

Town of Southington
Board of Finance
Wednesday, May 13, 2015

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.....	\$750,200
Approved this meeting.....	<u>0</u>
Total Appropriations.....	\$750,200

Appropriations with Revenue Offsets:

Approved to date.....	\$325,070
Approved this meeting.....	<u>0</u>
Total Appropriations.....	\$325,070

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., James Coleman, Sr., & Sandra Feld

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

Absent: Kevin Beaudoin, Board Member

A quorum was determined.

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

JOHN LEARY, CHAIR, Presiding:

III. Public Hearing Items

None

Set the Mill Rate for the FY 2015-2016 Adopted Budget

Mr. Brumback recommended the mill rate of 29.14 with 11.21 for general government and 17.93 for the board of education. This was approved Monday night by the Town Council as submitted and discussed and recommended by the board of finance.

Mr. Labieniec made a motion to approve 29.14 as the mill rate for the FY 2015-16 budget. Mr. Coleman seconded. Motion passed 5 to 0 on a roll call vote.

IV. Old Business

1. Approval of Minutes from the meeting of April 15, 2015.

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

V. New Business

The Chair asked for unanimous consent to move the fire department, Item 2 to Item 1. (Agreement by all)

2. Southington Fire Department Self Contained Breathing Apparatus Financing

Fire Chief Clark explained the request is to have a lease/purchase for \$110,000 to expedite the purchase of all needed air packs so we can do it one purchase as opposed to drawing it out over a few years. This will facilitate being able to put all fire fighters in new breathing apparatus without trying to phase it in which would be extremely difficult because the packs are so different from what we are wearing now. Similar but different.

The masks wouldn't go between the two packs. It's quite involved in switching them over.

The cost would be \$4,000 for financing. It is still under what we originally proposed and it's cheaper than if we try to split it up and do it over a couple of years. Prices will go up and cost a lot more than what we are proposing now.

Mr. Brumback added this was not really the fault of the Fire Chief. When we were going through each of the departmental budgets, I

didn't have this type of solution available. Chief Clark subsequently determined this and quite candidly because of the idea of prioritizing resources, instead of originally which we discussed in last year's budget of splitting this over two years in order to get him on a replacement cycle that was sustainable, I was forced to make it over three years.

This I believe is a creative solution in that it allows him to get everything that he needs in a timely fashion and it also actually will be at least no additional cost to the taxpayers in that we're saving a potential price increase down the road.

Our recommendation from the staff perspective is to support this request.

The recommended useable life for the packs is 15 years.

Variations on packs and masks was discussed.

Training for the new air packs was discussed as being in-house.

Eighty-three packs stands for the number of positions on apparatus. Each apparatus generally carries about six air packs. Each car has an air pack in it. This makes sure every seat has an air pack in it.

Mr. Labieniec said he was in favor however, he would note that we are spending capital improvement dollars in 16-17 budget that has not yet been approved. I think it should be noted. I do think it's the right thing to do here. We're signing ourselves up for something in the future. We're obligating ourselves. It should be noted.

Motion passed unanimously on a voice vote.

1. Southington Police Department Public Safety Radio System Finance

Police Chief Jack Daly introduced the item. As a high level overview, we want to make some and we need to make some upgrades to our current radio system which is 12 years old. It needs repair, upgrade.

We are looking at a managed services type program. We're hoping we can get support for it.

Mr. Pocock made a motion to bring the executive session up and make that Item B. We will make Personnel A and make that B. We'll move into executive session for both purposes.

Ms. Feld seconded.

The executive session will include the board of finance, the police chief and the police captain, the director of finance and the town manager, as staff.

Motion passed unanimously on a voice vote.

(The meeting adjourned to executive session at 7:15 o'clock, p.m.)

EXECUTIVE SESSION

The Board of Finance of the Town of Southington entered into executive session Wednesday, May 13, 2015 at the Southington Town Hall, 75 Main Street, Southington, CT in order to discuss Personnel and Security.

Present were:

Joseph Labieniec, Edward Pocock, Jr., James Coleman and Chairman John Leary.

Also Present:

Garry Brumback, Town Manager
Emilia Portelinha, Director of Finance
Police Chief Jack Daly
Captain William Palmieri

Absent: Kevin Beaudoin, Board Member

No motions or votes were taken.

Mr. Pocock made a motion to adjourn executive session which Ms. Feld seconded. Motion passed unanimously on a voice vote.

(Whereupon, executive session was adjourned at 7:45 o'clock, p.m.)

REGULAR SESSION

JOHN LEARY, Chair, resumed the Chair:

1. Southington Police Department Public Safety Radio System Finance

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

2. Southington Fire Department Self Contained Breathing Apparatus Financing

Ms. Feld made a motion to approve. Mr. Coleman seconded. Motion passed 5 to 0 on a roll call vote.

The Chair moved up Manager's Memo #2.

Manager's Memo

2. Transfer \$5,000 Police Department - Other Professional Services

Mr. Brumback explained Captain Palmieri has laid this out. Are there any questions?

Transfer \$30,000 Police Department - Overtime Pay

Mr. Brumback explained this transfer is needed to cover the cost of projected overtime. Captain Palmieri does a very thorough job of laying out what he has spent and what he believes he is going to need. The reason for the regular wages excess is because of worker's comp and other vacancies.

They are here to answer questions.

Mr. Labieniec made a motion to approve. Mr. Coleman and Ms. Feld seconded.

Motion passed unanimously on a voice vote.

VI. Assess current financial state of the town

1. Discuss auditor selection for the fiscal year ending June 30, 2015 audit

Ms. Portelinha explained two years ago we went out to RFP for auditing services. Blume Shapiro was selected with a three year proposal which increased their fee \$1,000 per year. This year it would be \$55,000 as the last year of their contract.

You have chosen to approve this as we proceeded rather than approving the whole three years. I'm coming before you to have you reappoint Blum Shapiro as our auditors for the Fiscal Year ending 2015.

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

The Chair noted we did switch partners and explained it was to have a new set of eyes look at the account. A different perspective. And, she has. We still have the same firm and no disrespect or issue for the other partner.

Motion passed unanimously on a voice vote.

2. Review revenue vs budget

Ms. Portelinha explained she tried to estimate a monthly budget for each of these revenue items. In calculating the difference, that is what I am basically looking to do.

Prior year's tax collections were \$40,000 above budget. The interest on taxes were \$110,000 above budget. I will mention we are planning a tax sale in early June - you'll see a request for transfer to fund public notices in the paper. Twelve properties were originally up for sale and we've had three paid off accounting for some of the prior year's taxes and interest on taxes.

Having the tax sale, the time frame before then, brings people in to pay their taxes before the sale. I did talk to the director of assessments and collections and he felt that we'll have a few more payments before the sale.

We have our building permits and fees that are about \$130,000 under budget. You'll recall we actually increased our budget from last year to this year from \$600,000 to \$850,000. We're short of where we thought we'd be. The building inspector was confident that the activity would rally and unfortunately it hasn't up until this point.

Interest on investments is \$65,000 above budget. A good thing.

We have our historical society grant that they did a bid for the windows and it came in way too high. So they're not going to do the windows to the extent that would allow them to get this grant. Too expensive.

Town Clerk fees are about \$100,000 above budget. The BRRFOC distribution rebate of almost \$210,000.

Total about \$368,000 above budget in revenue.

3. Review expenses vs budget

Ms. Portelinha found that some of the issues are being addressed in this agenda: highway, parks accounts. Also, I will need additional money next month for accumulated payout of approximately \$25,000. We budget the same thing every year for retirement. People tend to hold the date close to their vest and this year we saw a lot of changes in dates, as well. When they retire earlier and it is in this fiscal year, we need to contractually pay in this fiscal year.

For tuition reimbursement we are required to have \$11,000 available to employees. In the past we haven't had enough interest so we only budgeted \$5,000. This year we have individuals who are interested in taking classes so we'll be back next month for another \$2,000.

4. Sub Committee Reports (Emphasis on financial aspects)

A. Sewer Committee

Mr. Brumback reported they met today with three major components of things to talk about. One is the facilities upgrade plan. We have continued moving forward with that and it is still projected to be approximately \$46 million. There will be a public hearing at the May 26th council meeting. The legislature as of now still has intact the potential for 50% funding for those upgrades associated with phosphorous removal and 30% for the balance. We are looking at approximately \$15 million worth of state grants. The net looks like about \$31 million to the taxpayer.

The other two items of note financially related are we are about 40% done on the sludge thickening and odor control project. That is scheduled to be done by the 1st of January, 2016. That is the \$2.4 million project approved at referendum last year.

Lastly, the West Queen Street pump station is about 20% complete. It began in March and is expected to be completed March, 2016.

B. Public Works Committee

Mr. Coleman reported they are continuing to replace the lights which is saving us money. Bulky waste station is open and busy. Everything went smooth. Some bridge work, Old Mountain Road, we estimate at about \$675,000 has gone out to bid. And, the \$28,800 for the A/C split at the town hall.

C. Middle School Building Committee

Mr. Pocock advised there is nothing new to report. Thanks to Attorney Sciota and Emilia's office, Christina, we should have a financial statement of where we stand. We'll have it for this coming Tuesday and when I get the print out I'll make sure you all get a copy of that. We're holding our own right now. The schools are coming along and we're in the final phase.

D. Open Space Committee

Mr. Pocock noted this Saturday we have a meeting at the railroad station depot in Milldale at 10:00 for the public to have a walk if they choose in that area.

We're looking to get a referendum for money for open space \$2 million.

Just looking at other properties in town. A lot on the table right now.

E. Self Insurance Committee

Mr. Labieniec noted as of the end of April, we had a very good March, over \$300,000 under budget. We don't have the April results yet. We were running through March year to date about 4% over prior. We had budgeted 5%. That's good. The committee decided to take no further action on the budget for the upcoming fiscal year so it stands at the 25.1 million and that vote was unanimous based on the information our consultant gave us and what we discussed at the meeting.

F. Gura Building Committee

Mr. Brumback explained a significant amount of stuff going on. There is a huge hole and we have cordoned off a portion of the lower level parking lot. They are digging out the side of the foundation in order to put an elevator in which is an ADA requirement. They'll need to do some stabilization work to the foundation. Once they close that up, we'll be able to recover a lot of the parking lot.

They are continuing to make progress on the inside, as well. By all accounts it is going well.

Zero cost to the town.

G. Investment Committee

Mr. Coleman advised generally we report at the end of the quarter which will be in the next month. As Emilia noted, investment income is up.

H. Parks Board Liaison Report

Mr. Brumback gave an update on the lights. We ran into a higher than expected water table when we started to install the lights. We ran the power to do the lights at Rec Park. The higher water table required us to go back and do some additional engineering. That is either done or almost done. The installation will continue. This is the Rec Park soccer fields.

I. Economic Strike Committee

Mr. Brumback said the committee has met continuing to work on potential opportunities for the sports complex. We are partnering with the chamber of commerce looking for a small business breakfast to take place in the September time frame.

J. Other Committees

Nothing.

5. Board Communications

Mr. Pocock observed down at the bulky waste a change in the pattern down there. The new system has been put in place by the town engineer and the highway department which really expedited traffic flow down there.

As to the streetlights, a lot of people are very, very happy with the new streetlights. A plus.

VII. Public Communications (Excluding Public Hearing Items)

Arthur Cyr, 103 Berlin Avenue. I know you approved the auditor and I am very appreciative of the fact in the last few years we have tightened up our fiscal controls, especially our cash controls on the town government side.

Spoke about issues in surrounding towns.

I appreciate the concerted effort in this town to come up with policies and procedures in the last couple of years.

I am distressed there are still occasions where non-taxpayer funds, but community funds, seem to be available for people with heavy hands. I wish there was some way this BOF could delve into the fringe or the other areas of this town where we kind of have some control over the availability of cash for people to get their hands on it.

Lot of organizations in this town go through semi-town government where there's lots of cash. I wish our auditors had the availability of looking at a lot more than they look at. We haven't had a problem but other towns have.

Explained he wished the auditors had overseeing of the cash handling and policies and procedures in our town departments and BOE department.

I am concerned about it and it is going to continue to be an issue. I think you do everything you can to make sure the auditors look everywhere they can.

The Chair responded that an audit is usually done based upon risk. Explained they audit to where the biggest risk is and can't look into everything. They ask us where we perceive risk to be.
Discussion.

We have controls from top to bottom in place in town. We do assess their effectiveness when we do an audit.

VIII. Review Long Range Plan and Priorities

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

A. Status /Reprioritizations

B. Strategy Discussion

Handled in executive session.

IX. Conduct Administrative Business

1. Consent Agenda

A. Appropriation \$60 * Youth Svcs - STEPS Donations
(Spec Rev)

Appropriation \$555 * Youth Svcs - Outside Programs (Spec
Rev)

Appropriation \$1,360 * Youth Svcs - Kristen's Closet (Spec
Rev)

B. Appropriation \$25,988 * Police Dept. - JAG
Equipment Grant/PVET (Spec Rev)

Ms. Feld made a motion to accept the consent agenda items. Mr. Labieniec and Mr. Coleman seconded. Motion passed unanimously on a voice vote.

2. Manager's Memos

1. Transfer Calendar House -Temporary Seasonal (Withdrawn)
Withdrawn.

2. Transfer \$5,000 Police Department - Other Professional
Services

Transfer \$30,000 Police Department - Overtime Pay

Handled earlier in the Agenda.

3. Transfer \$3,000 Tax Collector - Collection Services

Mr. Labieniec made a motion to approve. Ms. Feld seconded.

Mr. Brumback said the additional funding is needed to pay for the publishing of notices for the tax sale. The funds are available in office supply due to less than anticipated expenditures on postage and paper.

Motion passed unanimously on a voice vote.

4. Transfer \$15,000 Town Attorney - Other Professional Services

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

This is an item as a result of the settlement of the Pond View litigation and received a check for \$150,000. This is now a request to transfer \$15,000 of the remaining legal fees for Pond View Drive into other professional services in order to ameliorate a problem that was being litigated between the town and a resident on Canterbury Lane. We could not come up with a settlement a couple of years ago even though we budgeted for it. They popped up now and wanted to settle.

Ms. Feld made a motion to approve and Mr. Pocock seconded.

Motion passed unanimously on a voice vote.

5. Transfer \$2,300 Town Owned Property - Utilities

Ms. Portelinha noted this account being used to pay for utilities for the Old South End Schoolhouse. The additions at the train depot and 49 Beecher Street have added to the expenditures and we are currently \$2300 short. We under budgeted in that account, as well.

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

6. Transfer \$3,500 Town Hall - Telephones

Ms. Portelinha explained we've been budgeting \$11,000 the last few years for this account and it is definitely higher with the additional back up phones and emergency lines. The actual costs are higher based on the number of lines we have.

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

7. Transfer \$1,517 Fire Hydrant - Rental

Ms. Portelinha stated we increased the number of fire hydrants in town. We currently have 1,408. At the time of budget, we budgeted a lesser number. We generally increase about 10 to 15 per year and we had about 20 so we are short \$1517. It is \$36.50 per hydrant.

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

8. Transfer \$5,000 Highway - Overtime
 Transfer \$6,000 Highway - Utilities
 Transfer \$35,000 Highway - Equipment Maintenance
 Transfer \$1,000 Highway - Uniform Cleaning
 Transfer \$1,200 Highway - Building Mainitenance
 Transfer \$18,000 Parks - Utilities
 Transfer \$4,750 Parks - Overtime Pay
 Transfer \$849 Highway - On-call Pay
 Transfer \$630 Parks - Refuse/Recycling/Haz Waste

They are all transfers within the highway/parks groups of department outlined in the May 8th letter.

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

Mr. Brumback said this is a direct result of the previous highway superintendent running on the fly as he was going through with the snow & ice removal. The lion's share of these transfers are in order to readjust all of the accounts. Snow & ice removal is but one fund and a lot of things were taken out of that fund that more appropriately and in a slower paced environment probably wouldn't have. All these adjustments are associated with putting those things right.

I don't have the ability to tell you why these funds are available is because the new supervisor of the highway department does not know the history as to why things got moved the way they were.

The Chair noted it is a net zero action. All geography within the account.

Ms. Portelinha explained the highway department utilities; I found the same amount was being budgeted each year similar to how snow & ice was treated. He has come back over previous years for money in this account. This year they're coming back for \$6,000.

As to the parks department, for some reason it has been slightly underfunded as opposed to what is actually required. Explained.

These buildings were not included in the efficiency assessment as they were too small noted Mr. Brumback in response to a question by Mr. Pocock.

Motion passed unanimously on a voice vote.

Executive Session: Personnel

See earlier in the Agenda.

Meeting Adjournment

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

(Whereupon, the meeting was adjourned at 8:20 o'clock, p.m.)