

SPECIAL BOARD OF SELECTMENS MEETING

Middlefield Town Hall

April 26, 1990

5.00 P.M.

Minutes

Ira Kerschner called the meeting to order at 5.13 P.M.

Present: Durham Board of Selectmen - Maryann Boord, Fran Korn, Gladys Lavine.

DMIAAB - Jim Blois, Ed Burns, Tom Gilligan, Ira Kerschner, Dave Trombly, Mike Timbro, Marianne Corona, Joe Carney.

Also present were members of the Boards of Finance, the press, and the public.

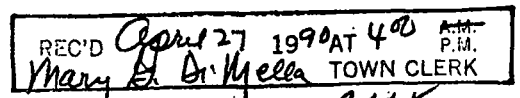
Joe Carney reviewed the DMIAAB audit for FY 1988-89 and circulated a memo (attached, Exhibit 1) with three recommendations:

1. DMIAAB ask Durham & Middlefield to take appropriate action to approve total operating expense in 88-89 of \$229,362., exceeding the previously authorized total by \$7296.
2. DMIAAB request the towns to authorize it to employ \$7296 of the \$54,701 unbudgeted miscellaneous operating income to offset overspending in the 88-89 operating budget, and accept the balance as a reduction in the first quarterly payments of FY 1990-91.
3. The Board requests the towns to re-appropriate the combined sum of \$98,638 for capital expense for FY 1990-91. This sum had been shown in error as part of the General Fund balance and capital spending authority had not been continued. No new monies are involved.

Maryann Boord said that these are all recommended accounting procedures and do not change the balances in the accounts or question the authenticity of the audit. She said that the auditor said everything was clear and reasonable.

Jim Blois asked for an account of the receipts. Maryann Boord then read the following list:

4/10/89	15,600
4/18/89	10,240
6/26/89	170
6/26/89	2,500
7/3/89	1,200
7/25/89	470
total	30,180



: The balance of the revenues, she said, were from recyclable materials, stickers, etc. Materials have not been received at the landfill since the end of FY 1988-89 although payments were made after that date.

Fran Korn said that the feelings expressed by Durham taxpayers at the budget hearing indicate that the compactor should be installed as soon as possible.

Maryann Boord read the balances in the capital accounts. A certificate of deposit at New Haven Savings Bank totals 62,075 and another at Central Bank totals 51,497 for a sum of 113,571. They are shown on Exhibit A of the Financial Statement. The General Account totals 163,111 in three accounts of 29,738; 57,135 and 76,238.

Gladys Lavine asked where receipts are put. Joe Carney said that they all go into the checking account used for operating expenses, and are posted in the journals and checkbooks. Tom Gilligan passed out what he said was a copy of the journal page covering that period that was kept at the time (attached Exhibit 2).

Mary Jane Jewzcyn, chair of the Durham Board of Finance, asked where the 98,638 of unexpended capital was shown in the audit. Joe Carney said that it had been placed into the General Fund and not separated from operating expenses.

Gladys Lavine asked for a copy of the audit. None being available, Joe Carney gave her his own copy.

Ira Kerschner spoke of his personal feelings. He said that the commercial question raised by David Lavine at the Durham public hearing should have been raised first before DMIAAB. Ira said that if what David alleges is investigated and turns out to be true, "commercial" would include schools, housing for the elderly, town halls, etc.

Jim Blois moved that the data reflected in Joe Carney's report relating to the 1988-89 audit and all related data be submitted to the Boards of Finance of Durham and Middlefield for action. Dave Traomley seconded. The DMIAAB members voted the motion with no one opposed or abstaining.

DMIAAB members discussed the issue of management consulting services. Some members felt the work should continue to be divided among board members and hired out in separate jobs as the board may decide. The board decided to form a committee to write an RFP by the next meeting (May 10) to include ideas from all board members. Marianne Corona moved and Dave Trombley seconded, and the motion passed with no opposition and no absentions.

Jim Blois moved that the Middlefield members include Mike Timbro and himself. Maryann Boord seconded and the motion carried unanimously. Ed Burns moved that the Durham members be Dave Trombley and Ira Kerschner. Marianne Corona seconded and the motion passed unanimously. The first meeting of the RFP-writing subcommittee was set for Monday April 30th at the Fair House at 9 A.M.

There was a brief discussion of personnel matters with no action taken.

The meeting was adjourned at 6.10 P.M.

Gladys B. Lavine

Exhibit 1
4/26/90

SUBJECT: 1988-1989 AUDIT
DURHAM-MIDDLEFIELD INTERLOCAL AGREEMENT ADVISORY BOARD

In reviewing the DMIAAB audit for FY 1988-1989, we find that certain year-end actions were not taken. Following review with the auditor, Alfred Rusilowicz, DMIAAB's Board recommends the following:

1. DMIAAB operating expenses exceeded the total authorized operating budget by \$7,296. Such overspending was due to the necessity to purchase more cover material than planned.

We request that each town take appropriate legislative action to approve total operating expense in the amount of \$229,362:

Durham	58.87%	\$135,025.41
Middlefield	41.13%	94,336.59

2. DMIAAB received miscellaneous operating income for which no amount had been budget. This totalled \$54,701. In keeping with the 1971 Interlocal Agreement, DMIAAB does not have authority to employ or expend such income. *30% payment material 1st Sm. of last year*

We request and recommend that each town take appropriate legislative action to authorize DMIAAB to employ \$7,296 of the above miscellaneous income to fund the overspending in #1 above, and that the towns accept the balance as a reduction in the first quarterly payment due for Fiscal Year 1990-1991. This action would reduce payments due by the following amounts:

Durham	58.87%	\$27,907.28
Middlefield	41.13%	19,497.72
Total	100.00%	\$47,405.00

3. During Fiscal Year 1988-1989, DMIAAB was authorized to construct a compactor. The work did not go forward. In closing the books on FY 1988-1989, it had been the Board's intent to carry forward this capital. Due to error, this was not done, and the sum of \$98,638 is shown as part of a general fund balance. *54,701.00*

We request that each town take appropriate legislative action to reappropriate the combined sum of \$98,638.00 for capital expense:

Durham	58.87%	\$58,068.19
Middlefield	41.13%	40,569.81
Total	100.00%	\$98,638.00

With respect to item #3 above, we wish to emphasize that this action re-establishes a spending authority, which lapsed in error. DMIAAB has these funds at this time. No new monies are involved. It is equally clear, however, that should DMIAAB not receive this authority, it would not be in a position to complete the commitments it has made to DEP and to the towns.

JC:DDA

Exhibit 2

4/26/90

Recycling operations and grv sales:

Mattabessett 8837

Paper 654

Landfill stickers 2300

Corrugated material 745

Tires 1364

Controlled Material 1150

Misc 7

Disposal Fees:

4/10 Hoke Inc 15600

4/18 Petroleum Serv. Inc. 12240

4/26 Oxum Silver 170

4/26 Bradford Paving 5500

* 7/3 Soil & Environ. 1200

* 7/25 Environ. Remed 470

30180

45237

Exhibit 2

* Recorded as received @ b-30-89

all funds deposited in general account

TOWN OF DURHAM

Office of the First Selectman

P. O. Box 428

Durham, Connecticut 06422

(203) 349-3625

Maryann P. Boord
First Selectman

BOARD OF SELECTMEN MINUTES
Thursday, April 26, 1990
Durham Town Hall

Maryann Boord called the meeting to order at 7:00 p.m.

Present: Maryann Boord, Fran Korn, Gladys Lavine

M. Boord moved TO TAKE TO SPECIAL TOWN MEETING THE TRINITY CORPORATION REQUEST FOR A \$25,000, NO INTEREST, LOAN. 2ND F. KORN. G. Lavine stated that she believes in consistency. She doesn't believe that there is any place in the budget for this. M. Boord explained that she had spoken with Mary Jane Jewczyn, Chairman of the Board of Finance, who said that the money (if approved by Special Town Meeting) would come out of the undesignated reserve fund. F. Korn thinks that it is the appropriate avenue to allow the people to speak and vote on the matter. VOTE: 2 AYES (M. BOORD, F. KORN), 1 NAY (G. LAVINE).

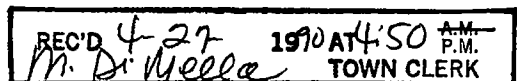
M. Boord moved TO SET THE SPECIAL TOWN MEETING DATE AS MAY 22, 1990, AT 8 P.M., IN THE COGINCHAUG AUDITORIUM (for the above mentioned matter). 3 AYES.

M. Boord moved TO ADOPT THE PROCLAMATION MAKING SUNDAY, APRIL 29, 1990, "BABE RUTH DAY". 2ND F. KORN. 3 AYES.

M. Boord moved TO ADOPT THE "RELOCATION, DISPLACEMENT AND ACQUISITION PLAN" (a requirement of the Small Cities Grant Application). 2ND F. KORN. M. Boord explained that this plan, which usually relates to rehab projects, guards against the displacement of families as a result of the project. 3 AYES.

Meeting was adjourned at 7:19 p.m.

mpb



TOWN OF DURHAM
RETIREMENT BENEFIT PROJECTIONS

For: Joanne Salva

Current Salary: \$ 19,500

Date of Employment: 12/01/79

Normal Retirement Date: 12/31/91

Assume Participation Date: 07/01/90

1.	Money Purchase Contribution (5% Employer plus 2 1/4% Employee)	\$ 1,413.75
2.	Projected Account on 12/31/91 (7.5% Interest)	2,364.48
3.	Prior Service Contribution (292.85 (x) 17 months)	4,978.45
4.	Prior service contribution Projected to normal retirement date	5,226.62
5.	Total Projected Money Purchase Account at Normal Retirement (2 + 4)	7,591.10
6.	Estimated Monthly Benefit from Money Purchase Account Payable for Life	<u>78.88</u>
7.	Projected Social Security Benefit Monthly	750.80
8.	Total Projected Monthly Income	829.68
9.	Replacement Ratio	51%

TOWN OF DURHAM
RETIREMENT BENEFIT PROJECTIONS

For: Majorie Hatch

Current Salary: \$ 26,500

Date of Employment: 01/01/63
Normal Retirement Date: 12/31/91
Assume Participation Date: 07/01/90

1.	Money Purchase Contribution (5% Employer plus 2 1/4% Employee)	\$ 1,921.25
2.	Projected Account on 12/31/91 (7.5% Interest)	3,213.27
3.	Prior Service Contribution (686.15 (x) 17 months)	11,664.55
4.	Prior service contribution Projected to normal retirement date	12,246.03
5.	Total Projected Money Purchase Account at Normal Retirement (2 + 4)	15,459.30
6.	Estimated Monthly Benefit from Money Purchase Account Payable for Life	<u>178.47</u>
7.	Projected Social Security Benefit Monthly	766.80
8.	Total Projected Monthly Income (6 + 7)	945.27
9.	Replacement Ratio	42.8%

TOWN OF DURHAM
RETIREMENT BENEFIT PROJECTIONS

For: Marianne Boord

Date of Employment:	12/07/87	Current Salary:	\$ 35,000
Normal Retirement Date:	10/11/2008	Projected Salary at	
Assume Participation Date:	07/01/90	Normal Retirement	
		Date Assuming 5%	
		Increases:	\$ 80,284
1.	Money Purchase Contribution (5% Employer plus 2 1/4% Employee)	\$	2,537.50
2.	Projected Account on 01/01/2008 (Assuming 7.5% interest and 5% salary increases)		144,590.73
3.	Prior Service Contribution (17.86 (x) 17 months)		303.62
4.	Prior service contribution Projected to normal retirement date		1,089.95
5.	Total Projected Money Purchase Account at Normal Retirement (2 + 4)		145,680.68
6.	Estimated Monthly Benefit from Money Purchase Account Payable for Life		1,513.78
7.	Projected Social Security Benefit Monthly (Monthly Assuming 4% cola)		2,018.60
8.	Total Projected Monthly Income		3,532.38
9.	Replacement Ratio		52%

<u>Town</u>	<u>Pension for Elected Official?</u>	<u>1st Selectman Salary</u>
Chester	Yes	\$28,000
Clinton	No	40,000
Cromwell	Yes	37,155
Deep River	Yes	30,040
Durham	No	35,000
East Haddam	Yes	34,125
Essex	Yes	33,300
Killingworth	Yes	23,250
Marlborough	Yes	37,400
Middlefield	No	37,500
Old Lyme	Yes	43,500
Old Saybrook	Yes	43,430
Portland	No	37,125
Westbrook	Yes	36,000
		Mean= \$35,416
Haddam (as of 7/1/90)	Yes	

MONEY ACCUMULATION PLAN
1990-1991 BUDGET

TOWN CLERK

\$686.15 X 12 Months for fiscal year 1990-91	8233.80
--	---------

TAX COLLECTOR

\$292.85 X 12 Months for fiscal year 1990-91	3514.20
--	---------

FIRST SELECTMAN

\$17.86 X 12 Months for fiscal year 1990-91	<u>214.32</u>
---	---------------

Total fiscal year 90-91	\$11,962.32
-------------------------	-------------

5% of Elected Officials wages:

Town Clerk	\$26,500.00
Tax Collector	19,500.00
First Selectman	<u>35,000.00</u>

Total	81,000.00
-------	-----------

5%	<u>\$ 4,050.00</u>
----	--------------------

Grand Total	<u>\$16,012.32</u>
-------------	--------------------