

**MINUTES OF THE CHESHIRE TOWN COUNCL BUDGET COMMITTEE MEETING
HELD ON TUESDAY, JUNE 14, 2016, AT 6:30 P.M. IN ROOM 207, TOWN HALL, 84
SOUTH MAIN STREET, CHESHIRE CT 06410**

Present

Timothy Slocum, Chairman; Michael Ecke and Sylvia Nichols.

Town Council Chairman Robert J. Oris Jr.

Staff: Michael A. Milone, Town Manager; Finance Director James Jaskot

1. ROLL CALL

The clerk called the roll and a quorum was determined to be present.

2. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

3. Acceptance of a donation of a Kimball spinet piano from Lillian and Linda Buckley to the Senior Center.

4. Acceptance and appropriation of an \$85 donation from the Cheshire Community Chorus to the Cheshire Fuel Bank.

5. Acceptance and appropriation of an aggregate of \$280 in donations from Democratic Town Committee members, ArtsPlace and the Library in memory Of John Harris to the Library Gift Account for the purchase of Library materials, furniture and computers.

6. Acceptance and appropriation of a \$50 donation from David and Helen Lapman, Sr. in memory of Adoria Corcoran to the Library Gift Account for the purchase of Library materials, furniture and computers.

7. Acceptance and appropriation of a \$200 donation from Neighborhood Housing Services of Waterbury Inc. in memory of Adoria Corcoran to the Library Gift Account for the purchase of Library materials, furniture and computers.

8. Acceptance and appropriation of a \$20 donation from Lorrie Minervini in memory of Adoria Corcoran to the Library Gift Account for the purchase of Library materials, furniture and computers.

9. Acceptance and appropriation of a \$100 donation from Kimberly and Patrick Hayden in memory of Adoria Corcoran to the Library Gift Account for the Purchase of Library materials, furniture and computers.

10. Acceptance and appropriation of a \$100 donation from Melissa Fife in memory Of Adoria Corcoran to the Library Gift Account for the purchase of Library materials, furniture and computers.

11. Acceptance and appropriation of a \$10 donation from Della A. B. Greenbergin In memory of Ross Lilly to the Library Gift Account for the purchase of Library materials, furniture and computers.
12. Acceptance and appropriation of a \$30 donation from Patrice Noah in memory Of Jodie Monllos to the Library Gift Account for the purchase of Library Materials, furniture and computers.
13. Acceptance and appropriation of a \$50 donation from Joan Pilarczyk in memory Of Daisy Bissell to the Library Gift Account for the purchase of Library materials, furniture and computers.
14. Acceptance and appropriation of a \$200 donation from Cheshire Lions Club To the Library Gift Account for the purchase of Library materials, furniture and Computers.
15. Acceptance and appropriation of \$2,296.49 from the Library Lost and Paid Account for Library program materials.
16. Acceptance and appropriation of an anonymous \$50 donation to the Human Services Gift Account to help residents in need.
17. Acceptance and appropriation of a \$200 donation from the Lions Club to the Police Gift Account for general purposes.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve agenda items #3 through #17 and forward to the full Town Council for approval.

VOTE The motion passed unanimously by those present.

18. Appropriation of \$30,000 for the Peck-Jones Fund to replace band uniforms For the Cheshire High School Music Department.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve agenda item #18 and forward to the full Town Council for approval.

Discussion

Mr. Milone explained that the BOE can only take up to 4% out of the assets of the fund (\$696,000 value) each fiscal year, which is about \$27,876. The resolution for the Council will be changed accordingly with an effective date of July 1, 2016.

Regarding the fund, Mr. Ecke stated the money should be used for the betterment of all students, and the BOE should fund activities from its operating budget. The funds

should go to something more specific than band uniforms, as it is not a good use of the money.

In reading the documents of the Peck Jones Fund, Mr. Milone noted that the Council has the authority to deny this appropriation.

According to Mr. Ecke the BOE has gotten into the habit of not supporting activities, and the band uniforms should be paid out of the BOE budget. This is an issue that was discussed during the budget process.

Mr. Oris asked for clarification on his impression of whether this use of the funds is based on what the Peck Jones allows.

The language is very broad and Mr. Milone said the proposed use of funds falls within the right to use the money. He questions how the Council has the right to say "no." The proposed use of funds for band uniforms is not inappropriate based on the guidelines in the memo out of the Probate Court analysis in 2011, and there is a defined ruling. The Court stated the Council must approve the funding use and it can be a broad use for educational purposes.

With regard to a denial of this use of the funds, Mr. Milone said the Council can direct re-evaluation of the use of the funds for consideration of other services or programs.

Mr. Slocum commented on there being some flexibility in the BOE budget for another use of these funds.

Over the last 4 years, Mr. Ecke pointed out the BOE has used \$97,000 of the Peck Jones fund.

It was stated by Mr. Oris that these funds should be used for items that are not for everyday things, but of a more specific nature, that cannot be funded out of the operating budget. He commented on band uniforms and sports uniforms/equipment regularly funded through private donors and non-profit groups. There must be a message sent to the BOE that these should be funded as operating expenses. Mr. Oris commented on the issue being bigger than just band uniforms.

If the BOE comes back next fiscal year with a foreign language lab, which is what the Peck Jones Fund should be used for...Mr. Ecke support this use. He said the fund money should not be used to cover operating expenses.

VOTE The motion passed unanimously by those present.

19. Approval of assignment of tax liens.

MOTION by Mr. Ecke; seconded by Ms. Nichols.

MOVED to approve agenda item #19 and forward to the full Town Council for approval.

Discussion

Mr. Jaskot reported that the RFP was for \$211,000 lien assignment; the amount is now down to \$105,000 lien assignment as taxpayers have paid off their delinquent taxes. There were three bidders. The low bidder would not agree to purchase subsequent liens; the high bidder (114%) has never worked in Connecticut, is unfamiliar with State statutes, and needed training. The successful bidder was Caz Creek CT II LLC at 111.3627%, which was the firm used in the last two years.

It was pointed out by Mr. Milone that the company must comply with Connecticut State statutes. Caz Creek has done a good job in the past; is sensitive to the residents and treats them well; never foreclosed on a property; and keeps property owners accurately informed of the process. There is a concern about service to taxpayers and the Town has a good working relationship with Caz Creek.

The committee was told by Mr. Jaskot that Caz Creek is presently in a litigation situation, a class action suit. Town Attorney Smith has checked into this, and his legal opinion is that the claim has no merit; it was predicated by a clerical error; and it does not affect Cheshire's tax liens.

References on Caz Creek have been good along with positive reports about their services.

Mr. Milone advised the Town will get about \$12,000 over the value of the principal amount of the liens.

VOTE The motion passed unanimously by those present.

20. Approval of transfer of uncollectible property taxes to the Suspense List.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve agenda item #20 and forward to the full Town Council for approval.

Discussion

Mr. Jaskot noted that the process is the same as in prior years; there are personal property taxes overdue for one year and motor vehicle taxes overdue for two years on the list. Total tax is \$59,622 ...which is a little higher than in the past with 276 people on the list. The Town continues to collect on the suspense accounts, and the collection company goes after the accounts.

VOTE The motion passed unanimously by those present.

21. Authorization to execute an Electric Distribution Easement to Eversource Energy At the cell tower site at the Waste Water Treatment Plant Facility.

MOTION by Mr. Ecke; seconded by Ms. Nichols.

MOVED to approve agenda item #21 and forward to the full Town Council for approval.

Discussion

This item will be further explained by Attorney Smith at the Council meeting. To get power to the cell tower the Town must give the company an easement for equipment on the tower.

VOTE The motion passed unanimously by those present.

22. Authorization for the purchase of electricity.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve agenda item #22 and forward to the full Town Council for approval.

Discussion

Mr. Jaskot explained that the Town's contract with TransCanada Power Marketing expires in November 2018. The consultant, Bay State Consultants, LLC, recommends the Town look into extending this contract for three (3) years to 2021 due to good and low pricing on the commodity piece. It is a good time to get into the out years. The number of years will be negotiated; an RFP will be done; there will be a report from the consultant on pricing; and a decision must be made on June 15th. An RFP would go out in a few months.

VOTE The motion passed unanimously by those present.

23. Funding authorization for the continuation of the Elderly Nutrition and Meals On Wheels Programs.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve agenda item #23 and forward to the full Town Council for approval.

Discussion

This approval gives the Town Manager the authority to spend the extra money, balance the budget, and continue the nutrition program. A decision is required by July 1st.

VOTE The motion passed unanimously by those present.

24. ADJOURNMENT

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to adjourn the meeting at 6:58 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk