

**Lebanon Board of Finance
Minutes of January 17, 2012
Regular Meeting**

Members present: Liz Charron, Chairman, Glen Coutu, Vice Chairman, Donald Anderson, Greg LaFontaine, Betsy Petrie, and David Scata.
Alternates present, Diane Malozzi (alt.), Edward Tylor (alt.) and Chuck Haralson (alt).

Item A. Call to Order

The meeting was called to order at 7:00 p.m. by L. Charron.

D. Malozzi to sit for D. Scata until such time as he arrives.

**Item B. Review and Consider Accepting Minutes of Previous Meetings
December 8, 2011 Special Meeting:**

B. Petrie moved to approve the minutes of the December 8, 2011 Special Meeting of the BOF. Motion was seconded by G. Coutu. Motion passed with 5 ayes and 1 abstention . G. LaFontaine.

December 8, 2011 Regular Meeting:

B. Petrie moved to approve the minutes of the December 8, 2011 Regular Meeting of the BOF. Motion was seconded by G. Coutu. Motion passed unanimously.

December 20, 2011 Special Meeting:

B. Petrie moved to approve the minutes of the December 20, 2011 Special Meeting of the BOF. Motion was seconded by G. Coutu. Motion passed unanimously.

D. Scata arrived at 7:04 p.m.

B. Petrie moved to add to the agenda a review/discussion of the acceptance of the minutes from the November 10, 2011 meeting of the BOF. Motion was seconded by G. Coutu. Motion passed unanimously.

On December 8, 2011 the minutes of the November 10, 2011 regular meeting of the BOF were approved. D. Anderson made the motion to approve. The Town Clerk believes D. Anderson was not a BOF member at the November 10, 2011 meeting. D. Anderson stated that he was sworn in on November 10, 2011 prior to the BOF meeting. L. Charron agreed to clarify this with the Town Clerk. No action was taken.

Item C. Correspondence

- 1. Email from the Registrar regarding two voting districts.** L. Charron stated that this item would be discussed later in the meeting.
- 2. Email from C. McCall regarding the Library budget.** L. Charron stated that this item would be discussed later in the meeting.

Item D. Monthly Expenditures/Revenues/Payment of Bills

Joyce Okonuk introduced Veronica Calvert who has been working as a consultant in the town office for the past five weeks. Veronica stated that she is a retired Federal employee who relocated to Franklin, Connecticut from Washington, DC. She worked in Arlington County, and for the Department of Defense in their finance area.

G. Coutu moved to discuss Item F1 next. Motion was seconded by B. Petrie. Motion passed unanimously.

Item F. New Business

- 1. Consider and act on a request from the Tax Collector to over expend her budget for legal fees associated with a tax sale.**

Joyce Hoffman requested permission from the BOF to over expend her budget for legal fees of up to \$33,000. This request is associated with a tax sale and all fees are usually recovered. Legal fees include costs for letters written, newspaper notices, tax sales and foreclosures. G. Coutu moved to authorize the Tax Collector to over expend her budget by up to \$33,000 in the current fiscal year to pursue the collection of accounts, interest, and associated fees in excess of \$115,000. Motion was seconded by B. Petrie. Motion passed unanimously.

At this time the BOF resumed the agenda at Item D.

Item D. Monthly Expenditures/Revenues/Payment of Bills continued..

The town monthly expenditure report was distributed and discussed. V. Calvert stated the report looked fine and had nothing out of place. The BOE monthly budget status report was also reviewed and discussed. Janet Tyler stated that Anchor Engineering is coming next week to assess and make a recommendation on the well, and there is a list of items from the Fire Marshall that he wants addressed. These are mainly electrical in nature. The BOF thanked J. Tyler for the new, comprehensive report presented by the BOE.

G. Lafontaine moved to pay an invoice from the town auditor, Steven Hopkins, in the amount of \$3,350. Motion was seconded by B. Petrie. Motion passed unanimously.

Item E. Ongoing Business

1. Subcommittee Updates

- a. Investment Policy and Cash Management** – Did not meet.
- b. Board Policies and Procedures** – Did not meet.
- c. Capital Funding**

1. Review Proposal

G. Coutu, B. Petrie, and J. Okonuk met several times. A draft proposal was distributed. It was noted that the draft is still a work in progress. Threshold amounts were changed on the draft, page 1 of distribution document. The BOE and town are now the same. Additional forms and a draft timeline were also distributed. It is the subcommittee's goal to facilitate the compilation of a comprehensive inventory and assessment of all the town's assets. They are also designing forms that will enable departments to provide additional detail when they have a funding request. Final funding decisions will always remain with the BOF. G. Lafontaine suggested that the subcommittee add reporting frequency to their documents.

2. Consider and act on recommendations, including:

a) Proposal for handling budget for capital

A form for Capital Reserve and Annual Capital requests will be distributed to all committees. Anything outside their operating budgets this year will need a detailed narrative explaining the request and list possible funding sources.

b) Establishing Open Space as a separate fund

The advantages and disadvantages of utilizing a separate fund for Open Space were discussed. Currently, all revenue and expenses for Open Space are accounted for within the Capital Fund. It was not clear that there were any significant advantages to establishing a new fund at this time. No action was taken.

c) Modifying the process for releasing moneys set aside in Capital.

This item was discussed. The town might need an ordinance on this issue. No action needs to be taken at this time.

d) Allowing BOF to reallocate unspent capital funds to a similar type of expenditure.

An example of this item is the school floor replacement that was estimated to cost \$20,000 but actually cost \$12,000. There is \$8,000 left over but the BOF has to go to a town meeting to get it reallocated. A town meeting has costs associated with it that would reduce the moneys available for reallocation. After some discussion L. Charron suggested that the TIP and Capital funds be reviewed quarterly to determine what is complete and how much money is left to determine if it is advisable to go to town meeting.

d. Budget Process

J. Okonuk stated that V. Calvert has been getting budget information from various departments, and clarifying those budgets with department members when necessary. L. Charron noted that a meeting is being held on Tuesday, January 31, 2012 and the BOF would like their budget books prior to that meeting. It is their hope that activity detail be submitted along with the budgets. This would be some additional data or vital statistics to help the BOF understand what is going on and what the workload is in these offices. J. Okonuk offered to communicate our request to all departments.

Item F. New Business

1. Already discussed.
2. **Update from the First Selectman on work and staffing in the Finance Office**
 - a. **Consultants for current needs**
 - b. **Research on outsourcing**

J. Okonuk stated that Eve is working on day-to-day items. She is responsible for requisitions, postings and transfers, and balancing out to the school. She has done a good job of catching up and pulling data together for the auditor. V. Calvert is working on budgets with J. Okonuk. This includes confirming budgets as approved by the Town for the present fiscal year. Every single line item in every single budget is being reviewed and confirmed. She is also learning other

pieces of the operation. Erin is doing a great job and is just about caught up on all of her work.

3. Consider and act on process for accepting grants.

This item will be discussed next month.

4. Consider and act on setting budgets for Auditor, Board of Finance and Annual Report.

There is \$12,350 budgeted for the Auditor. It was decided that an RFP would be sought on auditing services for the town. B. Petrie moved to set the budget for the Auditor at \$12,350. Motion was seconded by D. Scata. Motion passed with 5 ayes and 1 nay . G. Lafontaine. G. Coutu moved to set the budget for the Board of Finance at \$2,000. D. Anderson seconded the motion. Motion passed unanimously. G. Lafontaine moved to set the budget for the Annual Report at \$1,200. D. Anderson seconded the motion. Motion passed unanimously.

Item G. Other

The email from the Registrar regarding two voting districts was discussed. Lebanon now has two voting districts, one with approximately 1,500 people in it and the other with approximately 3,500 people in it. This is a result of redistricting efforts by the State. J. Okonuk spoke with Kevin Ryan who will work on getting an exception for the Town. The email from C McCall regarding the Library budget was not discussed since the library budget will be discussed at the March 3rd public hearing and no action was taken.

Item H. Adjourn

There being no other business, G. Coutu moved to adjourn the meeting. B. Petrie seconded the motion to adjourn at 9:08 p.m. Motion passed unanimously.

Respectfully submitted,

Lisa K. Sedlmeier
Recording Secretary