**Board of Finance**

**June 16, 2014**

Chairman Michael Jackson called the meeting to order at 5:00 p.m.

**Present:** Members: Jack Boyer, Sarah H. Cornell, Michael Jackson, Craig Schoon, Rex Swain

 Alternates: Liddy Adams, Reginald Templeton

 Selectmen: Mark Lyon, Richard Carey, Jay Hubelbank

 Treasurer: Linda McGarr

**Tax Collector’s Report**: Approved as submitted.

**Treasurer’s Report:** Approved as submitted.

**Auditor’s Engagement Letter:** Michael Jackson reported a letter of understanding for auditing services for the year ending June 30, 2014 had been received from Charles Heaven & Co., Inc. for a fee of $23,000. This is based on the anticipated cooperation from Town personnel and the assumption that unexpected circumstances will not be encountered during the audit. If additional time is necessary, this will be discussed with the First Selectman and a new fee would be arrived at before additional costs are incurred. Rex Swain questioned if the Town should continue with the same auditor that has been providing services to the Town for years. Mr. Jackson noted they have done a wonderful job in the past on behalf of the Town and to continue using the same auditor. This was agreeable to the Board.

**Financial Reports:**

**General Fund:** The Board reviewed the financial reports through May 31st. Mark noted the Winter Maintenance and the Building Inspector areas are over-expended; however, the Building Inspector costs are far outweighed by the income received in this area, as in the past. The Tax Collector and Assessor’s areas also indicate they will exceed the budget line item, both due to the change in personnel, as well as additional clerk time required to provide office coverage while the Tax Collector attends classes. Mark noted additional appropriations in these areas may be required before the end of the fiscal year. The overall General Fund budgeted expense through May 31st is at 94.2% of the anticipated costs. Mark will confer with the Town’s auditor.

**Nonrecurring Capital Fund:** The Nonrecurring Capital Account items will be reviewed. The storm damage line items for Hurricane Irene and Storm Alfred will be closed as a 70% storm reimbursement has been received on qualified areas.

**Town Pension:** Rex Swain reported an item for discussion has been raised with regard to the few vested terminated participants on the Town’s Pension Plan whose present value of benefit is less than $10,000. It has been suggested that these participants may be interested in a lump sum buy-out of the present value of their benefit rather than receiving a monthly benefit. This would, in turn, reduce the costs for an annual calculation for each these accounts. It was suggested that this be investigated further to determine who might be interested.

**Education:** First SelectmanMark Lyon reported he had met with the Superintendent of Schools and the First Selectmen from Roxbury and Bridgewater following the last Board of Education meeting. A referendum has been scheduled for June 17th on the proposal that Regional School District #12 appropriate $8,282,989 for costs of various improvements and renovations at Shepaug Valley Middle/High School and authorize the issue of bonds and temporary notes to finance the portion of the appropriation not defrayed from grants. Several questions have been raised and there has been correspondence regarding the spending of that amount of money on a building that may be half empty in a few years. The three First Selectmen may plan to meet with the State Board of Ed to discuss options. Bridgewater does not feel that there is a different solution; while Mark noted that while this may be interesting, he is still writing a check and we have many needs to meet.

Michael Jackson noted that the State representatives and senators need to address the problem of employment in the State. He is not optimistic and felt that if you don’t have the jobs you will not attract the young people.

Mark Lyon referred to CT Statute 10-63a: Vote for withdrawal of town or dissolution of district. Under this statute: (a) Any town which is a member of a regional school district may, pursuant to a vote of its legislative body, apply to the regional board of education to institute procedure for withdrawal from the district or, in the case of a district composed of two towns, dissolution of the district as hereinafter provided. (b) Any two or more towns which are members of a regional school district composed of three or more towns may, pursuant to a vote of the legislative bodies of the respective towns, apply to the regional board of education to institute procedure for the dissolution of the district as hereinafter provided.

He noted that two of the three towns would have to petition the State Board of Ed, who would have to study the problem. There is a time frame to be followed. It would be a good move to have representative of the town, along with the Boards of Finance and Selectmen, convince the State Board of Ed. He suggested a meeting of the Boards of Selectmen and Education members would be a good idea.

The meeting was adjourned at 5:25 p.m.

The overall budgeted expenses through May 31st is at 94.2% .

 Respectfully submitted,

 Kathy Gollow

 Selectman’s Assistant