

Board of Finance Meeting  
7:00 p.m., Tuesday, November 17, 2015  
2<sup>nd</sup> Floor Conference Room, Town Hall

Minutes

**1. Call to order**

Lorraine Coe called the meeting to order at 7:00 p.m.

In attendance: Lorraine Coe, Rosemarie Naples, Laurie Tuttle, Martin Anderson, Molly Nolan (arr. 7:34)

Absent: Helen Larkin

Others in attendance: Maryjane Malavasi, Chuck Stengel, Andrew Meiman

**2. Minutes:**

**a. Special meeting of October 27, 2015**

MOTION BY ROSEMARIE NAPLES SECONDED BY LAURIE TUTTLE TO APPROVE THE OCTOBER 27, 2015 MEETING MINUTES AS PRESENTED. ALL AYE

**3. Invoices - None.**

**4. Correspondence - None**

**5. Public Comment - None.**

**6. Presentation by Public Safety Facility Renovations Planning Committee**

A. Meiman provided an updated budget and cost estimate that totaled \$3,907,358 for construction plus an estimated 20% for soft costs. A copy of the project estimate is attached.

In response to a question from the Chairman, Mr. Meiman listed the board and commissions that the project will be reviewed by prior to going to public hearing.

**7. Monthly DVAC Report**

No report. M. Malavasi reported that she received an email from the Treasurer that implied he had stepped down from that capacity. Andrew Meiman confirmed that Steve Grodzicki has moved up to Deputy Chief and at this time there is no treasurer for DVAC.

L. Tuttle suggested that we should also add the Fire Department Report to the agenda since a letter had gone out to them asking for the same information. M. Malavasi will follow up with L. Francis regarding the status of these reports.

**8. Finance Director's Report**

**a. Audit Update:**

M. Malavasi advised the Board that there is a delay in the completion of the June 30, 2015 audit due to the new requirements of GASB 68 regarding pension reporting. At this time there is no concern that we will need an extension, but the draft will not be ready until December.

**b. 2015/2016 Budget Update**

Ms. Malavasi provided printouts of the expenditure and revenue budgets as of today's date. She presented a fiscal analysis as of October 2015 that indicates our expenditures are at 39% and our revenues are at 49%. Our cash flow is healthy and we are able to meet all of our financial obligations. The only line over budget at this time is the chip seal budget; overdrawn by \$7,800 due to escalation in costs associated with the products used for chip sealing. A copy of the fiscal analysis is attached.

**c. UCOA**

M. Malavasi reported that she has been working with MUNIS on our Unified Chart of Accounts, funded with a grant from OPM. Our new chart of accounts will allow us to easily report our financials to the State of Connecticut, allow us to provide better reporting internally, and be better managed as far as numbering. The new chart of accounts will mean different account numbers for each department to get used to, but the current accounts will be used for the 2016-2017 budget preparation.

**d. 2016-2017 Budget**

M. Malavasi reported that budget request forms will be going out to departments by the end of November and will be due back to her by the first part of January. She noted that the Board of Selectman would like to review the budgets prior to the Board of Finance this year in an effort to be able to provide better guidance. The Board agreed.

**9. Additional Appropriation Requests**

**a. Old Indian Trail Water Tank**

Ms. Malavasi reviewed the project budget for the replacement of the Old Indian Trail Water Tank. This project will be funded equally by the Towns of Middlefield and Durham. Durham's estimated portion is \$49,000; \$31,000 of which is in the reserve fund.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY MARTIN ANDERSON, TO RECOMMEND THE SELECTMEN CALL A TOWN MEETING TO TRANSFER \$31,000 FROM #9530 OLD INDIAN TRAIL WATER TANK RESERVE TO 6700-353 CIP-OLD INDIAN TRAIL WATER TANK. ALL AYE

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY MARTIN ANDERSON, TO TRANSFER \$18,000 FROM #6020 CONTINGENCY TO 6700-353 CIP OLD INDIAN WATER TANK. ALL AYE.

**b. Reappropriation to Reserve Fund - HPTAG Grant**

Ms. Malavasi reported that a check for \$19,000 was received from the Connecticut Trust for Historic Preservation to cover half of the total cost of design services related to the historic renovation of structures at 51 and 37 Main Street. At the time that the funds were approved for the project, the Board noted its intention to return any grant funding back to the reserve fund. This request is to do just that.

**MOTION MADE BY LORAIN COE, SECONDED BY ROSEMARIE NAPLES, TO TRANSFER GRANT FUNDS RECEIVED IN THE AMOUNT OF \$19,000 TO #9220 BUILDINGS RESERVE. ALL AYE.**

**c. Speed Signs**

Ms. Malavasi spoke on behalf of L. Francis in support of purchasing a speed sign system that will give our Resident State Trooper the opportunity to be more efficient in his job.

**MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY MOLLY NOLAN, TO TRANSFER \$5,425 FROM 4056-114 TO 6700-574 CIP-POLICE EQUIPMENT FOR THE PURCHASE OF A SPEED DISPLAY SYSTEM. ALL AYE.**

**10. Other Business**

The Board reviewed the goals discussed at the prior meeting. The Board will continue to review the goals and stay on top of them as the year progresses in an effort to complete them within the next year.

**11. Adjournment**

Meeting adjourned at 9:44 p.m. by motion made by Martin Anderson, and seconded by Rosemarie Naples.

Respectfully submitted,

Maryjane Malavasi



## MEMORANDUM

TO: Laura Francis, First Selectman  
 FROM: Maryjane Malavasi, Finance Director  
 RE: Fiscal Analysis – October 2015  
 DATE: November 12, 2015

The 2016 budget stands as follows:

	EXPENDITURES	REVENUE
Original Budget	30,347,812	30,347,812
General Appropriations	0	0
Grant Appropriations	0	0
Prior Year Carryovers	267,903	0
Reserve Appropriations	0	0
Revised Budget	30,615,715	30,347,812
YTD Encumbrances	8,500.55	0
YTD Expense/Revenue	11,941,778	14,888,748
Balance Unspent or Uncollected	18,665,436	15,459,064
Percent Spent or Collected	39%	49%

### Revenues

At the close of October, we are one third of the way through our fiscal year. Revenues are at 49%, which is broken down as follows:

54.4% Tax revenue  
 13.5% Other local revenue  
 23.7% State revenue  
 25.0% ESC Revenue

These percentages indicate that tax collection is on track for this year, and that all other revenue is starting to come in as well. There are a number of local and state revenues that do not come in until the end of the fiscal year; therefore, those percentages will always be behind where we are in the calendar. At this time there is no concern that revenue projections will not be met.

### Expenditures

Budgetary expenditures are at an overall 39% spent at this time. The detail by department indicates that the vast majority of departmental budgets are in the 30 - 40% spent range.

At this time there is only one budget that has gone over its appropriation, and that is #3014 Chip Sealing. The budget is over by approximately \$7,800 due to the escalation in price for chip seal product. Since this project is done in the summer immediately following the adoption of the budget, no further expenditures should be needed in this line item.

### Balance Sheet

The balance sheet shows that our cash position is in good shape, with over \$5 million in our money market. These funds will be used to meet our obligations into February when the next batch of tax revenue is received.

\$183,000 is still due from the State for two road projects. These projects are still under review by the state; therefore we will not see that payment until the review process is complete.

We did, however, receive payment from the Connecticut Trust for Historic Preservation for the engineering work done on the two houses on Main Street. This payment shows as an amount due back to the Reserve Fund since that was the intent of the legislative body when the money was taken from the Reserve to fund the entire project. This action will be taken up at the next town meeting.

Overall, the town's finances are in good shape. The town's fund balance increased approximately \$131,000 last year, which begins to bring the percentage of fund balance back up to where it was in 2008.

TOWN OF DURHAM  
BALANCE SHEET AS OF OCTOBER 2015

Account No.	Account Name	Account Balance
<b>Assets</b>		
0001-001	Checking Account	339,970
0001-007	Money Market Account	5,173,991
0001-019	Due from Grant Funds	180,910
0001-030	Prepaid Expenses	2,500
0001-052	Accounts Receivable	1,528
0001-053	Taxes Receivable	300,150
0001-054	Allowance for Suspension	(10,000)
0001-055	Accrued Interest Receivable	164,161
0001-069	Due from Other Funds	4,468
	<b>TOTAL ASSETS</b>	<u>6,157,678</u>
<b>Liabilities</b>		
0001-017	Due to DART	(1,314)
0001-013	Due to Reserve Fund	(19,000)
0001-022	Due to Kalinowski Fund	(1,398)
0001-024	Due to Library	-
0001-026	Due to Town Trust Fund	(4,196)
0001-031	Due to Tax Collection	38
0001-034	Due To State	8,391
0001-04x	Employee Payroll Deductions	914
0001-050	Accounts Payable	-
0001-056	Accrued Payroll	(51,294)
0001-057	Deferred Revenues	(300,150)
0001-059	Deferred Interest	(158,953)
0001-067	Weekly Employee Property Tax Deduction	(1,536)
	<b>TOTAL LIABILITIES</b>	<u>(528,498)</u>
<b>Fund Balance</b>		
0001-089	GAAP Adj – Accrued Payroll	51,294
0001-090	Fund Balance Unreserved	(2,465,601)
0001-091	Reserved for Next Year's Budget	(267,903)
0001-093	Appropriations	(30,615,715)
0001-094	Estimated Revenues	30,347,812
0001-095	Budgetary Fund Balance	267,903
0001-098	Appropriations Control	11,941,778
0001-099	Revenue Control	(14,888,748)
	<b>TOTAL FUND BALANCE</b>	<u>(5,629,180)</u>
	<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<u>(6,157,678)</u>