



BOARD OF FINANCE

Clifford J. Hurgin Municipal Center, 1 School Street
Bethel, Connecticut 06801 Telephone: (203) 794-8501

MINUTES OF REGULAR MEETING

Tuesday, May 11, 2010

7:00 p.m.

CJH Municipal Center – Meeting Room “A”

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TOWN OF BETHEL
TOWN CLERK

PRESENT: J. Philip Gallagher, Chairman, John Dietter, William Kingston, William Slifkin, James Roden, Gary Regan and Timothy Draper. First Selectman Knickerbocker was in attendance for a portion of the meeting.

Call to order: J. Philip Gallagher called the meeting to order at 7:01 p.m.

Consideration of Personnel Matter – (Executive Session anticipated):

J. Philip Gallagher made a motion, which was seconded by William Slifkin, to go into Executive Session at 7:02 p.m. for the purpose of discussion of a personnel matter. First Selectman Knickerbocker and Wendy Smith as Office Administrator were invited into the Executive Session. Vote, all in favor, motion unanimously approved. Executive Session ended at 7:10 p.m.

Public Comments: First Selectman Knickerbocker reported on the recent and very successful bond refunding; originally projected as a \$350,000 savings turned into a \$407,000 savings.

Minutes of April 12, 2010: John Dietter made a motion, which was seconded by William Slifkin, to approve the minutes of April 12, 2010. Vote, all in favor, motion unanimously approved.

Minutes of April 13, 2010: William Slifkin made a motion, which was seconded by William Kingston, to approve the minutes of April 13, 2010. Vote, all in favor, motion unanimously approved.

Correspondence: none

Chairman’s Report: J. Philip Gallagher noted two recent newspaper articles that pertained to Bethel. One was proposed legislation which expands the requirements

necessary for graduation and the other was Bethel's successful challenge to the State's claim that Bethel received \$700,000 in project reimbursements from the Berry School project.

1.) Consideration of Board of Selectmen request to appropriate an amount not to exceed \$20,000 for the repair/replacement of the Bennett Memorial Park Bridge.

J. Philip Gallagher made a motion, which was seconded by Gary Regan, to approve the Board of Selectmen recommendation to appropriate an amount not to exceed \$20,000 for the repair/replacement of the Bennett Memorial Park bridge from Account 420-350 Contingency. Vote, all in favor, motion unanimously approved.

2.) Consideration of appointment – town auditor

J. Philip Gallagher made a motion, which was seconded by Gary Regan, to reappoint the firm of Kostin, Ruffkess & Company, LLC as the Town of Bethel Audit. Vote, all in favor, motion unanimously approved.

3.) Status of the \$1,142,571.00 in Bond Anticipation Notes for capital projects recommended by the Board of Finance to the Board of Selectman on March 10, 2010 and discussion of the Legal Notice for the Annual Town Budget Meeting of May 3, 2010

Items for consideration to be funded from Bond Anticipation Notes were pulled from the Call at the Annual Town Meeting since the items for consideration had been reduced from what the Board of Finance had approved to be funded. First Selectman Knickerbocker advised that the Board of Selectmen will re-address the items that they will recommend for a Bond Anticipation note.

4.) Discussion of Town and School Retirements:

J. Philip Gallagher offered that it his understanding the ECS funding will remain flat and he remains concerned about revenues.

J. Philip Gallagher made a motion, which was seconded by James Roden, to make an advisory only motion that if anyone retires, on either the town or education side, that the positions not be filled. Vote, all in favor, motion unanimously approved.

James Roden expressed concern over what he perceived as First Selectman Knickerbocker's incorrect statement that the pension plan lost money and advised that the statements from Smith Barney do not reflect any loss. First Selectman Knickerbocker and Michael Forte, Senior VP of Wealth Management with Smith Barney, attempted to clarify to the Board of Finance about the loss that the pension plan suffered; it was explained that the plan (as of 12/31/2008) did suffer a loss of 9.02% in 2008 as well as the assumed rate of return of 8%. Mr. Forte explained that perhaps the confusion arose from the plan year versus the calendar year; the report that Board of Finance was looking at was for the period 12/31/09 thru 3/31/10 and there certainly was a loss in 2008. The market rebounded in 2009 which resulted in a gain for 12/31/2009. He noted that the minimum recommended funding amount is prepared by the actuarial firm and is calculated based upon the plan year that ends on June 30th. He noted several factors that impact the pension plans: (1) the performance and assumed rate of return, (2) the contributions to the plan and (3) the benefits to be paid out through the plan (both current and future retirements). It was agreed to have Mr. Forte come back to the Board of Finance in the future to discuss the pension plans in more detail.

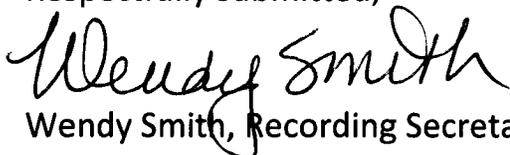
J. Philip Gallagher made a motion, which was seconded by William Slifkin, to add to tonight's agenda, Recommendation to the Board of Selectmen – Appointment of an Interim Comptroller. Vote, all in favor, motion unanimously approved.

J. Philip Gallagher made a motion, which was seconded by William Slifkin, to recommend to the Board of Selectmen that Robert Kozlowski (Treasurer) be appointed as Interim Comptroller. Vote, all in favor, motion unanimously approved.

5.) Discussion of the 2010-2011 budget

As there was no further business on tonight's agenda, J. Philip Gallagher made a motion, which was seconded by William Slifkin, to adjourn the meeting at 8:40 p.m. Vote, all in favor, motion unanimously approved.

Respectfully submitted,


Wendy Smith, Recording Secretary