

Town of Andover Board of Finance
Regular Meeting
Wednesday February 24, 2016
Community Room 7:00 p.m.
17 School Road
Minutes

Members present: Dan Warren, Chairman, Georgette Conrad, Adrian Mandeville, and Eric Shevchenko

Absent: Linda Fish, Nathaniel Houle

Town Officials: Bob Burbank, First Selectman

Others: Julie Victoria, Mimi Boxwell, W. Barton, Curt Dowling, Chief Ron Mike Jr., VP Colin Bancroft, Catherine Palazzi, Judith Knox, Dianne Grenier, Frank Chaves, and Cathy Desrosiers (Attachment 1)

1. Call to Order

The meeting was called to order by Dan Warren, Chairman at 7:06 p.m.

2. Pledge of Allegiance

3. Public Comments

Curt Dowling has done research and presented the Board of Finance members with the History of the Andover Volunteer Fire Department, started in 1937. (Attachment 2)

4. Additions to the Agenda

Dan moved to add agenda item 8a - *Transfer of \$4,500 from the Contingency Fund to Senior Transportation budget for the repair of the senior 12 person bus.*

Georgette Conrad seconded.

Vote: Motion passed unanimously.

5. Approval of Minutes of January 27, 2016

The approval of the January 27th minutes was tabled until the next Board of Finance meeting.

6. Selectman's Report

First Selectman reported on pending legislation with the State. Several bills if passed Would be costly to the Town:

One such bill would increase the grievance fee for arbitrators from \$25 to \$200; HB 5047 would exempt businesses making \$10,000 or less from personal property tax.

The First Selectman and Town Assessor will be testifying at hearings as to the negative impact to the Town.

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There will a joint three town meeting on March 2 at 10:00 a.m. in Hebron regarding the RHAM budget.

7. Liaison's Reports

Dan Warren reported on the CIP Committee fiscal 2017 recommendations:

- \$20,000 appropriation from the unassigned General Fund balance for a new senior 12 person bus providing matching funds are received from the State. The old bus would be sold. If the grant is not received, the funds shall be used to refurbish the bus;
- \$25,000 appropriation from the Local Capital Improvement Program fund, contingent upon the matching funds from a private donation for the restoration of the windows at Andover Public Library;
- \$80,000 for the Fire House - \$50,000 appropriation for installation of a bay exhaust system and \$30,000 appropriation for the installation of a non-slip floor in the apparatus bay;
- Recommendation to the Board of Selectman and Public Works Department to investigate the option to lease-to-buy of a loader, instead of the purchasing one.

Georgette Conrad reported on RHAM Board of Education. The RHAM 2017 proposed budget has a 1.63 % increase over last year's with an overall decline in student enrollment. The Board held an executive session on January 25th concerning the window defects. There was resolution presented pertaining to the reserve funds for capital non-reoccurring projects.

8. Budget Presentations

Town Clerk

Town Clerk's Budget proposed budget had no increase over last year's budget; salary increases were not yet determined.

Library

Julie Victoria presented the proposed Andover Public Library Budget with an increase of \$654. There were savings in heating oil and electricity costs. \$300 was requested for the painting of lines in the parking area. (Budget attached # 3)

Elections/ROV

Julie Victoria presented the budgets for Registrars and Elections. Each registrar or their deputy must complete training at the University of Connecticut by January 1, 2017. The

cost for the training is \$4,000; it is mandated by the SOT. The Election budget increases are reflective of increased number of elections to be held next year with a possible Presidential August Primary and elections in November. The salary rates, training and number of people working the polls were discussed. (Budget attached #4)

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Senior 12 Person Bus

Adrian Mandeville moved to transfer \$4,500 from the Contingency Fund line item to the Senior Transportation budget for the repair of the senior 12 person bus. Georgette seconded.

Catherine Palazzi told the Board that the bus had serious problem and the frame could not be welded, but would need to be replaced. Not having the bus was a hardship for seniors as medical runs have had to be rescheduled and may need to be cancelled in the future. The bus is used for shopping, medical runs, food share, lunches and trips. Members questioned if the bus would, in fact, be safe once the replacement is made. First Selectman Robert Burbank assured the Board the bus has new tires and is mechanically sound. The bus would be sold when the State grant was received for a new bus. The bus may not be saleable if the frame was not replaced. The anticipated return of the bus to the road is mid March. Questions were asked regarding regular maintenance, rust prevention and underbody washing.

Vote: Georgette Conrad, Adrian Mandeville, Eric Shevchenko and Dan Warren in favor/ Jeff Murray opposed. (4-1-0) Motion passed.

Fire Commission

Wallace Barton Jr. presented the Fire Commission proposed budget in the amount of \$151,096. There was a decrease in fuel oil and increases in gas/diesel, supplies, vehicle and equipment maintenance. (Budget attached #5)

Curt Dowling spoke on behalf of the Fire Commission regarding proposed the insurance line item in the amount of \$20,146.00. When the accident with the ambulance occurred, the Town insurance did not cover the rental of an ambulance and the Fire Department had to pay \$125/day for the rental. Concerns with coverage for drivers, passengers patients riding in the ambulances and errors and omission coverage were raised. Town buildings and equipment were underinsured. BOF Members were given an *Insurance Proposal For: Andover Volunteer Fire Department dated 12/10/2015 from ESIP* as well as other *documentation ESIP Client List for Accident and Health and Property and Casualty*. (Attachments 6 &7)

The Town Insurance Committee had advised the Fire Commission to include the insurance line item in their proposed budget and the Fire Commission had voted unanimously to do so. After much discussion it was the general consensus to do further research on the cost of supplemental insurance to provide adequate coverage and address the Fire Commission's and Fire Department's concerns regarding liability. First Selectman Burbank was requested to contact CIRMA regarding costs and coverage. Fire Commission was asked also to provide information regarding values of property and equipment for the BOF March meeting.

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9. Old Business

9a. Auditor RFP

The Town's contract term for the auditor is ending and RFPs will need to go out. Members were requested to look over the RFP document and send their comments to the Chairman or Georgette Conrad before the next meeting. (Attachment 8)

9b. Fund Balances and Fund Balance Policy

The Chairman has brought his concerns to the Board for several months and would like the Board to vote on the general fund balance policy as a guide and target balance amount at the March 30th BOF regular meeting. There are presently two general funds accounts still open in Citizens Bank and two general fund accounts in Farmington Bank. The Town needs to close the two Citizens Bank accounts. There is no interest being earned on these accounts. The Board will need address investment strategies at a future meeting. A well articulated fund balance strategy would be between 8% and 12%. Chairman Warren is proposing a fund balance of 10%. The unassigned balance could be used for capital projects. (Attachments 9-13)

10. Public Comments

Cathy Desrosiers stated the operational unassigned funds should never go below 5%. Payments to Regional District # 8, RHAM, are large and there must be sufficient funds on hand to pay them. She asked when the school debt will be paid off?

Dianne Grenier asked if the audit had been started and when it would it be completed?

11. Adjournment

Jeff Murray moved to adjourn. Adrian Mandeville seconded.

Vote: Motion passed, unanimously.

Meeting adjourned at 9:55 p.m.

Respectfully submitted,

Joan Foran