

Board of Finance

Regular Meeting Minutes

February 9, 2016

1. Call to Order: David Hosmer called the meeting to order at 7:00pm.

2. Roll Call: Michael Dougherty, Ronald Cabana, Frederick Chmura, David Hosmer, Glen Lessig, David Fortin, David Richardson, Roy Bradrick and Jeffrey Kelleher.

Others: Donna Stefanik, Richard Kryzak, Linda Bernardi, Michael Bernardi, Clifford Davis, Viktor Toth, Kevin Withers, Edward Larson, Wayne Durst, Tina Lajoie, and Christine French.

3. Seat Alternate if Necessary: None needed at this meeting.

4. Approve Minutes from January 12, 2016 Regular Meeting: David Fortin, seconded by Fred Chmura made a motion to accept the meeting minutes from the January 12, 2016.

David Fortin would like to amend the first paragraph under Old Business, section D to read as follows: Treasurer Donna Stefanik reported that the current fund balance is at 13.2%. At this point there is \$36,771.00 **overage in the General Fund balance**. This amount will cover approximately 1.6 months of expenditures if the Town needed to use these funds. Ms. Stefanik feels that the Fund Balance policy amount should be increased **a total of 15%**.

Mr. Fortin also wanted the last paragraph in this section to reflect that Mr. Chmura did not think that the fund balance should be changed at this point because it would violate the section of the policy that states that the fund balance percentage amount could only be changed in December and June. **Motion to accept the minutes as amended passed unanimously..**

5. Old Business:

A. Correction of 6a January 12, 2016 CNR Motion: David Hosmer informed the Board that Treasurer Donna Stefanik pointed out to him that the Board needed to correct the motion in regards to the Fema grant that the Board of Education was to use to purchase new Epson Projectors for the smart boards.

David Fortin, seconded by Michael Dougherty, made a motion to recommend Fema reimbursement of \$2,737.50 from General Fund to the Reserve Fund for Capital and Non-recurring expenditures to be used for the purpose of Epson Projectors for the school. Also, to request the Board of Selectmen warn a town meeting to approve expenditure.

Fred Chmura would like to drop the word Epson so the Board of Education would not be obligated to buy Epson Projectors. David Fortin agreed to the amendment. **Motion as amended passed unanimously.**

B. Update on Policy Manual: Glen Lessig reported that he and David Fortin have been meeting, and that they are making progress. At this point they do not have anything to report back to the board.

C. Board of Education Tuition Payment: Superintendent Viktor Toth informed the Board that the Board of Education's attorneys Shipman & Goodwin has advised the Board of Education to put any tuition payments in the budget as a line item. In this way the money could be used as needed, and would not come out of the General Fund.

D. Review Draft Letter: Overall the Board of Finance was fine with the draft letter as presented. However, Roy Bradrick would like to amend the last paragraph in the letter to be amended to read “We believe that these issues should be reviewed with the town attorney and plans should be drawn accordingly to either correct **any** violations...”, instead of the word **the**.

Jeff Kelleher stated that he had gone to one of the links that was referred to in the letter and he felt that there is no violation with the stipend. He said that the information stated that at this point there were no rules in regards to government.

Glen Lessig reminded the board that both the Town Attorney and the Board of Education health insurance consultant agreed that the Town was not an aggregate employer, and therefore not in violation of ACA laws. He feels that the Board is trying to protect itself from rules that have not been written yet.

David Richardson disagreed. He passed out the wording from last year’s budget referendum which reads as follows: “Shall the Town of Woodstock approve the proposed budget of the Town of Woodstock for the fiscal year ending June 30, 2016, in the amount of \$22,014,202.00 as has been recommended by the Board of Finance and to appropriate said sum to meet the recommended expenditures”. Mr. Richardson feels that since there was one budget, that made the Town of Woodstock a single employer, and therefore an aggregate employee.

Michael Dougherty, seconded by Ronald Cabana, made a motion to forward the letter to the Board of Selectmen and that the Board of Selectmen forward the letter to an attorney or a firm familiar with ACA regulations.

David Hosmer would like to amend the motion to just forward the letter to the Board of Selectmen for action. Michael Dougherty stated that he felt that the letter go to an expert in ACA regulations. Mr. Hosmer agreed to let the motion stand as originally presented. **Motion as originally presented passed unanimously.**

Glen Lessig felt that the Board should move away from the stipend issue, and look into finding savings in the health insurance line item by contacting the Board of Finance in Brooklyn who were able to combine their insurance plans for significant savings. David Hosmer felt that this was the Selectmen’s duty.

David Fortin suggested that this topic could be added on to this evening’s agenda under new business.

Glen Lessig, seconded by David Fortin, made a motion to add under New Business, section E, Cost Savings Items to tonight’s agenda..**Motion passed unanimously.**

6. New Business:

A. Grand List Update -Assessor: Assessor Richard Kryzak reported to the board that real estate has increased by 0.527%, motor vehicles has decreased by 0.150%, and that personal property has increased by 5.481%. The total increase in the Grand List this year was \$4,942,078.00, or an increase of 0.7273%.

Mr. Kryzak informed the board that he thought that the motor vehicle Grand List would increase once the Department of Motor Vehicles new computer system has straightened out some of its problems.

Fred Chmura asked if there was plans for a reevaluation this year. Mr.Kryzak believed that there would be but that he had heard nothing definitely from NECOGG, and he agreed with Mr. Chmura the real estate Grand List would probably be down after the revaluation..

B. Tax Collector – Discuss DMV Changes: Linda Bernardi explained new legislation passed by the State of Connecticut in regards to Motor Vehicle taxes. Under Public Act 15-224 beginning with the October 1, 2015 assessment year municipalities will be allowed to tax motor vehicles at a different rate than other taxable property. However, it caps the motor vehicle rate for the 2015 assessment year at 32 mils, and the 2016 assessment year at 29.36 mils. Ms. Bernardi explained that the towns would continue to bill and collect motor vehicle taxes. All towns that generate more revenue from the uniform tax rate, based on the Grand List 2014 mil rate would pay excess revenue to the State. Towns that experience a deficit would receive compensation from the State, using excess revenue money sent in from other Towns and from excess revenue in the sales tax.

Ms. Bernardi and Ms. Stefanik further explained the Municipal Revenue Sharing Act (MRSA). Approximately 0.3 to 0.4% of sales tax will be distributed to municipalities no later than October 31st of each year. Ms. Stefanik informed the Board that the State has committed to sending the Town of Woodstock \$140,000.00.

Fred Chmura stated that the MRSA and the uniform tax rate are two separate sections of the same act. Ms. Stefanik agreed that it was. It was agreed that the Town would get some money regardless of what happened with the uniform motor vehicle tax rate.

Ms, Bernardi stated that the Governor wants to make lines at the Department of Motor Vehicles shorter by allowing people to register their vehicles without paying delinquent motor vehicle taxes. If this happens there will be no incentive for people to pay their taxes, and therefore a loss in revenue for the Town.

Donna Stefanik also emphasized that other grants from the State may be cut in order to fund the deficit that other towns may incur due to any deficit occurred by the uniform motor vehicle mil rate.

David Richardson asked how much revenue a motor vehicle taxes generated for the Town. Ms. Bernardi said she thought that the Motor Vehicles Supplemental Grand List generated around a million dollars, and that the regular motor vehicle Grand List generated around 2 million. She also told David Fortin that she would get the amount of taxes generated if the Town raised the motor vehicle tax rate from 23.6 mils to 32 mils.

D. Discuss Request to Board of Selectmen To Set Up Email Accounts For Each BOF Member: It was the consensus of the Board that this was a good idea and fairly common in other Towns. Roy Bradrick suggested that the Board find out if this would incur an additional cost to the Town.

Michael Dougherty, seconded by David Fortin, made a motion to request the Board of Selectmen to investigate setting up email accounts for the members of the Board of Finance in order to keep matters that may fall under FOI regulations off of personal emails. **Motion passed unanimously.**

Jeffery Keller her suggested that the policy subcommittee look into creating an email,policy. David Richardson informed the Board that if there is a quorum participating in an email discussion it was considered a meeting, and therefore fell under FOI regulations.

E. Cost Savings Items: The Board thought that it was a good idea to look into cost savings, and that perhaps that the Board of Selectmen and the Board of Education to look into ways to save money by going in together with such things as copier maintenance contracts. In regards to health care savings David Richardson reminded the Board that once the health insurance stipend was off of the table that merging insurances would not be a problem. Fred Chmura reminded the Board that the Board of Finance could make line item cuts to the Board of Selectmen budget.

7. Citizens Participation: Edward Larson wishes that there was a mechanism in which the Town could find a way to generate money from cars registered out of state. Though he figured that this was a mute point now that the Governor was going to allow people to register their cars without paying delinquent taxes. Ms. Bernardi reminded the audience that this was just a suggestion made by the Governor, and not a law.

David Fortin passed out a memo titled "Reasons to reconsider the current policy of stipends in lieu of insurance". He would like this to be discussed at the next Board of Finance meeting.

8. Correspondence & Announcements: None.

9. Adjournment: Michael Dougherty, seconded by Glen Leassig made a motion to adjourn at 8:13pm.
Motion passed unanimously.

Respectfully submitted,

Christine G. French

Clerk