

**Town of Marlborough  
Board of Finance  
Regular Meeting  
February 10, 2016, 7:00 P.M.  
Marlborough Elementary School – Media Center**

**Call to Order**

Chairman Knowlton called the regular meeting to order at 7:02 p.m. Seated were regular members Cliff Denniss, Ken Hjulstrom, Doug Knowlton, and Eric Young. Alternate Midge Denno was seated for Susan Leser. Also present were Treasurer Mike O’Neil, Assistant Treasurer Hayley Wagner and Director of Development and Planning, Peter Hughes.

**Additions to the Agenda**

**None**

**Public Comments**

None

**New Business**

**Blum Shapiro Review of Audit for FY 2014-15**

Gerry Paradis, partner, reviewed the audit with the Board and answered their questions. The auditors did not find any deficiencies or material weaknesses. The STEAP and CWF state grants were selected for risk assessment. There were no internal control or compliance issues. A federal audit was not needed because the town did not have federal grants in excess of \$500,000. The threshold is changing to \$750,000 next year. Mr. Paradise said the financial statements had a clean opinion. The major fund statements were the benefit assessment for the sewers, CNR, and the fund balance.

Mr. Hjulstrom asked a question regarding the town center land funds. Mr. Hughes said that \$2.1 million was authorized to purchase land for the town center, but only \$1.8 million has been spent to date. Mr. Hughes said that account could be closed out now. Bond counsel can inform the BOS how to close this. There is \$368,349 approved for engineering that has not been borrowed yet. Mr. Hughes suggested keeping that open for the time being.

There is \$10 million for the Marlborough teacher’s pension liability. The town, however, is not responsible for that, the state is responsible. The town fund balance is about 8.5% of the budget. This is something that bond rating agencies pay close attention to. Our financial advisor is the best person to let the town know if that is a higher enough amount. Some towns have as much as 25% of their budget.

Mr. Paradis told the Board that Joe Kask is now CEO and cannot have any clients. Therefore the Board could choose Gerry or one of the other three partners in the office that perform governmental audits to oversee ours. Blum Shapiro will need to know by April/May timeframe before the preliminary work begins on the FY 2015-16 audit.

**Final Blum Shapiro Invoice**

**MOTION:** Mr. Hjulstrom made a motion, seconded by Mr. Young, to approve the invoice for Blum Shapiro in the amount of \$4,500. **DISCUSSION:** The total invoice was \$27,500, with \$13,700 being the town’s portion.

**VOTE:** All voted in favor of the motion.

**Budget Workshop Schedule**

The Board of Selectmen will present the town budget to the board at their regular March meeting on the 9th. The Board penciled in the following dates for their possible budget workshops: 3/17/16; 3/24/16; 3/29/16; and 3/31/16.

**Unfinished Business**

**Board of Finance Budget**

**MOTION:** Mr. Young made a motion, seconded by Mr. Hjulstrom, to submit the following as their proposed budget to the BOS:

Audit	\$13,700
Office Supplies	200
Dues/Education	350

**VOTE:** All voted in favor.

**Monthly Financial Reports**

The Board inquired as to who our engineer is because it seems as though the town spends a lot of money on engineering and design. Mr. Hughes said that they use Jacobson Associates. They are a multi-disciplinary firm and that the town is getting a good price.

**Liaison Reports**

**Tri-Board Meeting** – a meeting was held with the BOE/BOS/BOF. It was not a successful meeting especially if the purpose of the meeting was to achieve cooperatively working together. The meeting was for a discussion on which budget different maintenance/capital items, etc. should be in for the school building. There was a very sharp division of ideas. The three chairs may meet next to see if they can accomplish anything.

**WPCA**– Cliff Denniss reported that the Marlborough Health Care Center had clogged pipes due to not cleaning out their grease traps. They had to replace 350 feet of pipe for that operator error. Phase III participants will receive a letter regarding the location of their grinder pump in the near future.

**Local BOE** – Mr. Denniss told the Board that Mr. Colavecchio is retiring at the end of the school year. There was a presentation of the foreign language program at the school and that they coordinate with RHAM so our students are ready when they enter the middle school. The PTO has \$34,000 with \$20,000 committed to the playscape. The academic calendar has been set for 8/31/16 to 6/13/17. Dr. Sklarz has presented his preliminary budget. There is a public hearing on it scheduled for 2/25/16 at 6 p.m. Dr. Sklarz used a 12% increase for insurance, but has since been told it will be less.

**Chairman Report** – Chairman Knowlton sent an email with the costs for the water system on 1/24/16 to the board members. There was an overrun of \$88,774 for engineering and an overrun of \$12,345 for construction. It should be noted that STEAP funds can only be used for construction costs. All engineering costs for STEAP projects must come out of the town budget.

**Selectman Report** – First Selectman Traversa said that they re-submitted an application for the Phase 2 water project for the STEAP grant because they could not get a definite answer about whether or not they had been approved for it. Now that the town has a serious developer for the Elliott properties, it was a good plan to put in an application for the water project. The BOS decided to go with Tolland County Emergency Communications beginning 7-1-16. The Grand List is basically stagnant. Currently the Assessor’s office is in a big mess because of the DMV registration issues. Ms. Traversa said that the Elliott properties transferred to Schwartz Realty, and the Zoning Regulations have changed from allowing a 40,000 square feet to 55,000 square feet building to accommodate what Mr. Schwartz is interested in building.

### **Review of Correspondence**

Mr. Knowlton emailed all the correspondence to the Board prior to the meeting.  
Municipal cuts proposed by the Governor;  
Tipping fees are projected to go up \$3/ton

### **Approval of Minutes**

**MOTION** Mr. Denniss made a motion, seconded by Ms. Denno, to approve the minutes from the January 13, 2016 regular meeting with the following corrections:

- On page 2, painting was misspelled;
- Under Colchester Communications, the **Fire Department** and EMS held a meeting to give their opinion to the BOS.

All voted in favor of the motion.

### **Budget Transfer Request**

The BOS voted to request the BOF to make transfers for the South Main Street Fawn Brook bridge and Finley Hill Road (Flat Brook) culvert replacements. The bridge replacement is a federal loan with an 80%/20% cost split. The preliminary design estimate of \$136,500 is already appropriate in the town budget for 2014-15. However, there have been mandated changes in design services causing an increase of **\$86,693**. The BOS recommended temporarily transferring the \$86,693 from the Jones Hollow Road/Blackledge River bridge replacement project which has \$181,650 allocated for design in the 2015-16 budget. These transferred funds can then be replenished in the 2016-17 budget.

The Flat Brook Finley Hill culvert replacement needs **\$61,692** in addition to what is leftover from the first culvert project on Finley Hill. The BOS recommended taking funds that remain in CNR from Stage Harbor Road pavement, Stage Harbor chip seal, and North Main Street culverts.

**MOTION:** Mr. Denniss made a motion, seconded by Mr. Young, to approve the request to transfer funds for these two projects as explained in the February 10, 2016 memos to the BOF from the First Selectman.

**DISCUSSION:** The First Selectman said that there are more projects to come.

**VOTE:** All voted in favor of the motion.

### **Public Comment**

Dick Shea, as an individual, 33 Bull Hill Road, said that the federal and state “grants” change their rules and regulations after the town has been awarded grants. Therefore we need to put more money into contingency from the quotes to meet new requirements that may arise.

**Adjournment**

Mr. Young made a motion, seconded by Mr. Hjulstrom, to adjourn the meeting at 8:47 p.m. All voted in favor.

Respectfully submitted,

Debby Rihm  
Board Clerk