

Thomaston Board of Finance  
Minutes: January 13,2009

Present: J. Sheppard, E. Mone, K. Mosiman O'Sullivan, G. Seaborne, D. Colavecchio, M. Galbraith.  
Also present: M. Martin, First Selectman; S. Costa, Business Manager  
Members of public, press

J. Sheppard called the meeting to order at 7:10pm

1. On a motion by G. Seaborne, seconded by K. Mosiman O'Sullivan, the minutes of the meeting of December 29, 2008 were approved with the following correction: the term Retirement Plan should be changed to Investment Policy. Vote: Unanimous

## 2. Communications

J. Sheppard circulated a letter from Mr. Jack Capone. G. Seaborne read a section of the letter in which Mr. Capone urged the Board of Finance to enact a zero based budget and to "slash the payroll."

J. Sheppard reported that the Human Resource Committee had met earlier in the evening and came to the following agreement regarding the proposed wages and benefits for the First Selectman: the compensation increase from \$50,000 to \$55,000 would be phased in over 3 years, and the First Selectman can choose either the current Wages and Benefits Agreement in which there is no limit on vacation days or sick days or the new plan. This would take place following the November election.

## 3. Finance Director's Report

S. Costa reported that the state distributed a check for \$15,143 to the town in compliance with An Act Concerning Energy Assistance. The Board discussed the intent of the grant and if it should be returned if, in fact, the town had budgeted sufficient funds for energy costs in the current fiscal year or if the intention of the grant was to offset money already allocated to fuel costs.

G. Seaborne made a motion to return the check to the state. The motion failed without a second.

D. Colavecchio made a motion to transfer the money to the Board of Education fuel account. The motion failed without a second.

John Sheppard will contact Richard Van Austall at OPM to get a clarification on the intent of the grant.

On a motion by E. Mone, seconded by G. Seaborne, the issue was tabled for further action pending J.

Sheppard's report from OPM. Voting to approve: G. Seaborne, E. Mone, K. Mosiman O'Sullivan, M. Galbraith, J. Sheppard. Voting to oppose: D. Colavecchio

S. Costa reported on the server replacement plan: the plan is to network the town and the Board of Education which will save money, allow reciprocal data back up, and enable the Police Department to monitor the school buildings remotely. Ms. Costa is seeking bids from various vendors. She further reported that a Disaster Recovery Plan is urgently needed; the cost will be \$15,000.

## 4. Old Business

OPEB Trust Agreement: The Board discussed the need for an Investment Advisor or an Investment Committee to oversee the investment of the town's pension and benefit funds which are invested with Webster Bank. Currently, the Pension Committee is expected to act as an Investment Committee, however, they do not have the expertise to undertake this function.

J. Sheppard asked the committee to review the Trust Agreement and send comments to S. Costa.

Retirement Settlement Account: S. Costa presented a schedule of payments necessary to meet the retirement payouts to 2024. The town will need to set aside \$147,409 per year for the next 15 years to meet its obligations. This includes the \$304,000 currently in the Teachers' Retirement Sick Pay Fund. The total liability is \$2,897,711.

### Opera House

First Selectman Martin reported that the Board of Selectman expects full compliance with the Auditors' Recommendations by April 2009. She noted that Matt Kamens, a new member of the Opera House Commission, is leading the compliance project with dedication and skill.

### Pension Contribution

J. Sheppard reported that the town's required contribution to the Pension Fund is \$1,050,000. However, if the Pension Committee adopts several strategies recommended by the advisors, the amount could be reduced to \$921,000. The strategies include: a closed amortization period, adjustments to the mortality table, asset smoothing, and lower salary schedule.

### Volunteer Pensions

Selectman Martin reported that the Volunteer Pension proposal will go to referendum in April and when the town budget goes to referendum. The Board of Selectman will likely recommend changes to the proposal submitted by the Pension Committee.

### Recreation

A report from Marty Egan, Recreation Director, on the income and expenses for the Recreation Dept from October 2008-December 2008 was circulated to the committee. The balance was \$2499.37

### New Business

#### Auditors' Report

The Committee reviewed the Auditors' Management Letter and congratulated Sue Costa for the Commendation of Excellence in Financial Reporting from the Government Finance Officers Association.

#### Capital Improvements

Recreation- The Board discussed the need for a second lawn mower. J. Sheppard will send a letter to M. Egan asking him to obtain 3 quotes for a lawnmower which will be discussed at the next meeting of the Board of Finance.

#### Tennis Courts

The Board discussed the deteriorated condition of the tennis courts and determined that no action could be taken mid-year. The Board will take up the problem in the 2009-10 budget deliberations.

#### Town Hall

S. Costa reported that the Fire Panel in the Town Hall must be replaced. Three bids will be solicited and reviewed t the next Board of Finance meeting.

#### Selectman's Report

M. Martin reported that the Council of Government met with area legislators who indicated that state grants to municipalities will not increase in the next year and that the towns' grants may be cut; they indicated that firmer estimates will be reported in March.

Federal Stimulus Package- Ms. Martin reported that the Governor solicited a list of projects from all towns; the projects needed to be ready to proceed within 180 days of notification of funding. Projects recommended by Ms. Martin include: Thomaston Center School \$8m; Black Rock School \$1.3m; Thomaston High School \$800,000; Road Improvement Plan Phases 2-6 .

#### Public Works Trucks

M. Martin reported on the need for two new trucks which had been approved by the Board of Finance last spring. The Board of Selectmen has called for a town meeting on January 28, 2009 to replace the trucks. The town will be asked to bond \$324,000 to pay for the trucks.

On a motion by D. Colavecchio, seconded by E. Mone the meeting was adjourned at 9:50pm

M. Galbraith, Secretary

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