

Town of Southington
Board of Finance
Wednesday, September 10, 2014

STENOGRAPHER'S NOTE: The Minutes are now being prepared in summary style. Please refer to the audio or videotape for more details.

Appropriations from Contingency Account:

Approved to date	\$ 0
Approved this meeting.....	<u>0</u>
Total Appropriations.....	\$ 0

Appropriations with Revenue Offsets:

Approved to date	\$ 0
Approved this meeting.....	<u>0</u>
Total Appropriations.....	\$ 0

Chairman John Leary called the Regular Meeting of the Town of Southington Board of Finance to order at 7:00 p.m. in the Council Chambers of the Town Hall with the following members in attendance:

Joseph Labieniec, Edward Pocock, Jr., Kevin Beaudoin, James Coleman, Sr., & Sandra Feld

Also in attendance: Emilia Portelinha, Finance Director
Garry Brumback, Town Manager

A quorum was determined.

The Pledge of Allegiance to the American Flag was recited by everyone in attendance.

A Moment of Silence was observed for Lt. Michael Shanley of the Southington Police Department who passed away. He not only grew up in town but worked for 29 years to protect and serve the pole of the town.

(Pause)

JOHN LEARY, CHAIR, Presiding:

III. Public Hearing Items

None

IV. Old Business

1. Approval of Minutes from the meeting of July 30, 2014.

Mr. Coleman made a motion to approve. Mr. Beaudoin seconded. Motion passed unanimously on a voice vote.

V. Assess current financial state of the town

1. Review revenue vs budget

Ms. Portelinha reported through the second month of the fiscal year. Most of the revenues are pretty much on budget. The only one worth mentioned is the town clerk fees. For July & August we collected \$70,000 more than projected. That is due to two properties that were conveyed valued over \$2 million each. One for Lovely Development at Savage and Meriden Avenue and the other one for self storage on West Queen Street. That made up about \$25,000 of the \$70,000. The difference was the increased activity for the two months.

2. Review expenses vs budget

Ms. Portelinha noted in reviewing the expenditures, she didn't see anything out of the ordinary with the exception of fire extra duty. We budget \$5,000 for the expense and \$5,000 for the revenue. We bill out those services. This is for services performed during the bridge project. The fire department will come before you with an appropriation with the revenue because we've billed out. This is fully reimbursable by the DOT. Just a timing issue.

The IT account was reviewed. There are maintenance accounts due at the beginning of the year and then there is quite a bit encumbered.

3. Sub Committee Reports (Emphasis on financial aspects)

A. Sewer Committee

Mr. Leary reported the meeting was held today. One of the biggest items is getting ready for the referendum vote that is going to occur at the November election and trying to get the proper amount for the first phase of the project. There are two projects before us. One is a smaller project you'll see at referendum.

The larger renovation of the facility will come at a later date. A lot of work to be done down there, not only for the process but for the odor control that people seem to notice and modernizing everything. We're working to figure out this overdue work.

B. Public Works Committee

Ms. Feld said we didn't meet as we didn't have a quorum.

Mr. Brumback did state the road projects are going very, very well. The only thing we did have is there were a couple of residents to talk about the school access sidewalks and because they had made the effort to come to the public works meeting, the committee did hear them. Interestingly, they were both for returning the sidewalks back to the adjacent property owners.

At the council meeting this past Monday several residents came out. The majority of the people that spoke were fine with accepting responsibility for the school access walks assuming all of the associated issues including bringing them up to the standards, drainage and other things were accomplished prior to. The council and staff agreed that should be the standard.

We have \$250,000 in the capital plan to do that.

The Chair explained Mr. Brumback to explain the different road pavings people see.

Mr. Brumback commented prior to this last referendum, the town only rebuilt roads and resurfaced roads when they deteriorated to that point. We embarked upon a pavement management program which then created a couple of additional maintenance type events and it ranges from the very simplest which is crack sealing where you just identify roads around town and for less than \$1 a square yard you seal the cracks so during changes in weather the roads don't split open and continue to deteriorate at an accelerated pace. That has been done all over town and is arguably the biggest bang for your buck.

Next level is designed primarily for subdivisions, low traffic or low speed areas that we never ever budgeted to do maintenance or repair on. That is called chip sealing. We had two test strips that was a less extensive option and we tried them out and quite honestly it didn't meet the standards that we had hoped for so we don't intend to do that anymore.

For a little over \$4 a square yard is now more of a rubberized product that they lay down, put the stones on top of that, roll the stones in and sweep it within a 24 hour period. It'll cure for an additional 24 hours and after 48 hours, assuming you are going the speed limit (25 mph) it is a really nice surface. Rougher than mill & overlay but it extends the life of the road. We did about six subdivisions and the associated roads.

On our thoroughfares, arteries, collector roads, either high volume or high speed roads (above 30 mph) this wouldn't be appropriate as the stones would kick up too much. So we mill & overlay those roads. That extends it for about another 10 to 15 years. We did several miles of milling & overlaying.

Lastly, is the reconstruction which is most expensive. It's about \$40 to \$44 a square yard. And that is when you go in and dig

out the entire base of the road, restore the base and put a new road down. We did a couple of those.

I wish I had done a better job of explaining the program in advance. Some roads in town have lost their crown so in a couple of areas we put a thin overlay to re-establish the crown of the road and then chip sealed over the top.

Discussion.

Ms. Feld said of the \$11.5 million approved, we've bonded about half at this point? Mr. Brumback said we have used about two-third. And, we've bonded about \$4 million or \$5 million, a little less than have. Ms. Portelinha added of the bonded amount we have used about \$3.5 million.

C. Middle School Building Committee

Mr. Pocock said as to the schools, one is a little better on budget than the other however they are both within budget. We ran a little extra on one of the schools because of remediation. (JFK)

The asbestos and other removal has been done in both schools. We're going to coast right along now and we should be in good shape.

Completion is August of 2015. If you want to have a tour, we did a very well put together presentation at the Town Council meeting on Monday night (September 8, 2014) and it shows the difference in the rooms as they are in the stripped down rooms and when the rooms are completed.

Discussion.

As long as it stays on budget my committee will be very happy. It's all a team.

D. Open Space Committee

Mr. Pocock noted there hasn't been a meeting.

E. Self Insurance Committee

Mr. Labieniec reported July results. The budget was just under \$1.8 million and actual came in just over \$2 million - about \$214,000 over budget. That was equal to last July.

We had budgeted 5.1% over prior which is around \$100,000 more per month on average for this year. This is the first month into the fiscal year. We'll monitor it as we go along.

F. Gura Building Committee

Mr. Brumback said they've attained their goal. I don't know if they've submitted plans for review. They have not begun construction.

G. Investment Committee

Mr. Coleman said quarter end is at the end of this month, we will have something new to report at the next meeting.

H. Parks Board Liaison Report

Mr. Beaudoin said he read the Minutes. They are making progress on the lights. The big challenge we didn't expect was the lack of power to the fields, added Mr. Brumback. We are going to have to upgrade the systems to all except the soccer field. It'll take some times and money and we hadn't predicted that. Our hope is to get the lights in by spring.

I. Other Committees

No reports.

4. Board Communications

Discussion of fiscal policies to be done at the October meeting. We'll plan on having the meeting start at 6:30 o'clock, pm having our formal first and then we'll have time at the end to discuss the issue.

The Chair advised the committee that if there is anybody they think would benefit the discussion we can bring them in or consult them in some way. This is a discussion around what should our debt limit be.

This is a workshop after the meeting and I'd like to keep it public. People have the right to hear the discussion. We'll advertise it and notice the meeting.

Mr. Labieniec asked if, after the roadwork is completed for this season, at our January or February meeting we could get an updated copy of the pavement management system. All updated. Mr. Brumback said that would be provided.

Mr. Coleman said last time discussing the debt limit, there were some demographics we were going to try to get that were unique to Southington. Facts on municipalities on a state wide basis. I was hoping we could have access to that before the workshop. Mr. Brumback said he would look into it.

Discussion.

The Chair asked for an executive session at the November meeting to discuss two things:

- Where we are with the fraud risk.
- Where we are with labor contracts and what our strategy is going forward.

Ms. Portelinha said she called Blum Shapiro today and we are going to have the Risk Assessment Report for the October meeting.

Discussion.

VI. Public Communications (Excluding Public Hearing Items)

Arthur Cyr, 103 Berlin Avenue. Regarding the lights we're adding to some of the fields at the parks that the leagues are going to pay for but we're running into a problem as we need to update the electrical infrastructure. Any idea how much it will cost?

Mr. Brumback said they are asking that question now. The town will pay for the infrastructure upgrade and the leagues will pay for the lights.

If you're going to have a workshop and publicly talk about your long term philosophy and goals for the direction you are going to take this town, I request the tape continue to roll. That's how we find out what you're thinking. Minutes aren't necessary.

Lastly, as to the roads, I've driven a lot of roads. I thank everybody on this board. You have taken the initiative to say we are going to do this and here's the money. There are miles and miles and miles of roads that are greatly improved because of the leadership of you and the Town Council have shown the people. Thank you for that.

I remind you we have another referendum coming up for another \$11 million in November and I ask that in October you put it on your agenda to recommend to everybody they vote "yes" for it and throw your support behind it. Continue your dynamic leadership along with the Town Council.

Discussion.

VII. Review Long Range Plan and Priorities

1. Review status of LRP items in current fiscal year budget

A. Status /Reprioritizations

2. Strategy Discussion - Liability Auto & Property Insurance.

Ms. Portelinha explained the insurances are RFP'd every few years to make sure we are getting the best insurance for the best price for the town. The BOF questioned whether we had sufficient insurance to cover the town.

Scott Sundberg from H.D. Segur led a 45-minute discussion on the town's insurance coverages and the various deductibles. With regard to the current program, from a liability standpoint the core coverage's are property, general liability and auto. What you go beyond is with public official's liability coverage, school board leaders errors & omissions and law enforcement liability. The ancillary coverage would be for machinery, response for individual

employees required by statute. As to the core coverages, you have appropriate coverage with respect to the coverages that currently exist.

You have limits which are based on your contemporaries. Your excess liability coverage is at \$10 million and is in line with other communities and is a sound limit with respect to what you have historically in the town.

Workers compensation is provided through the CIRMA which addresses all your work related injuries.

Further expansion on the coverage amounts.

Discussion was had on the different companies that insure municipalities.

Mr. Sundberg then entertained specific questions from board members regarding increasing/decreasing coverage and limits on items.

Mr. Sundberg pointed out in comparison to our contemporaries, Southington is at the bottom for what they pay for coverages.

A discussion followed with Mr. Labieniec regarding cyber & privacy fraud and coverage for that.

VIII. Conduct Administrative Business

1. Consent Agenda

A.	Appropriation	\$450 *	Youth Services - Kristen's Kloset (Spec Rev)
	Appropriation	\$200 *	Youth Services - Outside Programs (Spec Rev)
B.	Appropriation	\$1,000 *	Community Services - Health Exchange Grant (Spec Rev)
	Appropriation	\$2,710 *	Community Services _ FEMA G rant (Spec Rev)
C	Appropriation	\$170 *	Youth Services - Outside Programs (Spec Rev)
	Appropriation	\$1,800 *	Youth Services - STEPS Donation (Spec Rev)
D.	Appropriation	\$7,500 *	Town Clerk - Document Preservation Grant (Spec Rev)

Ms. Feld made a motion to approve. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

2. Manager's Memos

1. Appropriation \$5,110 Sewer Fund - Accumulated Payout

This was an unexpected retirement. The gentleman is retiring after a long period of employment and this is to pay out is accumulated leave balance (vacation time).

Discussion.

Mr. Labieniec made a motion to approve. Mr. Beaudoin seconded. Motion passed unanimously on a voice vote.

2. Appropriation \$4,600 * Turf Field Fund - Contractual Services

Ms. Portelinha noted the funds have been received. It is the first time we have appropriated money from this fund and Ms. Portelinha anticipated questions. That's why it's not on the Consent Agenda.

Mr. Labieniec made a motion to approve. Mr. Beaudoin seconded.

As explanation, Ms. Portelinha stated we have set up a turf field fund in order to pay for cost of maintenance of the turf field and eventual replacement. Various revenue line items that make up the revenue that has been collected into this fund. We have a donations slot. We are currently selling bricks as a fundraiser. We have turf field rentals and Turf field participant fees that are being collected by the BOE and Parks & Rec.

The total fund balance as of August 28th is \$12,435. The BOE did budget \$25,000 in their 2014-15 operating budget. I was informed that they would be presenting the town with a check for that within the next month.

Mr. Brumback added that what is being asked of you is for the annual maintenance to extend the warranty for an additional year.

Discussion of future funds anticipated.

Mr. Pocock said this amount of money in the fund for two years is not even going to light a candle for future costs. Or come close. He continued this bothers him and he has real problems with this.

No grants for the turf field were received.

Mr. Pocock asked for a report from this committee as to what they're doing.

The Chair explained we now need a realistic business plan of what we expect to get in each year to the fund. And, how are we going to meet the ten year obligation.

Discussion.

Discussion on the life of the turf field.

As to the funds, Mr. Pocock asked: What happened to the \$25,000 from last year from the BOE. Mr. Labieniec explained the discrepancy which we have been through.

Discussion.

The Chair asked Ms. Portelinha to look into who currently provides oversight and governance to that field and have them prepare themselves to make a presentation here looking ten years out. Annual repairs and maintenance and ongoing accrual for replacement, we need to know the plan. Then we need to measure the actual versus that.

Mr. Brumback responded he will have the Turf Field Advisory Committee come before you and they can outline their plans. It is not a plan over which we control. (November meeting)

Motion passed unanimously on a voice vote.

3. Consent
change to full-time

Calendar House Clerk Typist

Mr. Brumback explained he was looking for support. The Calendar House level of activity has increased substantially over the last several months. We've added buses. There are more frequent trips outside of the local area. This, along with an automated dispatch system, has overtaken the part time clerk typist we have available who is also doing the dispatching of the buses.

We are planning to expand that and would like your consent to have that be a full time position. The savings generated from a vacancy with one of the bus drivers will cover that for this year.

Because of the significant amount of duties this position does directly related to the Dial A Ride program, we will be able to offset portions of that with the grant.

We wanted you to be aware of that.

It will be an increase to the expenses of the grant as well as the general fund years going forward.

The Chair asked for a motion to make a recommendation to the Town Council to expand this position to a 35-hour per week position.

Mr. Beaudoin made a motion to approve. Ms. Feld and Mr. Coleman seconded. Motion passed on a majority voice vote with Mr. Pocock abstaining.

IX. Meeting Adjournment - Mr. Labieniec made a motion to adjourn. Mr. Beaudoin seconded. Motion passed unanimously on a voice vote.

(Whereupon, the meeting was adjourned at 8:37 o'clock, p.m.)

2. Manager's Memos

Meeting Adjournment -

(Whereupon, the meeting was adjourned at 9:15 o'clock, p.m.)