

Thomaston Board of Finance
Regular Meeting June 8, 2010

Present: D.Colavecchio, K. Mosimann O'Sullivan, M.Galbraith, G. Seabourne, S.Turner, F.Treglia
Also present: E. Mone, First Selectman; Sue Smith, Finance Director
Also: Members of the Thomaston Opera House Commission, press, members of the public

1. **Call to Order:** D. Colavecchio called the meeting to order at 7:05pm
2. **Pledge of Allegiance:** The pledge was recited by those in attendance.

On a motion by S. Turner, seconded by K. Mosimann O'Sullivan, it was voted to add the Thomaston Library to the agenda under #8. New Business and to put this item at the top of the agenda. Vote: Unanimous

8. New Business

iv.)Library

Library Director Debra Radosevich presented 3 bids for the replacement of the iron handrail located on the second floor of the library. Bids from the following firms were reviewed:

Advanced Home Improvements \$2600; Superior Home Improvement \$7222 , plus an additional \$200 for a decorative handrail; Henry M. Osowiecki & Sons, Option 1 \$5952, Option2 \$7894.

On a motion by K. Mosimann O'Sullivan, seconded by S. Turner, it was voted to award the contract to Advanced Home Improvements of Waterbury pending satisfactory references and to transfer \$2600 from the Contingency Account #001-10-142-570-805 to Repairs and Maintenance Account # 001-50-508-520-434.

On a motion by K. Mosimann O'Sullivan, seconded by S. Turner, it was voted to move New Business item i) TOH/BOF responsibilities review to the top of the agenda. Vote: Unanimous

i) TOH/BOF responsibilities review

Julianne Torrence, Matt Kamens, and Rebecca Skinner came forward. Ms. Skinner presented the Commission's plan to implement a new operational model for the Opera House. She reported that the Strategic Planning Committee will develop a request for proposals for an outside theater company to present theater arts productions and pay a fee to the Opera House Commission for the use of the theater and ancillary spaces including the box office, scene shop, little theater, and costume shop. She outlined the time line by which the Commission plans to complete the process of closing the Opera House under its current model and enter a contract with an outside presenter. Ideally the transition would be completed by December 31,2010. Julieanne Torrence and Matt Kamens presented the cost of closing the Opera House. They reviewed the discussions of the Commission in planning to continue to operate until December 2010 rather than cease operations at the end of July 2010. The projected cost to cease operations at the Opera House in December 2010 would result in a deficit of (\$47,591). Following a thorough discussion of the legality of approving a deficit budget, it was decided that the Board of Finance and the Opera House Commission will hold a joint meeting on Tuesday

June 15, 2010 at 7:00pm and invite the Town Attorney and the Town Auditors to advise both the Board and the Commission as to the appropriate process for terminating the current operational model at the Opera House.

3. Minutes:

Meeting of May 11, 2010: On a motion by K. Mosimann O'Sullivan, seconded by S. Turner it was voted to approve the minutes of May 11,2010 as presented. Vote: Unanimous

Meeting May 26,2010: On a motion by K. Mosimann O'Sullivan, seconded by S. Turner it was voted to approve the minutes of May 26,2010 as presented. Vote: Unanimous

4. Communications:

D. Colavecchio reviewed the following correspondence:

a. A letter from Charles Stango, Chairman of the Board of Landmark Community Theater, to Lucille Killiany, Chairman of the Thomaston Opera House Commission and circulated to the Chairman of the Board of Finance requesting a joint meeting of the Opera House Commission and the Board of Finance for the purpose of presenting the group's plan to manage the Opera House. D. Colavecchio ruled that such an action would not be in order and that he would send Mr. Stango an email advising him so.

b. A letter from the Board of Fire Commissioners was circulated notifying the Board of Finance that their budget is has only \$100 to cover future bills and requesting \$2500 to cover such expenses as water, gas, telephone, and cleaning to the end of the fiscal year.

D. Colavecchio will send the Board of Fire Commissioners a letter advising them that all overages will be covered at the end of the fiscal year,however, only essential expenses will be approved.

5. Finance Director's Report:

Sue Smith reviewed the Income and Expense report noting the accounts that are under and over expended. The Board of Education expects to balance its budget. The Police Dept. is expected to have a \$91,000 deficit because of compensation time payouts and overtime. A surplus of \$25,000 is expected in the Communications and Dispatch budget.

Ms. Smith expects that the Fund Balance will show a (\$99,322) to balance the budget. The Town has lost \$89,515 in grants and \$63,000 in investment income which impacts the bottom line.

Ms. Smith reported that Moody's has upgraded the Town's rating from A2 to Aa3 but with a Negative Outlook due to the use of the Town's reserve funds to balance the budget. Barry Bernabe, the Town's advisor from Webster Bank, noted in an email of May 12,2010 that the Moody's rating is "one notch" higher than the S&P rating of A+.

6. Selectman's Report:

i. Minibus- Selectman Mone reported that there is money in the fuel account which will be used to repair the brakes and muffler on the minibus. A review of the usage by residents indicates that there is a need to keep the service operating: 381 riders have used the service to date in 2009-2010. The Town receives a matching grant of \$10,885 from the Greater Waterbury Area

Transit District to provide this service. A cab from Thomaston to Waterbury costs \$30 one way and \$60 round trip.

ii.) Mr. Mone reported that a grievance has been filed by a union because of a layoff, citing that the layoff was improper due to a budget problem. He noted that there is a potential financial liability to the Town.

iii.) A wall on Leigh Avenue owned by the Town and deemed to be a “supporting structure” of Leigh Avenue needs to be rebuilt at a cost of \$40,000-\$50,000 dollars. The Capital Improvements Committee told the Board it would be repaired as part of the road improvements to Leigh Avenue. M. Galbraith, a member of the Capital Improvements Committee, said that it was understood that the wall is contiguous to the road and one could not be repaired without impacting the other.

iv.)Kenea Park Fund: The Beautification Committee is seeking donations to fund its flower beds throughout the Town and the water bill, as required by the Board of Finance. The use of the Fund is restricted to 75% of the interest earned. Therefore, the Committee is requesting that all donations be counted as unrestricted receivables to the Fund. On a motion by M. Galbraith, seconded by K. Mosimann O’Sullivan, it was voted to put 100% of all donations into the Accounts Expendable portion of the Fund. Vote: Unanimous

8. New Business

ii.) PD CompTime: This item was discussed under #5. Financial Director’s Report

iii.)FD budget status: This item was discussed under #4.Communications

9. Member Comment

K. Mosimann O’Sullivan reported on the following activities of the Pension Committee:

i.)As of March 31, 2010 the Volunteer Pension account at Webster was valued at \$907,000 and the Town Plan at \$9.4million which represents a 4% rate of return. Given the amount of money needed for the pensions and to protect the fund, the Pension Committee interviewed three investment firms and will recommend Fiduciary Investment Advisors of Windsor, Ct. to the Board of Selectmen to serve as investment advisors to the Pension Committee.

ii.)The Town has now instituted a 457B Retirement Plan which any non-union employee will have the option to join.

iii.) The Volunteer Pension accruals will be frozen as of July 2010 and volunteers (fire and ambulance)will receive call money for their service.

G. Seabourne requested that the Transfer Station Committee present an update at the next Board of Finance meeting. S. Smith noted that the May 2010 statement shows income of \$14,892.90 and expenses of \$4,567.72.

G. Seabourne requested that E. Mone approach the unions and ask them if they will give up their benefits before the budget process begins.

10. Public Comment:

P. Yoos: Urged the Board to close the Opera House

The Opera House loan balance as of May 31,2010 was \$167,010.

11. Adjournment:

On a motion by K. Mosimann O’Sullivan, seconded by S. Turner the meeting was adjourned at 9:05pm.

Marie Galbraith, Secretary
Thomaston Board of Finance