

Board of Finance
Regular Meeting

October 12, 2011

PRESENT Chairman Ronald Fedor, John W. Sheehan, George Peteros, Rosalyn Dupuis, Alan Wilensky, G. Brian Vachris

ABSENT Norman Glidden

OFFICIALS First Selectman Daniel Steward

BOARD OF EDUCATION Superintendent Jerome Belair, Director of Finance and Operations Ronald Melnik, Chairman Donald Blevins

ALSO Bernard Pisacich, Town Treasurer

RTM Thomas Dembek, Robert Brule

MEDIA Paul Petrone, Waterford Patch

STAFF Ruth Beers, Finance Director; Yvette M. Pier, Secretary

Chairman Fedor called the meeting to order at 7:00 pm.

ITEM 1 Public Comment - none

ITEM 2 Presentation by Superintendent of Schools, Chairman of Board of Education, and Board of Education Director of Finance and Operations, dealing with teachers' contract.

Messrs. Belair, Blevins, and Melnik gave an overview of the recent teachers' contract. Three major topics were agreed upon. During review of the contract, some areas were defined such as procedure for re-hire. The three-year contract provides 1.75% increase the first year, 2.00% the second year, and 2.00% the third year.

Mr. Belair explained the health insurance co-pay and the estimated savings that would result in \$213,500 the first year, \$230,000 the second year, and \$270,000 the third year. Changes in co-pay will affect preventative care, and encourage the use generic vs. name brand prescriptions. Mr. Blevins noted that this is a good contract. Language in the contract permits a change of carrier. A wellness program is being established.

Mr. Melnik reviewed the long term savings due to retirements – this and health care are the #1 drivers in the Board of Education budget. Mr. Sheehan was thanked for his great co-operation during these meetings. Copy of Teacher Mediation Economic Summary is attached.

Mr. Pisacich acknowledged the work that was done regarding the teachers' contracts. He submitted the attached document for the record.

ITEM 3 Review of the Sub-committee minutes for Financial Planning and its budgetary recommendations for FY13

The Board reviewed the sub-committee's guideline for budgetary increase in FY13 of 3% for Board of Education, 2% for General Government, and Capital and Capital and Non-recurring Appropriations combined at a level not to exceed \$1,750,000; and Actual/Projected Debt Service with no Fund Balance applied.

This would result in a 19.83 mill rate, and a tax increase of 5.53%.

Discussion was held and Mr. Vachris noted that there is a long term need to look at what can be done to increase the grand list. There was a feeling that some services will need to be cut. Mr. Sheehan said repairs to infrastructure should not be cut.

ITEM 4 Approval and acceptance of minutes of:

Regular Meeting on September 14, 2011

MOTION To approve minutes of Regular Meeting on September 14, 2011 as read.

Sheehan, Wilensky

Yes: Sheehan, Wilensky, Peteros, Fedor, Dupuis

Abstain: Vachris

ITEM 5 New Business

Mr. Wilensky acknowledged Mr. Peteros' knowledge and work on the Board of Finance during the past years, and the Board agreed.

ITEM 6 Liaison Reports:

Liaison Reports October 12, 2011

Board of Selectmen

BOS awarded the bid for the Sewer Ejector System Upgrade for the Library to Crest Mechanical Services of Hartford, CT in the amount of \$12,850. They also voted to accept Cottage Lane into the Town's Roadway system and forward to the RTM for final approval. Bob Nye was reappointed as Municipal Historian for a term from 09/15/2011 to 09/14/2014 and Vivian Brooks was appointed as Assistant Municipal Historian for the same term. Gwendolyn Hughes was reappointed to the Planning and Zoning Commission for a term from 11/15/2011 to 11/14/2016. The BOS had no public input to the Plan of Development. The Public Hearing on the Plan is 7:00 PM Monday, Oct 17, 2011.

Waterford Utility Commission

After an executive session, the WUC approved two resolutions provided by the Town Attorney to release any claims the Town and the Utility Commission have regarding the water line break on Clark Lane for \$20,000.00 and the remaining \$10,274.81 be allocated against the current year capital funds/Utility water projects. The WUC approved up to \$10,000 from the Sewer Maintenance Development Fund to join the new Town wide security system. Sgt Bellos and Chief Pendleton presented an overview of the new system to the WUC. After reviewing plans for the new L&M Cancer Center, the WUC directed staff to request a resubmission on routes for the water and sewer lines. The WUC approved a project to restore the water mains on a portion of New Shore Road at a cost of \$31,500 for design work. Their consultant also presented preliminary information on renovation of the Fargo Road Tank and other tanks. The Commission decided that a more detailed estimate was needed before a final decision was made. Logger Hill Road sewer lines were inspected by TV camera and the pipes are in poor condition. Repair costs are estimated to be between \$380,000 to \$500,000 which will probably have to come from Capital Improvement or the CNR funds. There are still problems with pump cavitation at the Mago Point Sewer Pump Station. It is the responsibility of the contractor to fix this problem. The Wastewater Facilities Plan is in draft form. It will be reviewed at the next WUC meeting and a public hearing will be scheduled after that review. The WUC voted to waive the bidding process to use the Groton Utilities quote for the new VACTOR Sewer Cleaning Truck. The estimated waste treatment charge from the City of New London was higher than expected so the WUC will not make any changes to the sewer rates for the coming year. The WUC estimated \$1.3 million at the bill from New London is nearly \$1.45 million. The WUC Chairman sent a letter to the RTM requesting the RTM not undesignate the \$1,364,000 from Water System Improvements.

Representative Town Meeting

RTM accepted Cottage Lane into the Town's roadway system and approved the appropriations recommended by the BOF for the Goshen Fire House Boiler and the Spera Field Lights. The RTM approved release of the designation of \$1 million from the Water Systems Improvement line (20531-57330) to the undesignated fund balance of CNR. New information from Chairman of WUC led to the reduced amount. The RTM also passed an ordinance change to change "fire commission" and "fire commissioners" to "director of fire services" on some ordinances that were missed in the initial revision. A proposed ordinance change to update the code to reflect the BOS budget review was not ready for RTM approval. The proposed ordinance for first selectman emergency appropriation authority is awaiting legal review and the RTM returned to committee a proposed change to the ethics ordinance. There are still no nominees for a slot on the Personnel Review Board.

Mr. Wilensky reported that exterior walls are being constructed at the high school, the building will be buttoned up before winter, and the School Building Committee plans a walk through.

ITEM 7 Correspondence – none

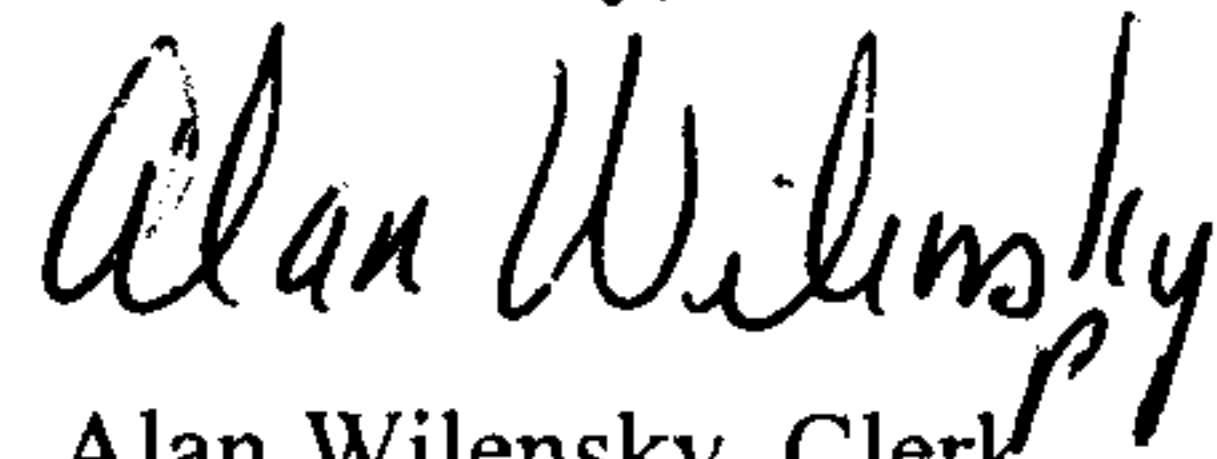
ITEM 8 Adjournment

MOTION To adjourn at 8:07 pm.

Sheehan, Vachris

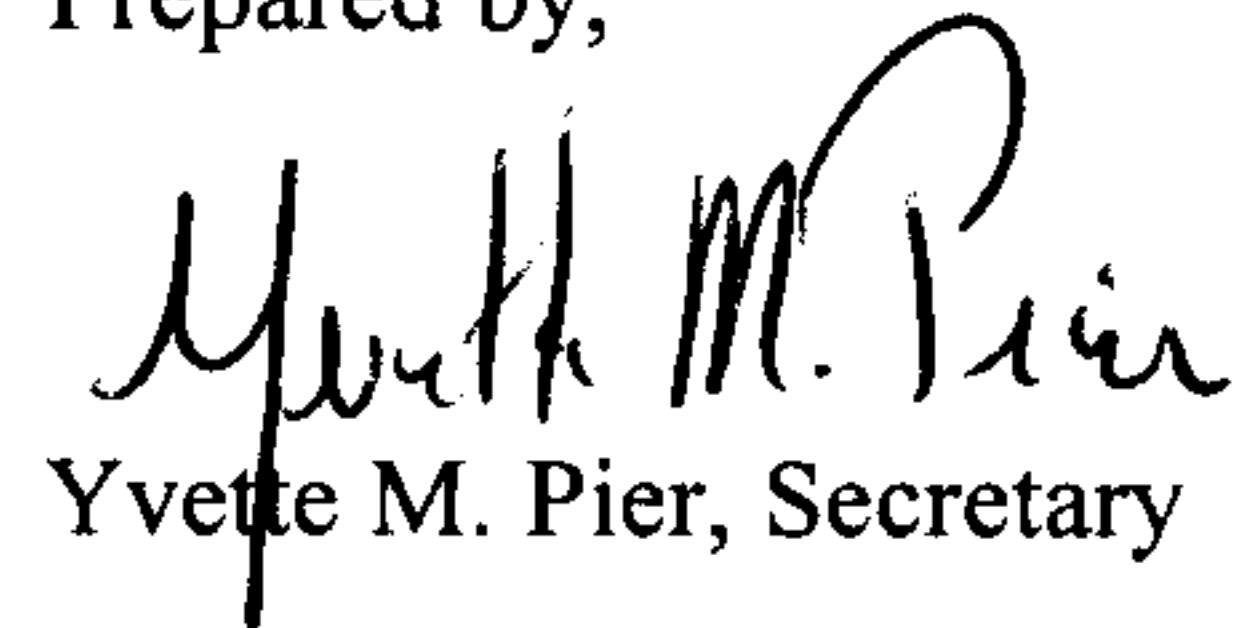
Unanimous

Submitted by,



Alan Wilensky, Clerk

Prepared by,



Yvette M. Pier, Secretary

10/12/2011

**Waterford Public Schools
Teacher Mediation
Economic Summary**

		2012-13	2013-14	2014-15
Salary	Base Salary	\$ 19,408,295	\$ 19,747,190	\$ 20,142,091
	Percent increase	1.75%	2.00%	2.00%
	Dollar Increase	\$ 338,895	\$ 394,901	\$ 403,288
	GWI			
	GWI Impact	\$ 94,712	\$ 196,944	\$ 269,271
	GWI %	0.488%	1.00%	1.34%
	STEP			
	Step Impact	\$ 244,183	\$ 197,957	\$ 134,017
	Step %	1.26%	1.00%	0.67%
	Salary Grand Total	\$ 19,747,190	\$ 20,142,091	\$ 20,545,379
	% Budget (\$42,914,414)	0.79%		
Other	Stipends (\$281,490)	\$ 4,926	\$ 5,630	\$ 5,630
Insurance	Plan Change Savings	(\$213,500)	(\$230,000)	(\$270,000)
	Net Impact to budget	\$ 130,321	\$ 170,531	\$ 138,918
	% Budget (\$42,914,414)	0.30%	0.40%	0.32%

10-12-11

To: Board of Finance

From: B. J. Pisacich – Treasurer – Town of Waterford

Re: Sub- committee report of 10-5-11

- Taxes since 2007 are up 44%. If the committee proposal of 5.5% increase for 2013 is adopted, the tax increase since 2007 will be over 50%.
 - Ask the Board Members and those who are in private employment – how have they done since 2007.
 - Ask those who are unemployed or under employed – how have then done since 2007?
 - Ask the less affluent seniors how is their interest income doing? How is their investment holding doing?
- The committee reviewed 3 options in their one hour deliberation on 10-5-11.
 - General government options were 1. 1.5 & 2 % increases
 - BOE options were 2, 2.5 & 3% increases.
 - We all know that much of the increases relate to insurance costs, and debt service.
- The number of potential options to review is infinite --- but some might argue that one major option was 0 % increase.
- I am disappointed that more time and exploration of other options was not studied prior to this meeting. I think a 5.5% increase on top of the tax increases in recent years is not warranted.

*labor contract
& settlements
BJP*

B. J. Pisacich