

EMERGENCY TOWN COUNCIL MEETING

THURSDAY, JUNE 27, 1996

5:30 P.M.

AGENDA

1. Roll Call and Pledge of Allegiance
2. End of Year Budget Transfers for the Electric Division and Public Utilities Commission

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5:30 P.M.

An emergency meeting of the Wallingford Town Council was held on Thursday, June 27, 1996 in the Robert Earley Auditorium of the Wallingford Town Hall and called to Order by Chairman Robert F. Parisi at 5:31 P.M. Councilors Centner, Doherty, Farrell, Knight, Renda, Rys and Parisi were present; Councilors Papale and Zappala were unable to attend. Mayor William W. Dickinson, Jr.; Comptroller Thomas A. Myers and Corporation Counselor Adam Mantzaris were also present. Representing the Public Utilities Commission was George Cooke. Representing the Electric Division were Raymond F. Smith, Director of Public Utilities; William Cominos, General Manager and Thomas Sullivan, Office Manager.

The Pledge of Allegiance was given to the Flag.

ITEM #2a Consider and Approve a Transfer of Funds in the Amount of \$400 from Purchase Professional Services Secretarial Acct. #001-8070-901-9000 to Regular Salary and Wages Acct. #001-8070-101-1000

Motion was made by Mr. Rys, seconded by Mr. Knight.

Mayor Dickinson stated, this item deals with the Public Utilities Commission. These matters should have been caught ahead of time and they were not. It is a matter of real concern that the reporting and tracking functions broke down. There will have to be corrections and there will be action taken regarding that. I see it as a very serious issue and one that allows, when done properly, the government to perform its duties with integrity and knowledge of where our finances stand. Without that we don't know. It is absolutely essential that the status in any accounts are known and that matters be brought to our attention so that we can handle them in an efficient and proper manner. Holding emergency meetings and dealing with it this way is not proper and cannot be tolerated. I am extremely concerned over this and I want to impart that to you (Council) and I will now turn this over to Mr. Smith to explain the transfer.

Raymond F. Smith, Director of Public Utilities stated that the P.U.C. budget is part of the Town budget. Apparently during the course of the year we have had additional meetings which were not anticipated at the time of the budget preparation and due to the fact that the account was consolidated this year into the salaries and wages account whereas in prior years it was established as a separate outside part time secretarial services account, it was not determined until Tuesday that there was going to be an overexpenditure. Our invoices in house from the P.U.C. part time secretary are dependent upon being paid once this transfer is made. The amount that will cover it to the end of the fiscal

year is \$400. There is money available in a separate account which was for hiring a professional outside secretary should the part time secretary be unavailable for a meeting.

Mayor Dickinson stated, we are only dealing with salary issues tonight. Typically, at the end of any year there are adjusting transfers and they are often due to unforeseen circumstances. Salaries do not fall into that category. There is some lack of knowledge about the amount of time the P.U.C. secretary would be spending on minutes of meetings, etc., so there is some predictability on that though that should be avoided as far as an emergency meeting such as this.

Mr. Parisi stated, as I told you earlier Mayor, I can understand part of this but I cannot understand all of it and I don't think I will ever understand all of it other than somebody fell asleep at the switch. I agree with you that it is a serious matter and I am sure, hopefully, that it will be dealt with and I would like to know the results of that dealing and I think that this Council should know as well. I hope that it won't happen again because if it does happen again, it will not be dealt with as nicely as this time...I'll tell you that right now and I will guarantee it. Is that fair enough?

Mr. Cominos responded, fair enough.

VOTE: Papale and Zappala were absent; all others, aye; motion duly carried.

ITEM #2b Consider and Approve a Transfer of Funds in the Amount of \$12,000 from Miscellaneous Distribution Expenses Acct. #588 to Meter Expense Acct. #586

Motion was made by Mr. Rys, seconded by Mr. Knight.

This transfer is being requested as a result of the re-assignment of personnel and a change of work procedures, according to correspondence from William Cominos.

Mr. Parisi referred to an excerpt of the explanation which reads, "...as a result of re-assignment of personnel and change of work procedures". He asked, did the work procedures ever exceed forty (40) hours per week?

Mr. Cominos responded, no.

Mr. Parisi stated, then it would seem to me that there never should have been a budgetary problem. Am I correct?

Mr. Cominos responded, yes.

Mr. Knight stated, it seems that if we did not have these extra monies we would be in a world of hurt. Would you consider it common to have \$12,000 left in the transformers account or miscellaneous distribution expenses? Is that common to have those extra funds at the end of the year?

Mr. Cominos responded, I don't see that as being extraordinary or out of the question. I can spend \$25,000 on one transformer and if we don't purchase a transformer money is left over.

Mr. Smith added, in the Electric Division system of accounting, Mr. Cominos has been charging lineman for putting in meters where that wasn't a program that we initially had at the beginning of the year so there would be unexpended monies in other accounts where they would have been typically charged. But for a change in operating procedure they are now being charged to the 586 account. That is one of the reasons that other accounts will be short or over because that money did not get expended in those areas.

Mr. Doherty asked, why wasn't this picked up at the last making of the payroll two or so weeks ago. Didn't you anticipate being short \$12,000 or more...two weeks ago...why wasn't it up on our agenda Tuesday night?

Mr. Cominos responded, it should have been and it wasn't. There is no excuse as far as not being on the last agenda. I am not going to make any (excuses) for you either, it should have been there.

VOTE: Papale and Zappala were absent; all others, aye; motion duly carried.

ITEM #2c Consider and Approve a Transfer of Funds in the Amount of \$12,000 from Line Transformers Acct. #368 to Services Acct. #369

Motion was made by Mr. Rys, seconded by Mr. Knight.

According to correspondence from Mr. Cominos this transfer is being requested due to storm repairs, storm damage, etc.

Mr. Rys asked, is this a result of that serious storm that we had when we were in our emergency crises?

Mr. Cominos responded, it was probably a number of storms. We had a number of severe storms during the course of the year and the money in that account was overexpended.

Mr. Rys asked, this is basically for the overtime involved with the storms then, right?

Mr. Cominos responded, I am not exactly sure if this is overtime

or straight time.

Mr. Sullivan stated, it is probably more straight time.

Mr. Rys asked, how does something like this happen? That is a simple generic question....I don't understand it. We all have check books to balance and we all try to balance them the best that we can. How does something like this get overlooked? Is that unfair to ask?

Mr. Cominos responded, no, someplace along the line it should have been picked up or we should have projected the fact that we would not have enough money in these accounts to pay personnel...that is a fair question and there was some investigation going on and the ball got dropped, that is the bottom line as to why we are here tonight, the ball got dropped. It should have been at our last P.U.C. meeting, it should have been brought up here then. I don't like being here tonight and taking the Councilors from their homes to do something like this. The ball was dropped, I can't say anything more than that.

Mr. Rys stated, I could understand if it was an accounting error or something...

Mr. Cominos stated, we looked for that and during the process of looking for errors in accounting or maybe charging to the wrong account things got...priorities got mixed up.

Mr. Rys stated, you will have to try harder is all I can say.

Mr. Centner asked, how long does it take for you to collect data for cost impact...say that we have a bad storm...how long does it take for you to account for all total costs?

Mr. Sullivan responded, labor costs would be posted the Thursday after the week ending on the previous Saturday. Material charges may take longer depending on where the materials come from, whether it be an outside purchase or a material issue from stock. It will be delayed by the processing time by the vendor or by the stock room and the various approval processes involved for a work order that any internal material issue would go through. That can vary...a week would be a quick turn around on that or it could be several weeks depending on the size of the job and who got involved in it. Labor is more immediate.

Mr. Centner stated, my concern would be the appearance of what we are doing here with an emergency meeting. It is real last minute account transfers, we are talking about three days. Through this last storm you have accumulated what you expect it to cost without realizing you did not have enough in the account? Is that what these transfers are?

Mr. Sullivan responded, there is normal day to day work out of this account too. This particular account...I believe with the payroll that was issued today hit that point.

Mr. Centner asked, so you wouldn't have known before Thursday?

Mr. Sullivan responded, we initially could have projected better, this is what it comes down to in that instance.

Mr. Doherty asked, what was your total payroll? If you were issuing today for tomorrow, what would your total payroll be?

Mr. Sullivan responded, approximately \$60,000 or so.

Mr. Doherty asked, with these two transfers we are talking about \$24,000?

Mr. Sullivan answered, these are a combination of monies in these cases that will be needed for...through the remainder of the year. There are also material issues involved in these but it is the payroll issues that put them (accounts) over. The \$12,000 that is being asked for here may be a combination of labor and materials. The reason we are here today is because a paycheck had to be issued.

Mr. Doherty asked, and you are short \$12,000?

Mr. Sullivan responded, we will be short \$12,000 as of close of business when all the figures are in for June 30th.

Mr. Doherty asked, the \$12,000 did not show up the last time when you went to make your payroll two weeks ago? You could not see that you were \$12,000 short?

Mr. Sullivan responded, there was, in this particular account #369, there was funds available. Obviously, it was insufficient. Projecting out the cost and the work and how that work is going to be assigned for the last two weeks or last week, which is paid today and next week which will be paid next Thursday...

Mr. Doherty asked, all of this transpired between the last paycheck and this paycheck causing this problem?

Mr. Sullivan answered, in this particular account the paycheck that put the account over was this week's but the \$12,000...with that are other charges that are anticipated including this week's payroll that we are in right now which will have to be accrued into the fiscal year which is also...even though we pay it in July it has to be accrued in this current year as well as materials and work orders that are in the system right now, all that comprises the \$12,000.

Mr. Doherty asked, do you pay weekly now?

Mr. Sullivan answered, yes.

Mr. Doherty asked, has this problem occurred in the past at year end? Did you experience this in 1995 or 1994, the same type of situation where you are short in the salary accounts?

Mr. Sullivan answered, no, I don't believe so. We have had last year adjustments after the fact, yes, but this type of situation with the payroll, I don't believe so.

Town Clerk, Rosemary Rascati stated that she has the three original transfers and none were signed by the Chairman of the Public Utilities Commission.

Mr. Parisi responded, it does not have to be but in the future it is going to be or we will not act on it, o.k.?

Mr. Cominos responded, o.k.

Mr. Parisi stated, a little better organization down there (P.U.C.) so that if someone is out of town or what ever, someone is designated to sign.

Mr. Cooke responded, I signed one transfer this morning for Mr. Smith.

Mr. Parisi stated, it is a matter of form, George, someone should sign it. George will sign them after the meeting.

VOTE: Papale and Zappala were absent; all others, aye; motion duly carried.

ITEM #2d Consider and Approve a Transfer of Funds in the Amount of \$1,000 from Maintenance General Plant Acct. #932 to Material Maintenance Acct. #920

Motion was made by Mr. Rys, seconded by Mr. Knight.

Correspondence states that this account was under-budgeted for the current fiscal year.

VOTE: Papale and Zappala were absent; all others, aye; motion duly carried.

Motion was made by Mr. Rys to Adjourn the Meeting, seconded by Mr. Centner.

VOTE: Papale and Zappala were absent; all others, aye; motion duly carried.

Emergency Town Council Meeting

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June 27, 1996

There being no further business, the meeting adjourned at 5:51 P.M.

Meeting recorded and transcribed by:

*Kathryn F. Milano*

Kathryn F. Milano  
Town Council Secretary

Approved by:

*Robert F. Parisi*  
\_\_\_\_\_  
Robert F. Parisi, Chairman

*7-23-96*  
\_\_\_\_\_  
Date

*Rosemary A. Rascati*  
\_\_\_\_\_  
Rosemary A. Rascati, Town Clerk

*7-23-96*  
\_\_\_\_\_  
Date