received by the Board just this evening. **Ms. Murphy** added that transfer of money and taking some workload away is not right and the workload and delegation belongs only to the selectmen.

Evelyn Godbout said that the First Selectman's position was funded as a first selectman's position and should continue to be funded as such without transferring money.

Richard Denno, Jones Hollow Rd. asked Ms. Bader when the letter she wrote was put on the website. Ms. Bader answered "today". He said that the letter should have been put on the website two weeks ago so that people would be informed beforehand. This smacks of a "back-door" type of situation he said.

Ms. Bader answered by saying that the decision was just made to go ahead and discuss it with the BOF and request the transfer.

Mr. Denno said that legal opinions should have been available to the BOF a week ago. Mr. Gut said that the decision by the BOS was made on the past Friday and decisions therefore by the BOF are being deferred until the September meeting. Ms. Gaudinski said that the BOF was requested to change its regular August meeting at the beginning of July – the reason being for a request of transfer. Mr. Gut added "request of transfer which was undefined". Ms. Gaudinski reiterated that knowledge should have been given sooner to the BOF.

Al Daigle of South Main Street said this is a case of people being kept in the dark and in an effort to further define it, he said this "shuffling of position is nothing but a town manager being dropped in our laps with a different title and a different approach." If the salary is over \$10,000, the transfer request should go to a Town Meeting. Let's put it on hold he said – November is only two months away. Mr. Gut added that the \$10,000 limit does not apply to transfers between line items.

When Bill Black was asked when he heard about the transfer request, he answered on Tuesday night.

Ken Hjulstrom spoke again and asked why Bill Black is not informed earlier of events.

David Boston said that he thought that things were being "done on the sly". He complimented the BOF for not agreeing to the proposal immediately.

An unidentified man said that the town needs to have six selectmen.

Mr. Gut said that is an issue for Charter Revision.

Gordon Islieb said that journalists look often for the unusual. He saw something this night that is unusual – someone who is interested in a salary cut in order to make delegation of duties happen. He asked Ms. Bader if it is an altruistic view that she has or "what is in it for you?" She answered that she did not come to the position for salary and that she cares deeply for the town. She further said that in order to obtain this position all that is required is that the person be 18 years old and be a resident of the town. She

added that she would leave the salaries to the professionals in town so that they can deal with the problems of the town.

Lee Georgiades asked about the length of time Ms. Bader would be taking a pay cut. Ms. Bader answered two years more as that is the length of time she will be in the position of First Selectman. Mr. Georgiades also said that the Charter should be revised, but Ms. Bader said that that requires, by State Statute, a Charter Commission and that revision will take about 18 months to complete. He added that his interpretation of what Ms. Bader is saying is that she cannot handle the job she has been appointed for.

Mr. Gut interrupted and said that he is interpreting Ms. Bader's comments to mean that the nature of the First Selectman's job is changing and she wants to bring a more strategic focus to it and set a direction for the town.

Bob Hannon introduced the idea to hire a person to specifically write grants. This person, he said, could be a part-time employee and could pursue state and federal money and this would allow Ms. Bader to maintain her current job status.

David Goodale said a new job should be proposed, such as a town manager.

Selectman Sharon Reiner said that in the last budget cycle, the BOS allowed for money to revise the Charter but it was eliminated as the BOF felt there was no need for review of the Charter. Mr. Gut defended the position of the BOF by saying that feedback from other individuals was the reason the Board decided not to approve any money toward revision. Mr. Amodeo added that if this delegation of duties had been a part of the request, and the BOF had been advised during the past budget process, they would have probably supported the review of the Charter. Mr. Amodeo said he did not support it then as he was receiving memos from the head of the Physical Services Department which caused him to feel uncomfortable about supporting it. Ms. Gaudinski said it was rejected due to "technical language" as it applied to the BOF. Ms. Reiner said a member of the BOF had written a memo indicating there was a need to "clean up the Charter".

Regarding the issue of communication said Ms. Reiner, she feels that this administration has been more open than any in past years as evidenced by video taping meetings which are shown on cable access, a web site that is updated regularly, public forums and letters in the newspapers. She emphasized that sound business practices are being brought to government by the present administration.

An unidentified woman asked about notifying Mr. Black of meetings, caucuses and Mr. Black gave an explanation saying that the Freedom of Information Act requires that the three selectmen keep barriers between them. Ms. Reiner added that all public business is conducted in public.

Ms. Reiner added that she supports the delegation of duties as she is for a town administrative structure and this merely reallocates the workload to get the work done. Discussion followed about the topic of "executive session".

Ken Hjulstrom said he is concerned that the cut in the First Selectman's pay would significantly impact future residents from running for the job when the salary is unknown.

Margaret Denno said that she is an accountant and she finds it an uncomfortable situation moving money from one line item to another in that manner – she said Ms. Bader was elected based on the salary of \$60,000.

Bill Gould said he agreed with Mr. Hjulstrom – he thought it was “top notch” that Ms. Bader wanted to reduce her salary and pass it on to other people but if she decides not to run in the next election, a position for \$25,000 would not be an attractive one for a first selectman. He would prefer Ms. Bader to ask the BOF for another \$10,000 to \$15,000 to help with additional duties or to fund a grant writer now and then maintain Ms. Bader's salary at the current level.

An unidentified woman said that she agreed that Ms. Bader should not take a cut in salary and she liked the suggestion of hiring a professional grant writer. Taking away the salary is setting the wrong precedent she said.

Richard Denno said that taking money and “zigging and zagging” is causing him to not know what is going on. He hears Mr. Amodeo saying he doesn't know what is going on as well. The way Ms. Bader is presenting it leaves a lot to be desired he said.

Mike Turner said that Ms. Bader knows the job and knows what is getting done and what is not getting done. Funding delays or no funding – someone has got to be following up in the governor's office and/or in Washington to obtain the necessary money.

Ms. Reiner reminded everyone that Mr. Hughes had gotten a grant of \$275,000 from a Small Town Economic Assistance Program to be used for the sidewalk project. (The sidewalks will go from the elementary school to Blish Park). Ms. Bader added that she did the lobbying and that Mr. Hughes did the writing and some lobbying.

Jane Boston asked what duties will be delegated to Mr. Hughes and she said she is not sure what the issues are for Mr. Hughes. There are no powers being delegated said Ms. Bader to Mr. Hughes. Ms. Boston also said that some video tapes are not shown in their entirety and public comments do not appear on tape. Ms. Reiner said that she does not have the technical ability to edit the tape. [Some of Ms. Boston's remarks were inaudible on the audio tape. Board Clerk's comment]. Ms. Bader said that the BOS does not have authority over the sewer project.

Mike Quincy said he has known Peter Hughes for quite a few years and that Peter works very hard and that he trusts Peter. He cannot do everything that he has to do – Peter has much knowledge.

Pasquale Amodeo said that Ms. Bader has said many times this evening that the function of the BOF is a financial one – however many times personalities and sympathies are put on financial decisions. “When talking about tough decisions, that part must be divorced”. Many people were upset that the person who got the raise in Town Hall was a good person and the Board understands that she is a great worker and person. However, the Board is making financial decisions. The Board should not interpose people’s personalities on top of financial decisions. Mr. Amodeo added that he did not know Peter Hughes that well – he was sure that he was a great guy, but “let’s focus on what this Board is doing and that is making financial decisions”.

David Goodale said that Peter Hughes “needs help, but not by sliding money around”.

Joanne Goode said to Mr. Amodeo that she had heard him say “If we are going to make our budget work, we need to take money from one place and put it in another”. “And not increase the budget.”

In defense, Mr. Amodeo said that Ms. Goode was misinterpreting what he said. He said the budget amounted to about a 9 percent increase. The Board was told at the 11th hour (literally the night before the Town Meeting) that another position was needed. He said that he did not want to tell the people who devised the budget where to move the money or what to cut but he said to them “you come back to us and tell us what you can cut so we can do this”. He was told that nothing can be cut. Everything is to the bones. Then a week later he said an employee got an \$11,000 increase and the \$30,000 position that was in the Building Department never got filled. He said he does not believe it any more. There is a serious trust issue now. And he originally trusted people by saying “you tell us where to put the money”. He added he did not know – he does not sit in Nancy’s chair every day. Mr. Amodeo ended by saying “that is my concern – there is a serious trust issue”.

A MOTION was made to adjourn at 10:15 p.m.

Respectfully submitted,

Ann Preissner
Board Clerk

