

THOMPSON BOARD OF FINANCE
TOWN OF THOMPSON
Library Community Center
January 15th, 2015
7:00 p.m.

Minutes

I. ROLL CALL:

- Paul Dery called the meeting to order at 7:00 p.m.
- **Members present:** Paul Dery, Larry Groh Jr., Susanne Witkowski, and Aaron McGarry.
- **Also present:** Orla McKiernan-Raftery, Paul Lenky, Kerstin Forrester, members of the public, member of the press.

II. APPROVAL OF MINUTES:

- A motion was made by Larry Groh Jr. to approve the minutes from the December 18th, 2014 Thompson Board of Finance meeting. This motion was seconded by Aaron McGarry. Corrections were made regarding the following: Mrs. Witkowski's first name was misspelled at "Suzanne" instead of "Susanne" several times throughout; under section IV, on the eighth line, a sentence should be separated into two sentences as two distinct thoughts were being made by Mr. Dery and Mr. Guillot respectively; under section VII the word "collection" should be inserted regarding taxes collected; and in section IX, part B, the third line, it should say "their" instead of town reports so as to not create confusion.

Larry Groh Jr. – Yes, Aaron McGarry – Yes, Susanne Witkowski – Yes, Paul Dery – Yes
– **Motion Passed 4-0**

III. CORRESPONDENCE:

- Paul Dery received correspondence from Mr. Neil Breen regarding TEG, total experience grid.

IV. CITIZENS COMMENTS:

- Kathleen Herbert voiced her disappointment regarding the TEEG appropriation not being acted upon at the previous month's meeting.
- Second Selectman Kerstin Forrester voiced support for Mrs. Herbert's comment regarding the TEEG appropriation and stated that she very much agreed that the item should have been acted on.
- Paul Dery and Larry Groh Jr. both stressed that the TEEG appropriation was not voted on because there was no dollar amount attached to the item as it was listed on the agenda at last month's meeting.

V. ANNUAL TOWN AUDIT REVIEW; BLUMSHAPIRO

TRANSITION AUDIT DISCUSSION:

- Gerry Paradis a partner with BlumShapiro introduced himself as well as Mike Popham, the manager on the job, prior to taking everyone through the annual audit.
- The first report Mr. Paradis covered was the "Federal Single Audit Report" where he explained the controls and compliance. Mr. Paradis explained that this year they tested two programs; one being the State-administered Small Cities program with the other being the Special Education Cluster. Mr. Paradis stated they had no issues or problems with their findings.

- For the “State Single Audit Report”, Mr. Paradis explained that they tested the Early Childhood Program, the Local Capital Improvement Program, and the Road Program. Mr. Paradis stated that there was no testing by them on exempt programs. Mr. Paradis further explained that there were no problems found with compliance and that findings from previous years had been resolved.
- Mr. Paradis explained that the largest report was the “Financial Statements.” Mr. Paradis gave a basic description regarding the format of the report. Additionally, he reported that the town had more assets than liabilities under the Pension Trust Fund and also that 98% of taxes in town had been collected.
- Lastly, Mr. Paradis went over the two letters which were handed out with the three reports which give qualitative information, bringing to attention that there were adjustments made. Additionally, one of the letters provided recommendations for improvement. Mr. Paradis explained that there were some transitional issues, which came up with new town employees taking over finance positions in town, but that there were no major issues.

VI. PAUL LENKY - SELECTMAN'S UPDATE:

- Mr. Lenky began his update by explaining the he and Highway Director Leo Adams were going to sell woodchips to the power plant in Plainfield, Connecticut.
- Town Highway personnel replaced broken guide posts on Ravenelle Road, Church Street, Reardon Road, West Thompson Road, and others.
- Brush was cleared on Route 12 from the highway down to the rail road.
- Cumberland Farms is going to be expanding their parking lot due to large trucks sometimes having to park in the road.
- JD Engineering did some engineering on Sand Dam Road and determined that the road should be raised 24 inches. This project will be undertaken sometime in the spring.
- CLA Engineering, pending approval by the Board of Selectmen, will be doing the Quaddick Road Bridge for an estimated cost of \$39,200. They are applying for a grant to potentially pay for the project.
- The Thompson Rail Park should have their first tenant on the upper level by mid-July and if progress continues then they hope to have a tenant on the lower level by the end of 2015.
- Mr. Lenky discussed Dollar General looking to build a store on Thatcher Road.
- Mr. Lenky brought up that Emergency Management Director Steve Benoit is looking to keep surplus funds so as to not have to come back before the Board of Finance.
- A discussion took place between Mr. Lenky and Mr. Groh. Mr. Groh suggested that they wait to talk about Mr. Benoit being able to keep the surplus money more around budget season. Mr. Groh asked Mr. Lenky about the cost of the Sand Dam Road project and where the money would come from. Mr. Lenky responded that he didn't know the cost yet but that it would come out of Highway Department money. Mrs. Witkowski asked Mr. Lenky when this project would begin and he responded possibly this summer. Mr. McGarry asked if just parts of the road and Mr. Lenky responded that it would be two separate portions. Mr. Dery asked for clarification as to if it was \$39,200 out of a \$400,000 grant and Mr. Lenky responded yes. Mr. Groh asked Mr. Lenky if there would be a cost to the town associated with the Quaddick Road Bridge and Mr. Lenky responded that there would be but that it would be contingent on the grant. A lengthy discussion then took place between Mr. Lenky and Board of Finance members regarding

whether or not it was proper for Town Highway personnel to be clearing private property even if the intention was to deter vandalism.

- Mr. Dery inquired about an update on the Library HVAC situation and Mrs. Forrester responded that an appointment with Windham Sheet Metal is scheduled for next week.
- Mrs. Witkowski asked for an update on the River Mill Grant and Mr. Lenky explained that 8 towns qualified for the grant and they were supposed to pick 1 or 2 soon to be awarded. Mr. Lenky stressed, however, that Thompson's chances of being awarded the grant did not look good.
- Mr. Lenky stressed that a grant awarded to repair the area near Three Rows was not awarded to the town but to the management of that complex, as it was inaccurately reported on WINY that the grant was awarded to Thompson.
- Mr. Groh asked about the reconfiguration of a position in the Selectmen's Office and where the money was coming from. Mr. Lenky explained that money was left over from when the position was vacant. Mr. Groh stressed that any transfer of funds is illegal if it doesn't come in front of the Board of Finance first.

VII. DR. JOLIN - SUPERINTENDENT'S UPDATE:

- Dr. Jolin was absent from the meeting so the update was begun by Mr. Witkowski of the Board of Education. Mr. Witkowski reported that there wasn't much to report but that if anyone had any questions that they could ask himself, Mr. Birch, or Mr. Breen. Mr. Dery inquired about the newest TEG, or Total Experience Grid, for teacher salaries. Mr. Dery noted that 7 of the salaries are paid by grants or additional funds. Mr. Dery asked what step, approximately, those 7 teachers are on so that they can know how much they are due to receive in grant money; further stating that he did not need the answer to that question at that night's meeting but would like that information soon. Mr. Breen and Mr. Dery both estimated that the number for grant money would be around the \$330,000 range but it was stressed that would be if everyone stayed static but since people leave their positions, and others move up a step, that they couldn't be completely sure. Mr. Dery also pointed out that this would be a .453 of a mil increase by his estimate. Mr. Dery pointed out that he believed the percent increases in raises for teachers moving up a step are excessive, especially since the school has had to cut paraprofessionals during recent years. Mr. Witkowski responded that this was done purposely so that they would not keep losing the teachers in the middle and so that they would have more incentive to stay in town.

VIII. ORLA McKIERNAN-RAFTERY - TOWN FINANCIAL UPDATE:

- Mrs. McKiernan-Raftery reported that for income the town is currently at 66.4% of budget. She also reported that they did receive a pilot for Marianapolis which usually come in January or February so that did increase their pilot number for the end of the year. Mrs. McKiernan-Raftery also reported that on the expenses side of things they are 67.6% of budget compared to 62.8% at this time last year. Mrs. McKiernan-Raftery also reported that they are 15% higher on commitment then they were at this time last year. She also reported that the budget was increased by \$163,000 with surplus reduced by the same amount. Mr. Dery mentioned that the Board of Finance meets every Thursday in March and April except for on holidays. He also mentioned that the Capital Expenditures had some incorrect dates and formatting issues with some items including last names and others including first names. Mr. Dery also inquired about a truck the town was supposed to purchase and asked for an update on the loan for the truck. Mrs. McKiernan-Raftery

responded that by the end of January the truck should be built and ready. Mr. Dery expressed that the process for getting that truck should have been underway much earlier because now the town is in limbo. Aaron McGarry asked about why they were 15% higher on money committed and what the drivers were behind that. Mrs. McKiernan-Raftery responded that it was only on the town side and that most of the line items were up. Mrs. McKiernan-Raftery did, however, emphasize that the town is close to budget on most items.

IX. TOURTELLOTE BOARD OF TRUSTEES UPDATE:

- Mr. Witkowski stated that they met last week and recapped where they were at with everything. He added that a meeting would take place in early February. Mr. Dery asked if a report would be ready for the February Board off Finance meeting and Mr. Witkowski responded that there would a report ready by that meeting.

X. OLD BUSINESS:

A.) TEEG REQUEST FOR \$5,000 FUEL ASSISTANCE APPROPRIATION:

- Paul Dery spoke briefly regarding the motion from last month's meeting being tabled and how Robert's Rules dictates that a date should not have been attached to the tabled motion. Mr. Dery added, however, that there was no harm no foul and since the agenda item was correctly written this time around they would still vote on the issue.
- Larry Groh Jr. made a motion to approve of TEEG's Request for a \$5,000 Fuel Assistance Appropriation to come out of the budget surplus. This motion was seconded by Aaron McGarry.
Larry Groh Jr. – Yes, Aaron McGarry – Yes, Susanne Witkowski – Yes, Paul Dery – Yes
– **Motion Passed 4-0**
- A brief conversation took place between Mr. Groh and Mrs. Forrester regarding whether or not a line item exists for TEEG fuel assistance with Mrs. Forrester stating that she believed there is a line item but that it was budgeted as zero which is why TEEG had to ask for an appropriation this year as last year they did not need one.

XI. NEW BUSINESS:

A.) ANTICIPATED OIL TANK REMOVAL COSTS/ANTICIPATED SPILL REMEDIATION COSTS:

- Bill Birch stated that due to the spill they were forced to remove the tank 2 years earlier than anticipated. Mr. Birch explained that out of the \$163,000 the school has already paid for \$5,629.84 out of the school budget. Mr. Birch continued by stating that they have another invoice for \$20,404.36 which was paid last week. The remediation part cost \$34,034.20. Mr. Birch further stated that the remediation part has also had to come out of the school budget. The first bill for the initial spill response was paid for out of the school budget and was \$34,232.27, the second bill that was received which is currently under review was for \$88,760.90, an anticipated bill from consultants which was a not to exceed price was for \$40,000, a second consulting bill for \$93,000 which was also a not to exceed price, the contractor that did the remediation near the rail road gave an estimation of about \$78,130, an estimate for a permanent treatment system for the ground water below the school for about \$89,151 which could be less, legal fees of \$30,944, and another invoice for hazardous material disposal for \$35,955.21 which put them at an estimated anticipated cost of \$490,173.45 as of January 8th, 2015. Mr. Dery inquired about being able to recover some of this money and Mr. Birch responded that in a perfect world they would get all of the remediation costs and legal fees back but that it could take

a very long time. A very lengthy discussion took place between the Board of Finance members and Mr. Birch regarding the legalities of the situation. Aaron McGarry commented that the whole process seems very arbitrary and suggested reaching out to town counsel to hear their thoughts on the matter. Mr. Witkowski commented that ultimately it is a town issue and not a school issue. Mr. Birch reiterated that the town should be getting back a 70.1% reimbursement for the \$163,000 which was appropriated for the removal of the tank. Mr. Groh commented that they know that litigation is likely to take a long time. Mr. Groh further explained that in this situation they need to decide if they want the school to run a deficit or if they want to go out to bond and ask the town. Mr. Dery suggested pulling the counsels together to speak privately. Mr. Groh stated that costs will be public no matter what and that there were too many what-ifs within this situation. Mr. Dery suggested that the two chairs of the Board of Finance and Board of Education continue to communicate throughout. Again, a lengthy discussion took place where the question was proposed by multiple members as to what the best course of action to take would be. A special meeting was suggested by Mr. Dery to take place next week and Mr. Dery again stressed that he believes that both counsels should be involved in figuring out what to do regarding the situation.

ADJOURN:

- A motion was made by Aaron McGarry to adjourn at 9:02 PM. This motion was seconded by Larry Groh Jr.
All four members present – Yes – **Motion Passed**

Respectfully submitted,
Andrew Richardson, Recording Secretary