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Patricia S. O'Neil
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Board of Finance Regular Meeting

Town Hall Meeting Room
Monday, January 28, 2019 7:00 p.m.

(Unapproved)

Attendance

Board Members Present: Chairman Kevin Houlihan, Vice Chairman James Leahy, Kevin Moffett, Pat Romano, Joseph Nuzzo and P. J. Shanley

Staff: John Cifarelli, Finance Director; Audrey Geer, Assistant Finance Director; Deborah Satonick, Recording Secretary

Guests: Michele Loso Boisvert, Seward & Monde; Andrew Switan, Seward & Monde

1. Call to Order

- Chairman Houlihan called the meeting to order at 7:04 p.m. The Board of Finance members introduced themselves to the OGAT audience.

2. Public Participation

- There was no public participation.

3. Audit Presentation & Vote to Accept Audit for Fiscal Year End 6/30/2018

- Ms. Loso Boisvert and Mr. Switan reviewed the audit for fiscal year ending June 30, 2018 with the Board of Finance members. Ms. Loso Boisvert highlighted some of the recent changes in accounting principles, which included the GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB), effective July 1, 2017. Mr. Shanley suggested that the Board of Finance meet with the Board of Selectmen to discuss the future funding of OPEB.
- Mr. Switan reviewed some of the basic financial statements within the audit, which included the government-wide financial statements, fund financial statements, and notes to the financial

statements. There were additional appropriations of \$1,169,000 needed during the year for the following projects: \$325k was used to purchase a new Town wide phone system, \$144k for various BOE projects, \$175k to renovate the Police jail cells, and \$525k for future capital needs. Mr. Leahy suggested that the Recording Secretary keep track of these appropriations, along with previous Capital Projects over the past seven years, to be used for future reference.

- Mr. Switan answered all questions from the Board members as they arose. It was noted that the rate of return on the two Pension Plans has been approximately 7%. As of June 30, 2018, there were 163 plan members.

Mr. Leahy made a motion to accept the audit for fiscal year ending June 30, 2018 as prepared by Seward and Monde. Ms. Romano seconded the motion and all were in favor. The motion PASSED.

- Ms. Loso Boisvert reviewed the Management Letter and the recommendations for the Town of Orange. These recommendations include finalizing a documented information technology policy and procedural manual. It also includes updating the manual that covers the rules and regulations for Town employees not covered by Collective Bargaining Agreements.

4. Discussion and Approval of Transfers

- Mr. Cifarelli explained that the pool at the High Plains Community Center has two pumps that circulate the water. Currently, only one pump is working properly. It will cost \$35k to replace the pool pumps while the pool is closed for the locker room renovations. He recommended a transfer from the Accessor's budget to help cover this cost.

Mr. Shanley made a motion to approve a transfer of \$23,479.00 from 1-010-438-01-031-00 Renter Assistance to 1-010-430-04-262-00 Pool Maintenance and Repair. Ms. Romano seconded the motion and all were in favor. The motion PASSED.

- Mr. Cifarelli explained that a new line item with \$1k is being added in the Registrar's budget to cover custodian costs for school rentals for the election. A transfer is needed to cover custodian costs for election set-up on 11/5/18 and the Election Day of 11/6/18 at Mary L. Tracy School.

Mr. Leahy made a motion to approve the transfer of \$495.00 from line item 1-010-120-01-055-04 Temp. Sal. Election-R to School Rental Elections 1-010-441-01-055-00. Ms. Romano seconded the motion and all were in favor. The motion PASSED.

5. Amity Update

- Mr. Nuzzo reported that Amity has a current surplus of approximately 1.135 million dollars. Their budget has not decreased in spite of the fact that there has been a decrease in student population. This year, there has been a decrease of 34 students at Amity. Ms. Romano would be interested in finding out the overall decrease in student population over the last five years.

- Amity is requesting four additional security guards and a sally port entrance for enhanced security. They have asked for additional paraprofessionals and a certified teacher.
- ECS was discussed with 75% reimbursement from the State. The State Department of Developmental Services (DDS) is attempting to shift the cost of State agency residential placements to the local school districts. The cost of outplacing Special Education students can cost as much as \$105k, with no cap. It is more cost effective at \$19k to teach these students within the school district.

6. Vice Chairman's Report

- Mr. Leahy reviewed the Medical and Dental Account for Amity. He reminded the Board about an error that was uncovered from December and noted that Amity is not spending more than budgeted for in this line item.
- Mr. Leahy discussed a zero-based approach to preparing next year's budget. He noted that Amity includes the previous year's surplus as a part of the baseline for next year's budget preparation.
- Chairman Houlihan discussed some of the pending legislature in the State of Connecticut, one being that motor vehicle taxes be given to the State of Connecticut. The State of Connecticut is attempting to utilize state regionalization in attempt to reduce costs and capitalize revenues.

7. Discussion and Approval of Minutes – December 17, 2018

- The Board members made revisions to the December 17, 2018 minutes as deemed appropriate.

Ms. Romano made a motion to approve the revised December seventeenth, 2018 Board of Finance meeting minutes. Mr. Shanley seconded the motion and all were in favor. The motion PASSED.

8. Correction on Budget Hearing Date – Wednesday, April 24, 2019

- The correct date for the Budget Hearing is Wednesday, April 24, 2019 at 7:00 p.m. at the High Plains Community Center cafeteria.

9. Adjournment

Mr. Shanley made a motion to adjourn the meeting at 9:00 p.m., seconded by Ms. Romano. All were in favor and the motion PASSED.

Respectfully Submitted,

Deborah Satonick, Recording Secretary