

**Town of East Haven
Board of Finance –Regular Meeting Minutes
Wednesday, July 16, 2014**

The East Haven Board of Finance held its Regular Meeting on Wednesday July 16, 2014 at 7:00 P.M. in the Mario Giaimo, Joseph Vitale Meeting Room on the lower level of East Haven Town Hall, 250 Main Street, East Haven, CT 06512.

Vice Chairman, Mr. Ralph Vitale called the meeting to order at 7:06 p.m.

1. Roll Call

Vice Chairman, Mr. Ralph Vitale, Ms. Beth Purcell, Mr. Salvatore Maltese, Ms. Noreen Clough, and Mr. Richard DePalma - Present. Ms. Maria Tonelli – Absent. Also in attendance was Town Attorney - Mr. Joseph Zullo, Finance Director - Mr. Paul Rizza, Town Council Members - Mr. Henry Butler and Ms. Beverly Gravino and Town Clerk - Ms. Stacy Gravino.

2. Read and Approve Minutes from Regular Meeting held June 18, 2014

Beth Purcell made a motion to approve. Richard DePalma seconded. Roll Call Vote – All in Favor – Motion Carried.

3. Old Business

Noreen Clough asked Paul Rizza if they were getting the budget books. Paul Rizza stated yes. Richard DePalma stated that it has not yet been approved the town bonding package and that room has been set up and made into a room with computers, furniture and I am hearing numbers in the tune of over \$300,000 dollars that went into it and how did we get the funds to approve when we have a \$2500.00 transfer cap. Paul Rizza states the number figure of \$300,000 is not true. There is 2 phases – cleaning the room, carpet etc., we did set that up and the cost so far has been about \$7,000 total. We did have a budget line item for equipment in anticipation by a vote by here and the council, what we have done is encumbered money against those line and we paid for computes etc., but has not been shipped and in those types of cases we do not partials. Richard DePalma how is anything pending without approval, what if this is shot down by the town council. Paul Rizza states then everything would go back with the exception of the cleaning and paint so we end up with a very nice records room. What will happen at point of issuance all charges that we have or things coming in at that point we will pay bills and we will be selling notes in the middle around August 16th for that borrowing with the exception of contingency that we don't know that we will actually pay off once the voting is done. We did not spend money on things that cannot be used thus far. The computers can go back if the vote does not go through. We do not have any bills yet to pay just orders placed. There is another accounting practice with any bonding – Federal and State type standards – any costs incurred 60 days prior to approval by whatever body it is this one or the council, items can be charged

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ligimately to that project as long it is a related item to that project. Richard DePalma states I understand but I think it's just a bad habit to get into. Beth Purcell asks how did the Board of Education wind up with spending. Paul Rizza states that right now they are still in the same position as we are they are showing that they have or will expend all of their money. They have a number of encumbrances out there still. Richard DePalma asks if they will have a deficit. Paul Rizza states no they should not.

4. New Business

None

5. Public Comment

Dan McCann - 37 Mansfield Grove Road. I would like to ask the Finance Director a couple of questions. Regarding the computers for the dispatched center and the software was there a bid process involved with that? Paul Rizza states they are off a state bid, computers, radios everything involved with it is off a state bid we are not the only group that belong to the state bid hardware list. Dan McCann states can you explain how the state bid process works. Paul Rizza states that the state goes out and solicits bids similar to the way we do it by advertising and so forth for all sorts of projects from a computer disk to trucks, and pay loaders. They will award to one, two or three companies depending on the load or amount that they are buying. They produce a list and you can go online to the Office of Policy and Management and actually see say two way radios and the box will pop up and show the product and pricing. This equipment is used by dispatch centers all over the state. All those vendors are available to be used by the whole state. The state gives that vendor a specific number for a 1, 2 or 3 year bid and use that vendor and we can purchase at a better rate from the state bid which also keeps us from having to advertise, and not only save money but time. Dan McCann asks can you explain the accounting term "encumbered". Paul Rizza states that "encumbered" means in simple terms it freezes the dollar amount against the budgeted number so you do not double spend it and so that money is available for the reason you are using it for.

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6. General Services

To:	01-885-0270 Telephone	\$23,000.00
From:	01-885-0689 Contingency	\$23,000.00

Funds needed for balance of Fiscal Year.

Beth Purcell makes a motion. Noreen Clough seconds. Discussion. Paul Rizza states that this bill is for basic service for smart phones. I will be looking at our service and equipment in the next year. Richard DePalma states that I thought we were supposed to upgrade our phone service in this building and I think we actually bonded once. Paul Rizza states that we still have the money for the telephone system I think we only spent \$700 of that on the phones to fix something. Paul Rizza states yes it was \$50,000 it is an open bond and if we do not do something with it reverts back. Richard DePalma asks for an email regarding any open bonds that may need to be closed out. Paul Rizza states that during the audit process the auditors within 3 years if we do not use it, it automatically reverts the funds back to the general funds account to be used to pay off the bond so it works in a good way. Richard DePalma states that he would still like to see any outstanding bonds cleaned up if possible. Roll Call Vote. Motion Carries.

7. Building Maintenance

To:	01-229-0201 Electricity	\$20,000.00
From:	01-885-0689 Contingency	\$20,000.00

Funds needed for balance of fiscal year.

Richard DePalma makes a motion. Beth Purcell seconds. Discussion. Noreen Clough we are over for utilities how do we budget for next year. Paul Rizza states we ran a little higher in all of these accounts. When we were looking at these accounts in March during budget I had already increased them to a degree. A lot of this depends on the weather for gas and electric. Our contract was up mid-year last year and we locked in for 6 months and 2 years. Roll Call Vote. All in Favor. Motion Carries.

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8. Building Maintenance

To:	01-229-0202	Water	\$7,000.00
From:	01-885-0689	Contingency	\$7,000.00

Funds needed for balance of fiscal year.

Beth Purcell makes a motion. Richard DePalma seconds. Discussion. Richard DePalma asks is any of this water bill for the splash pad? Paul Rizza states no it is all buildings. The splash pad comes out of recreation. Roll Call Vote – All in Favor – Motion Carries.

9. Building Maintenance

To:	01-229-0203	Natural Gas	\$40,000.00
From:	01-885-0689	Contingency	\$40,000.00

Funds needed for year- end close-out. – Refer to Town Council.

Beth Purcell makes a motion to refer to the Town Council. Noreen Clough seconds. Discussion. Roll Call Vote – All in Favor – Motion Carries.

10. Building Maintenance

To:	01-229-0290	Sewer Fees	\$13,000.00
From:	01-885-0689	Contingency	\$13,000.00

Funds needed to close out fiscal year.

Richard DePalma makes a motion. Beth Purcell seconds. Discussion. Noreen Clough asks if that is the greater New Haven. Paul Rizza states yes that is related to item 8 – the more you use the more the sewer fees. Roll Call Vote – All in Favor – Motion Carries.

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11. Administration and Management

To:	01-120-0681	Physical/Med. Services	\$9,000.00
From:	01-885-0689	Contingency	\$9,000.00

Funds needed for physicals. (Pre-Employment)

Noreen Clough makes a motion. Beth Purcell seconds. Discussion. Paul Rizza states that this is for pre-employment physicals and psychological testing for the new dispatchers or public service guys coming on. Roll Call Vote – All in Favor – Motion Carries.

12. Town Clerk

To:	01-109-0610	Advertising	\$1,300.00
From:	01-109-0615	Printing/Binding	\$1,000.00
	01-109-0510	Photocopy Supplies	\$ 300.00

Legal notice for August 12, 2014 – Republican Gubernatorial primary cost Est. \$1,170.00

Beth Purcell makes a motion. Richard DePalma seconds. Discussion. Roll Call Vote – All in Favor – Motion Carries.

13. Adjournment

Richard DePalma makes a motion at 7:35 p.m. to adjourn. Beth Purcell seconds. Motion Carries.

Temple Smith
Board of Finance Clerk