

June 8, 2005
Board of Finance Regular Meeting
Marlborough Elementary School
7:30 p.m.

CALL TO ORDER, ALTERNATE APPOINTMENT

Chairman Mike Gut called the regular monthly meeting of the Board of Finance to order at 7:33 p.m. Board of Finance members in attendance were Mike Gut, Cathi Gaudinski, Joseph LaBella, Carl Cavaliere and seated for William Secord was John Cunningham and seated for Brian Breeden was Pasquale Amodeo.

RECOGNITION OF GUESTS

Tax Collector, Barbara Murray; Assistant Treasurer, Jill Oguschewitz and Selectman Bill Black were also present.

PUBLIC FORUM

There was no public forum.

CORRESPONDENCE

- Memo from Jill Oguschewitz regarding the conveyance tax.
- Memo from Nancy Bader outlining process to secure funds for clean water fund, sewer project. (Mr. Gut said that approximately \$300,000 or more will be needed before funding from State is received. Ms. Bader has authority to take this amount from the undesignated fund balance. It is important to keep the fund balance at an appropriate level and the BOF needs to remain informed of any transactions.)
- Memo and letter from Nancy Bader regarding position and salary of Assistant Treasurer.
- Agreement with Scully & Wolf and Town of Marlborough regarding audit of FY 2005-2006 to be signed by Mike Gut.

ACCEPTANCE OF MINUTES

A MOTION was made to accept the minutes of the May 11, 2005 meeting. There were abstentions and a quorum was not attained. **MOTION DID NOT PASS.**

A MOTION was made to accept the minutes of the special meeting of the Board of Finance held after the Public Hearing of April 25, 2005 by Carl Cavaliere and seconded by Cathi Gaudinski with the following change: delete the name of Pasquale Amodeo from all motions made during this meeting. All voted in favor. **MOTION PASSED.**

TOWN MONTHLY FINANCIAL REPORTS

Carl Cavaliere asked questions about transfers and contingency. Contingency after transfers will be dropped to \$3,000 said Ms. Oguschewitz. The hope is that by June 30th, money will be received from FEMA in the amount of \$23,000. Money has been received from RHAM and \$10,000 from the insurance company for the bridge accident and the

conveyance tax will be considered surplus. Total amount of surplus is unknown at this time.

Ms. Gaudinski asked if any encumbrances of the \$90,000 remaining will be attributed to the budget of next year. Ms. Oguschewitz answered none. Discussion followed about categories and if the BOF might be budgeting too much money in certain line items.

TAX COLLECTOR'S SUSPENSE LISTING

Ms. Murray reported that by State Statute the tax collector is required to submit a list of uncollectible property taxes. People on the list that is being submitted tonight are either deceased, (some are young people who have no estate), people whose mail is returned and forwarding addresses are unavailable, and some names on the list are people in bankruptcy. This list has the lowest total amount in the past five years. Ms. Murray said she has had good resources this year in her attempt to find people however she is still pursuing some people. This list contains only motor vehicle and personal property taxes. Ms. Murray added that she is willing to work with people who are unable to pay the full amount of tax due and will accept partial payments made regularly.

Mr. Cavaliere asked about using collection agencies. Ms. Murray replied that she usually does not as it is expensive. Ms. Murray also explained that cars are taxed in the towns where the car is garaged.

A MOTION was made to accept the suspense list as recommended by Barbara Murray by Pasquale Amodeo and seconded by Joseph LaBella. All voted in favor. **MOTION PASSED.** Chairman Mike Gut signed the list and initialed each page.

REQUESTS FOR TRANSFERS

Ms. Oguschewitz's memo of June 8 was discussed and contained the list of transfers that were voted on by the Board of Selectmen at their meeting of June 7, 2005. These are transfers within departments and are under \$2,000. All other transfers that were not in that category are listed on another memo. Most of these transfers dealt with the higher costs of heating and diesel oil as well as electricity. Some staff turnover affected the transfer amounts and unemployment as well as advertising and legal costs line items due to staff turnover were affected as well. The Library had some expensive repairs this past year. A memo from Selectman Black is attached to Ms. Oguschewitz's list of transfers explaining some further issues dealing with costs of cleaning uniforms of constables. Also anticipated grounds upkeep for this coming fiscal year will be done in-house rather than having it hired out. Ms. Oguschewitz further explained that \$6,000 of tax rebates has been put into contingency because in discussing this topic with the auditors, any tax refund for the current tax year can be taken directly from revenue.

Discussion followed with Mr. Black about the loss of constables. Ms. Gaudinski questioned why hiring of constables cannot be for full-time rather than part-time. This will be addressed by the BOS soon said Mr. Black. The town is following the State Police scheduling parameters at this time.

A MOTION was made to accept the memo of Nancy Bader of June 7, 2005 regarding transfers of funds of approximately \$203,000 in the 2004/2005 budget by Carl Cavaliere and seconded by Pasquale Amodeo. All members voted in favor. **MOTION PASSED.**

OTHER BUSINESS TO COME BEFORE THE BOARD

There will be another RHAM referendum on June 14. A request has been made in this yet-unapproved budget to keep the money in the football portion of the budget.

Ms. Gaudinski requested that the June 2, 2005 letter to Mike Gut from Nancy Bader regarding the position and salary of the Assistant Treasurer become part of the minutes of the meeting of June 8, 2005 as well as other documents. These documents Ms. Gaudinski passed to the Board and they contained information given to the BOF last year regarding salaries from 2003/2004 including increases for the past year. Also she passed out a document showing the Thompson Study review of salaries of 7/1/04 that includes the salary of the Assistant Treasurer's position. That was a new position said Ms. Gaudinski and the title was given July 2004. That position has grown so that it is now a 30 percent increase in salary. Because this situation of increasing the salary of the Assistant Treasurer was in the same line item as in the professional services line item, it allowed the selectmen to increase the salary of the assistant treasurer without approval from the BOF. Ms. Gaudinski said she felt it sets a precedent for other town employees to come forward requesting increases that they might feel they deserve. There existed a question as to whether replacement of the assistant treasurer might be possible for a salary of \$45,000. There is no answer to that question until the job is advertised and interviewees for the job acquired said Ms. Gaudinski. The performance of Ms. Oguschewitz and the support she has given during the past year were considered by some members of the Board worthy of this raise in salary. Ms. Gaudinski replied that the performance of an individual has nothing to do with the manner in which the decision to increase her salary was made. She also stressed that her involvement in this situation is not personal.

Mr. LaBella questioned the impact of this increase on the upcoming fiscal year. His understanding was that the position was intended for a salary increase higher than the recommended 3.5 percent increase based on the performance of the individual in any event. What additional percent of increase is this salary?

Ms. Gaudinski asked what affect this situation will have on the Building Department next year. Are they cutting down on positions? That position will be funded the following year said Mr. Gut.

Mr. Amodeo did not know how prudent it was to commission studies of the kind of the Thompson Study. "Let's not do these studies if they are not being used" said Mr. Amodeo. He also said that he was "frightened" by how easy it is to say that an assistant building official is needed and then to say "no, we don't need one". "We'll shift the money". He said he would like to closely track what the town actually needs and not have things moved around. Credibility is questionable when that happens, he said.

Mr. Cunningham said that if the name is changed to Financial Manager “that is a significant title” and it requires a review of the job description. The Board never saw the job posted and he asked if a bachelor’s degree is required.

Although some members felt that Ms. Bader made a correct decision in her attempt to retain Ms. Oguschewitz, some members felt strongly that the disclosure part of this scenario was questionable. In the future Mr. Amodeo said that he wanted to go on record as saying “ it is the disclosure aspect of it and knowing about positions, increases and being able to see the big picture”.

Ms. Gaudinski requested that next month there be a discussion about the position of Director of Planning and extra compensation in that area. She would like to find out if there is a survey being done for that position.

Mr. LaBella said that after reading the surveys passed out by Ms. Gaudinski he is “left with a sense of disquiet not because of anything the First Selectman did.” He added that he did not know if it was the right thing or the wrong thing and he would not say that it is the wrong thing. But he would like to see closer scrutiny. His sense of disquiet comes from the fact that he was under the impression that the Assistant Building Official position would be an important position. Regarding the budgetary process for next year and the potential for enormous tax increases on top of the large spending increases of this year he would like to unite with the selectmen in giving the budget a degree of scrutiny that is necessary to ensure that these savings need to be found. He did not feel that this past budget year he knew what was necessary in the budget.

Mr. Amodeo added that he was surprised to learn of another source of revenue at the transfer station of which he had not been aware.

A MOTION was made to include the documents suggested by Ms. Gaudinski in the minutes of the meeting by Joseph LaBella and seconded by Carl Cavaliere. All voted in favor. **MOTION PASSED.**

A MOTION to adjourn was made at 8:45 p.m.

Respectfully submitted,

Ann Preissner
Board Clerk