

Board of Finance  
Annual Budget Hearing  
8:00 p.m., Monday, April 6, 2015  
Julian B. Thayer Auditorium, Coginchaug Regional High School

Meeting Minutes

In attendance: Loraine Coe, Rosemarie Naples, Helen Larkin, Laurie Tuttle, Molly Nolan  
Absent: Martin Anderson

Others: Laura Francis, John Szewczyk, Steve Levy, Maryjane Malavasi, approximately 30 members of the audience.

Loraine Coe called the meeting to order at 8:00 p.m. and led with the pledge of allegiance. She then introduced Board of Finance members and Board of Selectmen. She noted that the Board held eight budget workshops in addition to their regular meetings; reviewing each and every budget line comparing them with previous years expenditures, adjusting the budgets accordingly. The Boards goal was to fund each department, board, or commission with the necessary budget to meet their needs while keeping focus on the bottom line and impact on the taxpayer. She stated that the towns' grand list has only increased by .06% this year compared to .96% last year. In addition state and local revenue has increased only slightly 1.16% and 1.26% respectively.

Union contract negotiations are currently underway. This year's proposed budget reflects a zero increase in all salary line items; \$20,000 has been put into contingency to be used towards adjustments once the union contract is ratified. Board Member Martin Anderson has agreed to serve on the negotiating committee.

The Board has increased the use of the reserve fund to save for long term needs thus helping reduce the use of the undesignated fund balance during the year. We have also asked all budget requestors to apply for grants when they are available. L. Coe continued by stating the Board sought to keep increases incrementally small; most increases were due to rate increases and engineering costs. She noted that there are also a number of budget and capital items that have decreased.

She then proceeded to present a PowerPoint presentation of the Financial State of the Town of Durham for fiscal year 2014-2015 and then presented the fiscal year 2015-2016 proposed town budget. (Copy attached)

2015-2016 Proposed Budget	\$7,349,870
2014-2015 Budget	\$6,930,370
Increase in dollars	\$ 419,500
Increase in percentage	6.05%

Loraine Coe opened the meeting for questions.

Martin French asked for clarification of the 6/30/2015 reserve balance estimate of \$927 for revaluation 2015 and the 2015-2016 appropriation of \$21,000. M. Malavasi stated that RFP's are being sought at this time and it is expected that a town meeting will be held to expend current reserve funds; it is estimated that \$927 will be left over in this account. The \$21,000 is an estimate that the Board puts in reserve every year for the next revaluation.

M. French ask for clarification of tree replacement reserve account in the amount of \$1,000. L. Francis responded that this reserve account was set up to due to the work of the Town Green Tree Design

Committee who have developed an improvement plan for the Town Green. The committee will also be seeking grants and looking into other ways to raise funds.

Chuck Stengel asked about the increase in telephone and electric expense. L. Francis stated that the increase in broadband was more than anticipated and some phone lines were not eligible to be ported to Comcast. There also was an increase in electricity due to the contract re-negotiation.

Rick Parmelee asked if there were any projects between public works and RSD13 included in the proposed budget. L. Francis responded no.

R. Parmelee also stated that he felt the moratorium on using herbicide for roadside maintenance should be lifted due to the safety of town employees.

M. French asked for clarification of the operating budget of the Resident State Trooper program. L. Francis stated that the governor's proposed budget eliminated the 30% cost share the town is currently receiving. She noted that there has been a concerted effort to restore some of it. The town's current RST Peter DiGioia has retired and Troop F will be posting the position in the next couple of weeks.

Paul Maros asked if any monies have been set aside for drug prevention in the Health and Welfare budget. L. Francis stated that the Durham Middlefield Local Wellness Coalition, in conjunction with Durham Middlefield Youth and Family Services, is funded through a Drug-Free Communities Grant; both Stephanie Moran and Betsy Dean work closely with RSD13 and the Durham Fair Association during fair time with back pack checks.

R. Parmelee expressed his frustration with the Durham Volunteer Ambulance Corp over their inability to be forthcoming with several requests for financial information over the years. He requested that the Board ask them how many calls they are answering and how many calls are being answered by the Durham Volunteer Fire Department. He spoke about an incident where it took over an hour for the DVAC to get to a call and that the department is charging at a very high rate. He asked that their gross receipts be brought to the annual budget meeting.

Tom Wimler responded by stating that DVAC has been providing the Board with financials and has responded to 600 calls last year. He noted that the department is currently upgrading to a new computer system that will provide better statistics. He continued by stating that no resident of Durham ever gets a bill from DVAC; most likely what they are receiving is from an insurance company or they may receive a bill from a paramedic from the hospital (or other services) that would not be covered under insurance. He stated the billing service they utilize is able to bundle the cost with the hospital and insurance covers it. As for the revenue received through the billing company, DVAC uses it to pay the cost of billing services and stipends.

David Turley spoke as a member of the Library Board Trustees noting that the library budget for books and media has been flat for ten years and asked the Board for a modest increase in the amount of \$2,000. Richard Eriksen spoke to the same subject stating that he supports the \$2,000 increase.

Chuck Stengel asked for clarification of the building maintenance reserve fund. L. Francis stated that this fund is used for the maintenance and upkeep of any town building and noted that the amount has been increased over the last couple of years in preparation of the renovation of the two town owned buildings on Main Street.

George Eames IV spoke to areas of the budget that he felt there were large increases; public works, library, building department, activity center and building fund, salaries and employee retirement plan. He stated that the Board should have more independence on the budget process and separate

themselves from the day to day functions of the town. He talked about the town bartering with the Durham Fair Association and the Boards approach to funding versus bonding.

Karen Cheyney thanked the Board for all their work on the budget noting it was not an easy task with the cuts from the state and different mandates.

The meeting was adjourned at 9:05 p.m.

Respectfully submitted,

Beth Moncata

# Major Funds (est. 6-30-15 balance)

General Fund Undesignated	2,336,236
Reserve Funds	2,088,228
	<hr/>
Total	4,424,464
Change from Prior Year Actual	+682,788

# Reserve Funds

Fund Name	6/30/15 Estimate	2015-2016 Appropriation
Ambulance Replacement	132,065	10,000
Ambulance OSHA Gear	7,744	0
Ambulance AEDs	10,000	0
Animal Control Vehicle	6,000	1,000
Building Maintenance	33,082	30,000
Building Repair	8,225	10,000
Buildings	862,358	600,000
Cemetery Stone Repairs	9,850	2,500
Conservation/Open Space	10,800	0
Conservation/Barn Maintenance	13,373	5,120
Conservation/Howd Road	1,800	600

# Reserve Funds, continued

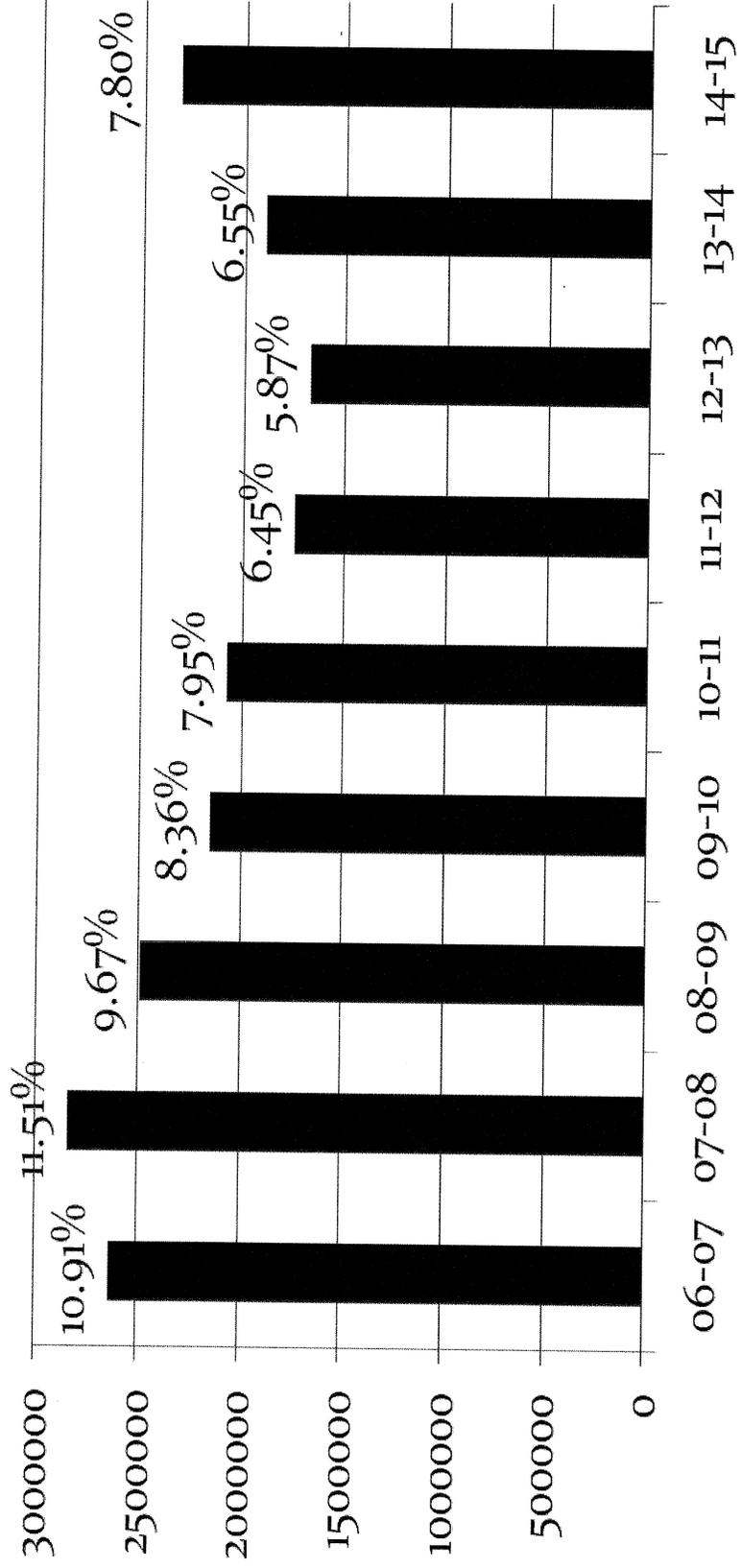
Fund Name	6/30/15 Estimate	2015-2016 Appropriation
Fire Department Equipment	7,700	2,000
Emergency Services Facility	23,600	0
Fire Apparatus	600,551	105,000
Fire Pond Reserve	12,874	5,000
Major Culvert Repair	132,000	100,000
GASB OPEM Report	3,000	1,500
Highway Equipment	111,475	168,000
IT - Server Replacement	0	3,500
Guardrails	8,500	8,500
Old Indian Trail Water Tank	20,000	11,000
Tree Replacement	0	1,000

# Reserve Funds, continued

Fund Name	6/30/15 Estimate	2015-2016 Appropriation
Radios & Pagers	14,418	23,400
Revaluation - 2015	927	21,000
Public Safety IT	4,000	1,400
Senior Van	2,700	0
Shelter Management	3,750	0
Voting Equipment	2,000	500
Total Reserve Funds	2,042,792	1,111,020

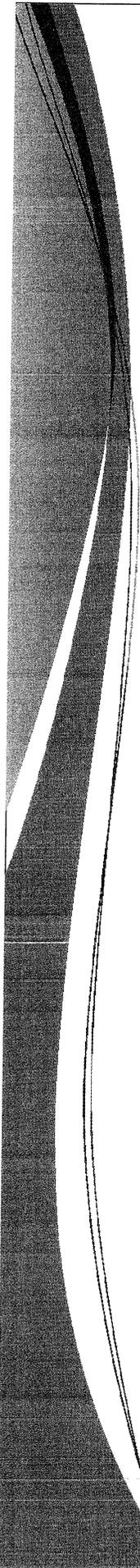
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# Undesignated Fund Balance as a % of Total Town Budget



# Town Budget Summary

2015-2016 Proposed Budget	\$7,349,870
2014-2015 Budget	\$6,930,370
Increase in Dollars	419,500
Increase in Percentage	6.05%



# Town Budget Summary

Proposed Operating Budget	\$5,789,188
Proposed Reserve Budget	1,111,020
Proposed Capital Budget	449,662
Total Proposed Budget	\$7,349,870

# General Government

## By the Numbers

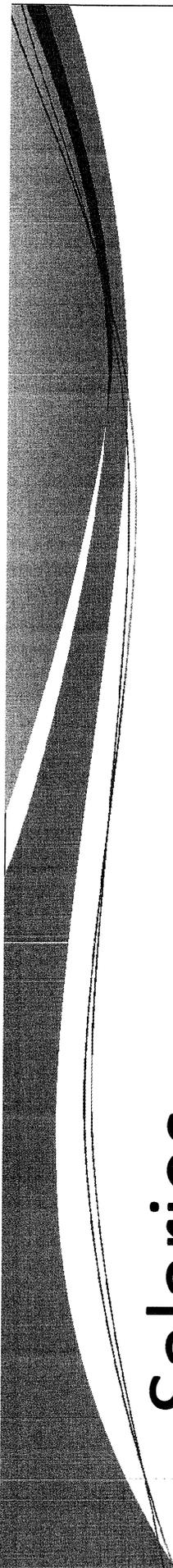
General Government Operating	+ 3.04%	+ 170,808
Capital and Reserve Funding	+ 18.96%	+ 248,692
Total General Government Expenditures	+ 6.05%	+ 419,500
Local & State Revenues	+ 1.16%	+ 14,570
Net General Government Budget	+ 7.13%	+ 404,930
Grand List Increase (budgetary)	+ 0.69%	+ 5,101,067
Est. Mill Rate Increase – General Gov't	+ 6.37%	+ 0.49 mills
Est. Mill Rate Increase with Education	+ 3.94%	+ 1.31 mills

# Operating Increases over \$5,000

DEPARTMENT	INCREASE	REASON
1565 Information Technology	5,984	New Block Time Agreement and add'l equipment on managed plan
2515 Retirement	16,439	New Mortality Table as of Oct. 2014
2525 Employee Benefits	68,298	Health Ins. Increase; census change
2560 Town Hall General Expenses	8,331	Electricity & Telephone Increases
3011 Snow Removal	14,500	Based on 5-year average
3014 Chip Sealing	23,000	Price and usage increases
3500 Highway Projects	5,000	Sidewalk Repair
4040 Valley Shore	11,924	General increase + Capital Reserve
4057 Resident Trooper Contract	49,230	Anticipated 100% cost share
5003 Library Building & Grounds	6,227	Electricity & Telephone Increases
6020 Contingency	20,000	Contract negotiations

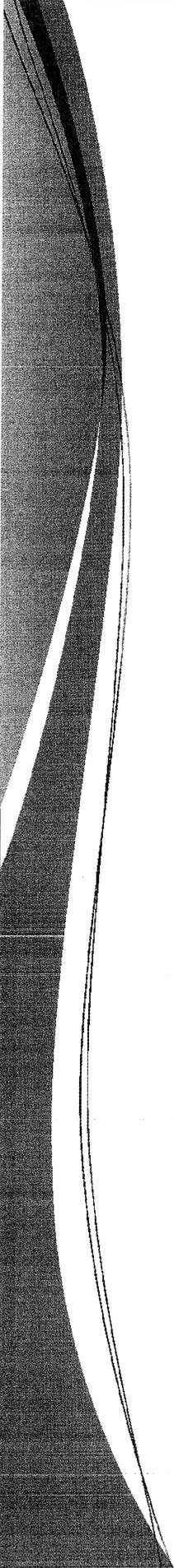
# Operating Budget Decreases

DEPARTMENT	DECREASE	REASON
1500 Assessor Department	(3,000)	Fewer Property Tax Audits
2010 Planning & Zoning	(3,850)	Savings in Recording Secretary Fees
2500 Elections	(4,347)	Savings in election salaries & training
2562 Heating Oil	(16,249)	Lower contract cost per gallon
3005 Capital Equipment	(37,966)	Vehicle lease paid off
3013 Vehicle Fuel	(4,829)	Lower contract cost per gallon
4030 Volunteer Ambulance	(6,519)	Savings in training & medical supplies
4031 Public Safety Data Systems	(6,981)	Savings in software costs & training



# Salaries

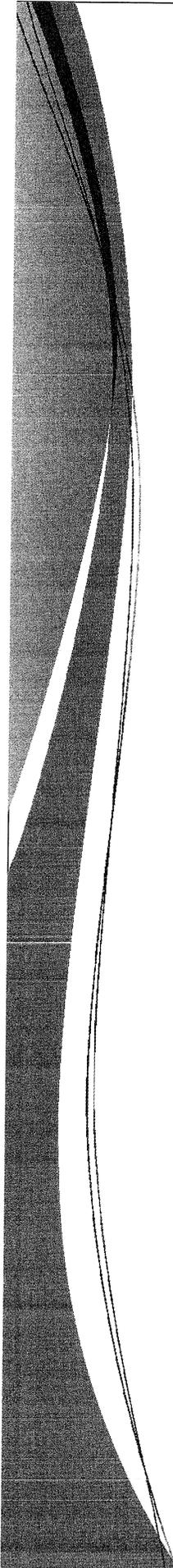
All Full and Part-Time positions are presented with no increase for the new year. Once the union contract is ratified, adjustments will be made. Contingency and fund balance will be used to cover the cost of these adjustments if necessary.



# New Projects

## UCONN MPA Intern

- Sharing the cost with the Town of Haddam
- Preliminary work necessary to create an Economic Development Strategic Plan
  - Inventory commercial & industrial properties; including vacancy rates
  - Inventory business types, sort by industry
  - Conduct economic develop surveys
  - Conduct SWOT analysis for economic development



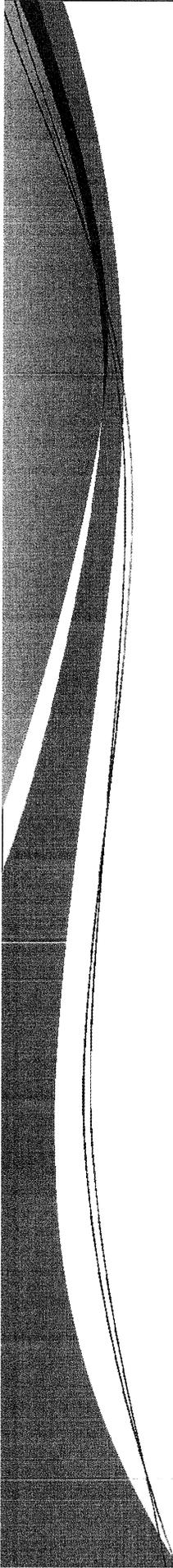
# New Projects, cont.

## Town Green Revitalization

- Long term plan to preserve town green trees
  - Tree removal
  - Tree maintenance
  - Tree planting
  - Soil Maintenance

# Proposed Capital Allocation

Dept.	Project	Proposed
1518	Coe Road Bridge – Local match for State Local Bridge Grant	328,165
1518	Higganum Road Project – Engineering for LOTCIP Grant	100,000
1566	Information Technology – Server Room Improvements and Wireless System at Town Hall	6,247
2020	Conservation – Parking area off Route 17 on site of old barn removed several years ago	4,500
4000	Emergency Management – Generator for DART Trailer	2,950
4020	Scott Packs for Fire Department	6,000
4030	Ambulance Jump Kits	600
5005	Library Equipment – AV projector and Vacuum	1,000
	<b>Total Proposed Capital Allocation</b>	<b>449,462</b>
	Increase over Prior Year	245,262

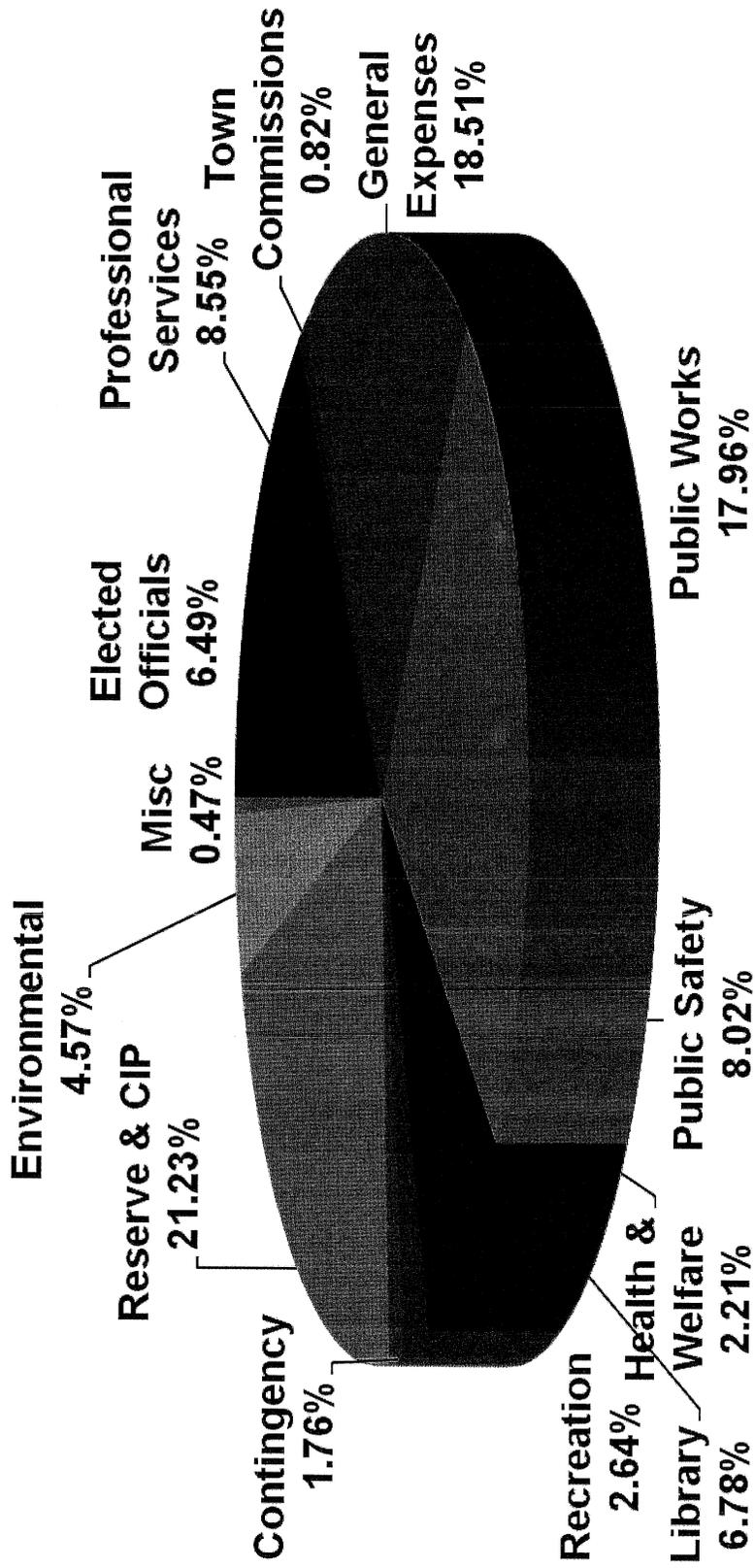


# Projects not funded

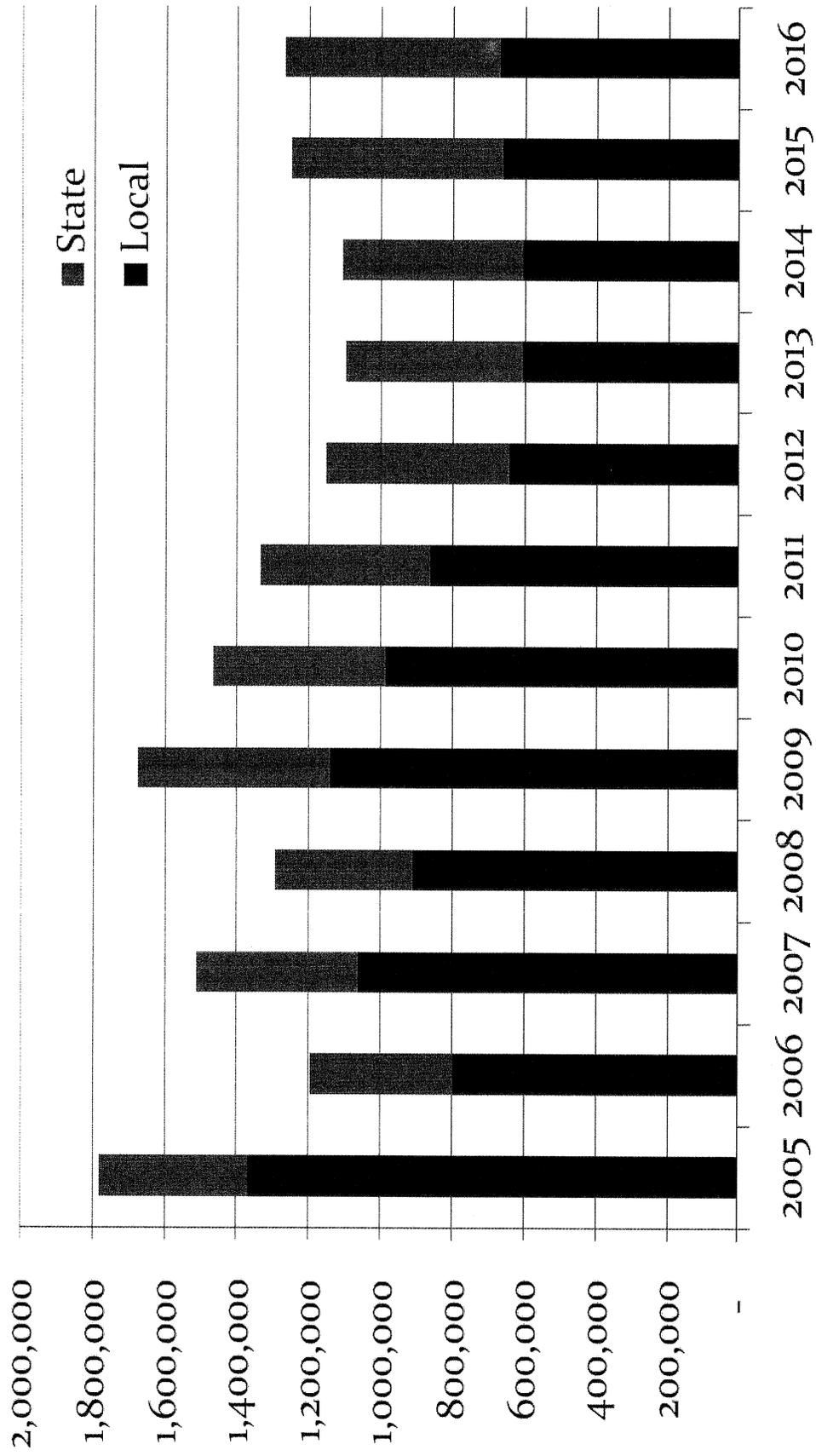
- Online Registration for Recreation Programs
- Town Hall Records Management System
- Additional summer coverage for Resident Trooper
- Town of Durham Website Redesign
- Wireless internet at Public Works

Represents another \$72,000

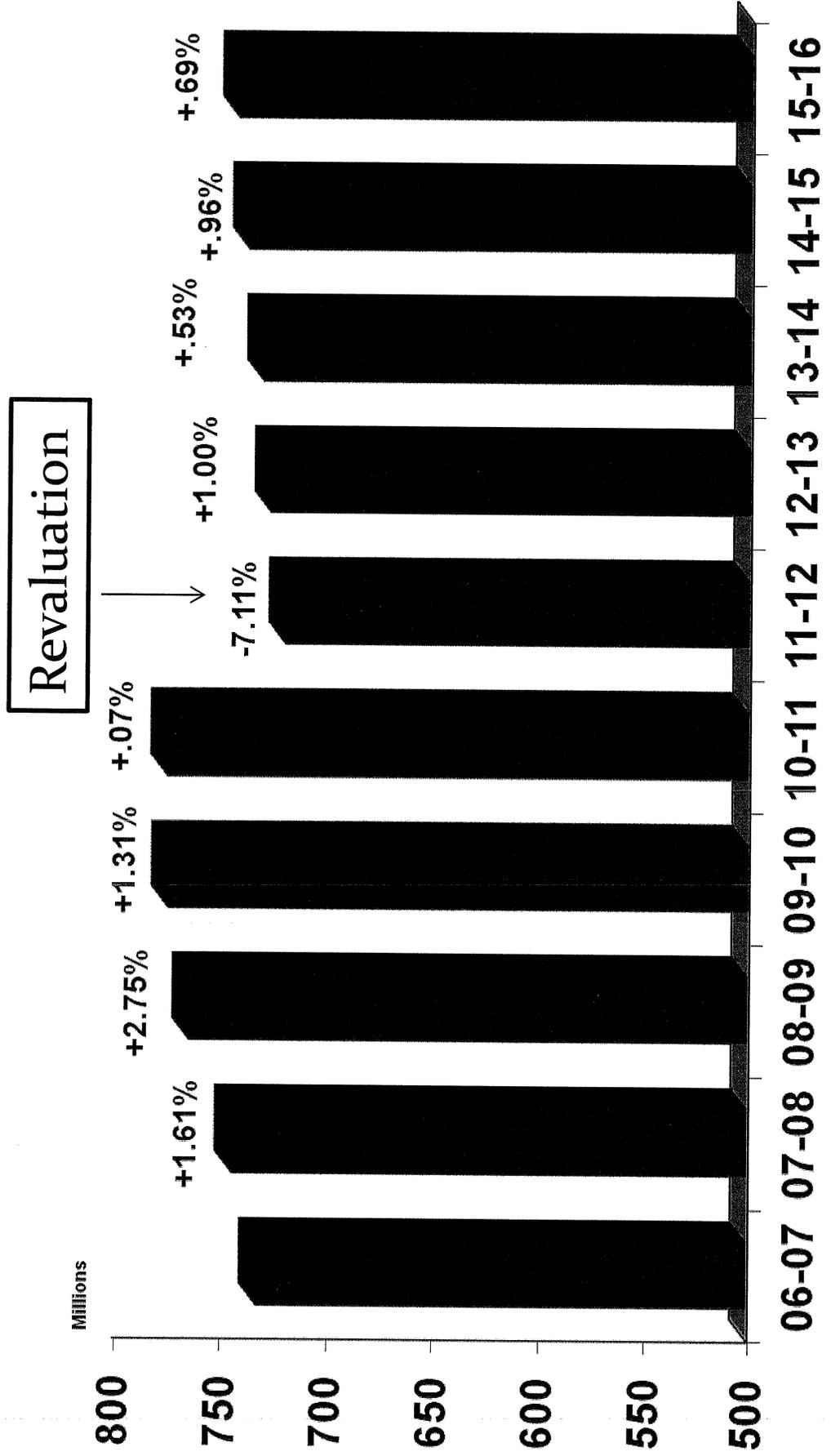
# General Government by Program



# Changes in State & Local Revenue



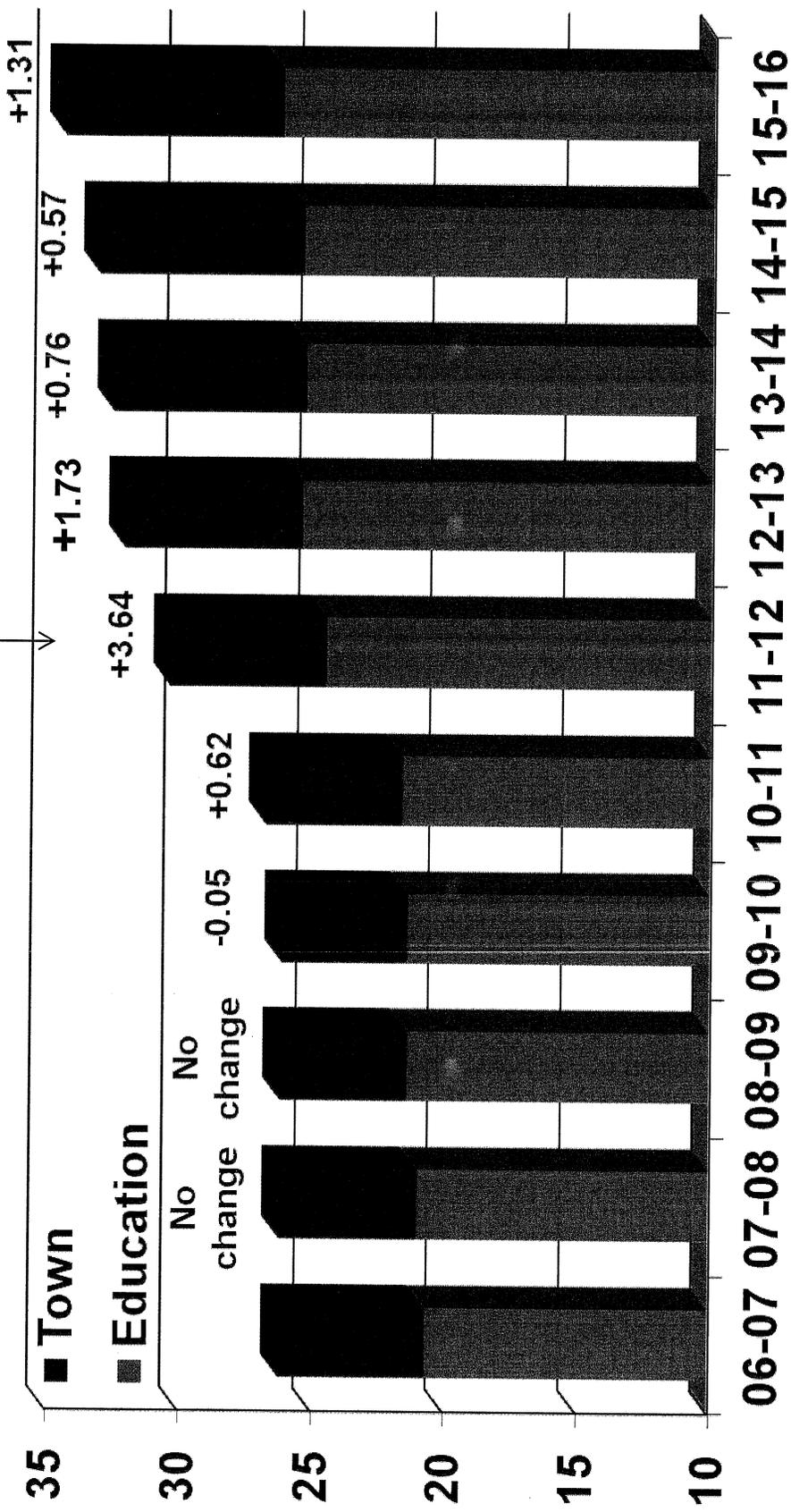
# Budgetary Grand Lists



# Comparison of Previous Years

## Mill Rates

Revaluation



# Comparison of Previous Years

## Total Net Town Budgets

