

**Board of Finance
Marlborough Elementary School
Regular Meeting
October 12, 2016
7:00 P.M.**

Call to Order

Chairman Knowlton called the meeting to order at 7:04 p.m. Present and seated were regular members Doug Knowlton, Cliff Denniss, Ken Hjulstrom, Susan Leser and Dieter Zimmer. Alternate Riva Clark was seated for Erik Young. Also present was alternate Midge Denno.

Additions to the Agenda

Ms. Leser made a motion to add Blum Shapiro Invoice #3 to the agenda. Mr. Hjulstrom seconded. All voted in favor.

Public Comments

Dick Shea said it is good to see Riva Clark and Dieter Zimmer back on the front lines.

New Business

Blum Shapiro Invoice #2

Ms. Leser made a motion, seconded by Mr. Denniss, to approve the invoice in the amount of \$13,000 as partial payment for the audit. DISCUSSION: Mr. Zimmer asked the Board how much they would charge the town to do the audit. We have a contract with them for \$25,000 which includes the school's portion.

VOTE: All voted in favor.

Blum Shapiro Invoice #3

Ms. Clark made a motion, seconded by Ms. Leser, to approve the invoice in the amount of \$6,000 as partial payment for the audit.

VOTE: All voted in favor.

Annual Report

The Chairman had emailed the Board the draft of the BOF's Annual Report. The Board made a few suggestions. Mr. Knowlton will revise the document and email it out to the Board again and then submit to the town.

Unfinished Business

None.

Reports

Monthly Financial Reports

The Board discussed the September and October financial reports.

Capital Projects

Mr. Knowlton gave the Board the tracking updates on the Phase 2 Water System, Energy Improvements, Austin Road, Generator, and Jones Hollow bridge projects. All projects are on target.

Liaison Reports

Local BOE – Mr. Denniss said the Board has added more cameras with the security grant. The Lion’s Club did eye exams on the students. The students have done well on the SBAC tests. The BOE had a brief discussion on the budget.

WPCA – Mr. Denniss reported that Phase 3 is about 50% complete. The town needs state approval to wait until spring to pave. There is Clean Water Funding available for Phase 4 if the land is developed. Phase 4 would be the Marlborough Commons. Dense housing is suggested for that area with retail development later. The bathhouse was closed for Marlborough Day due to the pump sewer line pressure.

Insurance Consortium – They met and discussed self-funding insurance. It is expensive to begin, but the long term effect over time will save money. There will be tax savings and savings on processing fees.

First Selectman – Ms. Traversa told the Board both senior vans have damage and hopefully the insurance claims will be accepted. The town is looking for a grant for a smaller van. The Road Foreman position is being split into two different positions (facilities/grounds and fleet/roads).

Chairman – Chairman Knowlton is putting together Policies regarding the BOF Duties and Responsibilities based upon the CT General Statutes and the Town Charter. It’s been 31 years since the Charter was last revised. Ms. Traversa said she is very appreciative of this project that Mr. Knowlton is undertaking.

Chairman Knowlton also discussed the Undesignated Fund Balance and Debt. We do not have a big enough undesignated fund balance and we have too much debt. The debt will decline over the next few years if no more is added. Mr. Knowlton showed the Board various fund options with 7.5%, 8%, 8.5%, and 9% of the budget retained. Ms. Leser suggested an article in the Rivereast to educate the public about why we have so much more debt than the surrounding towns. A CERC study showed Marlborough is very high in per capita debt. Ms. Clark thought that this “financial theory” of using the Undesignated Fund Balance instead of borrowing to purchase big items was what the Board of Finance wanted to do. We need to take care of our facilities, fleet, and roads and stop spending.

The CNR Committee and Facilities/Grounds Forman will meet with the Building Commission to come up with a plan and list of all the buildings in the town with their condition.

Approval of Minutes

Mr. Denniss made a motion, seconded by Mr. Zimmer, to approve the minutes of the **August 10, 2016** meeting as submitted. All voted in favor.

Public Comments

There is a BOE Open Forum on November 3, 2016 at 6:00 p.m. concerning the school building, costs, etc.

Adjournment

Ms. Leser made a motion, seconded by Ms. Clark, to adjourn at 9:01 p.m. All voted in favor.

Respectfully submitted,

Deborah Rihm
Board Clerk