

Minutes

Board of Finance Meeting

March 1, 2011

Rooms 119 7:30 PM

CALL TO ORDER

The meeting was called to order by Chairman Liz Mao at 7:35 PM. All members of the Board of Finance were present except Murry Stegelmann. Also in attendance was Kate Clarke Buch, Finance Director. The meeting was broadcast over Channel 79.

RECEIVE 2011-2012 BUDGETS FROM BOARD OF SELECTMEN AND BOARD OF EDUCATION

Liz Mao invited the Board of Selectmen and Board of Education to present their recommended budgets for 2011-2012.

- Dave Campbell, First Selectman, presented the Town budget. He indicated that the budget forecasted a 3.98% increase, with much of the increase coming from higher debt service.

Mr. Campbell indicated that amounts in the budget for drainage work, currently shown as line items, should be taken out of infrastructure reserves, which only the Board of Finance can do.

- Kim Westcott, Chairman of the Board of Education, delivered a preview of the public presentation she plans to deliver on March 8th. She indicated that the budget forecasted a 6.38% increase. Key drivers of the increase included personnel, operations and fixed expenses, with Special Education continuing to contribute significantly to expense growth.

Ms. Westcott asked that consideration be given to accelerated capital funding for the replacement of the Middlesex gymnasium floor and related equipment.

TRANSFER REQUEST – BOARD OF SELECTMEN

In order to move forward with the design of the relocation of the Senior Center and BOE Central Office (the “Shuffle”), an architect will need to be engaged. The architect’s work would be an integral part of a presentation of the project to the RTM in April.

Norm Guimond, chairman of the Mather Center Building Committee, presented an overview of the architect fee request, which totaled \$325,806 for the entire project. He indicated that while the architectural work had not been put out to bid, these projects typically command a fee of 8-10% of the total project cost; the architect fee for this projects came in at 6.5%. He also indicated that the amount could be funded in five phases, roughly 20% of the total for each phase. The first phase (schematic design) would be all that was needed for the RTM presentation, and that architect fee required for this phase would be \$60,162. He requested a transfer from the Board of Finance Contingency Fund for this purpose.

Liz Mao expressed concern about funding the entire amount from the Contingency Fund, stating that the fund was really intended to support unanticipated funding requests, not projects that had long been planned. She said that using the fund avoids having to go to the RTM for a project like this. She indicated that the Board should revisit, at a future date, the Board's intent and funding strategy for this fund, including the proposed funding for next year of \$120,000 (the fund balance is approximately \$700,000).

Martha Banks expressed reservations about the "Shuffle" project, citing the following points:

- Project is costly when the value of the 35 Leroy is properly included in the cost of the project (35 Leroy is not a sunk cost)
- Project is based on an incomplete analysis of facility options
- A significant cost driver of the project is that both the Senior Center and the BOE have asked for large increases in space
- Current individual use of the senior center has not been documented
- Location of the BOE at 35 Leroy does not occupy the entire building – the possibility of locating other town offices in this facility has been mentioned, and this would result in creep of town office space

Gwen Mogenson and Lori Bora echoed these comments.

Separately, Mr. Guimond indicated that focus groups would be part of the architect's work; Ms. Mogenson requested to be included in these discussions.

After much debate, Joe Duwan moved approval of a transfer from Contingency of \$62,162 to fund architect fees for Phase I. The motion failed 3-3.

OTHER BUSINESS

Jon Zagrodzky moved other business; the motion passed 6-0. Liz Mao asked that the Board clarify the delegation of authority regarding transfers, which had been discussed before but not finalized. The Board decided to adopt the following authorities for authorizing transfers:

- Finance Director can approve transfers up to \$500
- Finance Director and Administrative Officer can approve transfers up to \$3,000
- BOS and BOF approve all intra-department transfers over \$3,000
- BOS and BOF approve all transfers from contingency and any involving personnel (including overtime)
- BOS and BOF approve all inter-departmental transfers
- Finance Director can use her discretion if she feels a request for less than \$3,000 should be approved by the BOF
- Finance Director will provide the BOS and BOF with a monthly report that lists of all transfers (by department and by account) made within the last month (or some time period TBD by the Finance Director) and all transfers year-to-date

Jon Zagrodzky moved approval of the new transfers policy. It passed 6-0.

ADJOURNMENT

There being no further business, Jon Zagrodzky made a motion to adjourn. The motion was seconded and approved 6-0 at 9:12 PM.

Respectfully submitted,

Jon Zagrodzky
Clerk