

Town of Southington
Board of Finance
Wednesday, September 9, 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.....	\$	0
Approved this meeting.....		<u>0</u>
Total Appropriations.....	\$	0

Appropriations with Revenue Offsets:

Approved to date.....	\$280,518
Approved this meeting.....	<u>17,654</u>
Total Appropriations.....	\$298,172

Vice Chairman Joseph Labieniec called the Regular Meeting of the Town of Southington Board of Finance to order at 7:01 p.m. in the Council Chambers of the Town Hall with the following members in attendance:

Edward Pocock, Jr., Kevin Beaudoin & James Coleman, Sr.

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

Absent: Chairman John Leary
Sandra Feld

A quorum was determined.

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

JOSEPH LABIENIEC, VICE CHAIR, Presiding:

III. Public Hearing Items

None

Mr. Brumback introduced Mike and Debbie Finoia. Mike has joined us as the superintendent of the waste water treatment plant and the system. He comes from Fairfield. He has a tremendous amount of

responsibility and experience. We couldn't be more proud. One of the best hires I've ever made commented Mr. Brumback.

We wanted to introduce them to you because you are instrumental going forward with providing him the resources to do the job we're asking him to do.

(Introductions)

Mr. Finoia responded he is very happy to be here.

IV. Old Business

1. Approval of Minutes from the meeting of July 29, 2015.

Mr. Pocock made a motion to approve the Minutes as presented. Mr. Beaudoin and Mr. Coleman seconded. Motion passed unanimously on a voice vote.

V. Assess current financial state of the town

1. **Review revenue vs budget**

Ms. Portelinha explained we are two months into the fiscal year. To-date our prior year's tax collections are \$20,000 over budget. Building permits and fees are currently about \$30,000 under budget. We had a slow couple of months.

Our interest on investments is \$35,000 above budget. Our town clerk fees are approximately \$15,000 over budget.

We received our CIRMA equity check, which wasn't budgeted for, so we are \$39,000 to the good with that.

2. **Review expenses vs budget**

As far as expenditures go, we are pretty much on schedule. No issues I am aware of at this point.

3. **Sub Committee Reports (Emphasis on financial aspects)**

- A. **Sewer Committee**

Meeting was cancelled.

- B. **Public Works Committee**

Mr. Coleman said there was nothing to report that affects this board in any way.

Mr. Brumback offered for consideration that at the last meeting we went out to bid for the Memorial Board and the parks renovation. We got zero bids. We went back out the second time and got three bids, only one of which was even remotely close our budget and actually it was over our budget. Explained the numbers.

We're in the process of negotiating with the low bidder to see if we can't work through that. We may have to end up delaying the project as we are running out of time. We wanted to do the demo this construction season and construction prior to opening the pool next year.

We may have to pare the scope down to get done those things that are essential to get done. Or do it next year.

Discussion of the scope of the project. The most important is the redo of the equipment, pool and all of the chlorination facilities, et cetera. We've got a splash pad with some reconfiguration going on it. Bathroom work. It's a facelift to a park that hasn't had a facelift in 15 years.

C. Middle School Building Committee

Mr. Pocked noted fingers are crossed. It's running real tight. The Deputy Town Manager/Town Attorney said it best: we are still in the second row of the shopping aisle at the grocery store. People are coming in and wanting things. We are running right into a good spell.

This Sunday, the 13th at 1:00 pm we start at JFK and we have an open house. At 3:00 pm we'll be at DePaolo. Hopefully we'll have a decent turnout. Chris Palmieri announced it at the Town Council meeting. He's keeping people informed of what is going on. I stay in the background and try to get things done that have to be done.

D. Open Space Committee

Nothing to report by Mr. Pocock. Little stuff going on but no major stuff.

E. Self Insurance Committee

Just one month into the year. We were \$5,000 under budget and 8% over prior. I think our budget this year was 14% over prior. Very early on. Nothing out of the ordinary for July.

F. Gura Building Committee

It's continuing to make progress. Slow and steady. They put in the windows and the elevator.

G. Investment Committee

Our interest income is up. The quarter ends this month. We'll get an update on all the investments and be prepared to report on that next month with the quarterly report.

H. Parks Board Liaison Report

The lights are up and working on the soccer field. Looks nice.

I. Economic Development Strike Committee

No meeting to report on.

J. Other Committees

Nothing to report.

4. Board Communications

Nothing.

VI. Public Communications (Excluding Public Hearing Items)

Arthur Cyr, 103 Berlin Avenue spoke. He praised Ed Pocock for the fact that the Town has either come in on or under budget for a \$90 middle school program is amazing. The scope of excellence in this middle school project is outstanding. We have a great general contractor in Newfield Construction.

And, I give credit to the Middle School Building Committee. In addition to Mr. Pocock and Mr. Palmieri, we have BOE members on there. But we also have laypeople that have asked the hard questions and made the architects and contractors toe the line and change thing.

I believe they are at the punch list stage in the project. I intend to go to the both open houses on Sunday.

This is an absolute testament to the people involved. Emilia's assistant has kept track of the spending for the committee. Hundreds of people putting in their best.

When it is all said and done we will end up pleasantly surprised. A well deserved thank you to everybody involved.

Mr. Pocock added he appreciated the comments, but he has a great committee. I have great people starting with the town manager, assistant town manager, Mark, his staff in his office, Emilia. Christina has been outstanding. You fill in with other people and it's been one good ride so far. I hope we can see the end real quick.

VII. Review Long Range Plan and Priorities

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

A. Status /Reprioritizations**B. Strategy Discussion - Cyber Security**

Mr. Brumback started by saying Ms. Portelinha contacted our insurance broker to see what the market was for cyber security. Municipalities aren't necessary a prime target but they have been targeted.

We're also not great risks because we don't do the kind of investments in technology because we don't store the kind of stuff that businesses do. We don't keep credit card information. Most records we have are publicly available, anyway.

It's almost a waste of hacker's time unless they want to do damage because the information of FOI-able with just a few exceptions.

With that as background, we had only one quote of the five or six companies we solicited quotes from. They didn't seem unreasonable but they aren't cheap. For a half million dollar limit and a \$25,000 deductible, it's about \$8,000 and for a million dollar limit and a \$25,000 deductible it's about \$13,700.

We recognize there is value in having the protection. We'll comply with the pleasure of the board understanding this also has to go to the town council.

Mr. Labieniec stated of the several companies that were solicited and declined to submit, one of those is the company that I work for. Am I fine to be in this conversation and vote on this? It is not my company quoting, obviously, but it is mentioned here. Mr. Brumback confirmed it is not his company quoting and there is no conflict.

Several questions by the commissioners resulted in a discussion on pros and cons of the insurance. The broker did not see that there was a substantial risk so he wasn't inclined to champion it. There is no rational justification for not having it. Towns have been hacked before and there is no harm in having it.

Mr. Coleman asked about the damage that was done when the town was hacked. Mr. Labieniec explained there are two parts. You have the first party potential exposure which is if you are hacked you have the notification and the credit monitoring you need to provide. Beyond that, you have the third party liability as well and that's difficult to determine because it would depend on what type of lawsuit is brought against you.

Discussion.

Discussion of "Life Lock".

Discussion of the offering of credit monitoring and the cost associated with that.

Forensics cost and a breach consultant are needed.

As to third party exposure it could be whatever scenario it is.
Discussion.

If the remedy is we need all new servers with upgraded malware and spyware that would still be on top of this cost.

Discussion.

AIG's program was discussed and what was included with the policy.

Mr. Pocock said we need to look at this and I would like to have the whole board here when we do. And, it would be good to have the broker get a copy of the policy form and all the endorsements.

Also, they should have no issue with extending the quote for another month or two as it expires October 1st. We should look into that.

Mr. Pocock made a motion to table the item which Mr. Coleman seconded. Motion passed unanimously on a voice vote.

VIII. Conduct Administrative Business

1. Consent Agenda

- A. Appropriation \$10,000 * TURF Fund - Contracted Services
See below.
- B. Appropriation \$1,590 * Youth Services - Outside Programs
(Spec Rev)
- C. Appropriation \$ 70 * Youth Services - STEPS Donations (Spec
Rev)
- D. Appropriation \$2,175 * Youth Services - Juvenile Review Board
Grant (Spec Rev)
- E. Appropriation \$4,000 * Town Clerk - Document Preservation
Grant (Spec Rev)
- F. Appropriation \$2,428 * Police Dept - Vehicle Maint -
Loss/Damage (Spec Rev)
- G. Appropriation \$17,654 * Education - Building/Facilities
Maintenance

Ms. Portelinha noted these all monies that were received.

Mr. Beaudoin made a motion to approve the Consent Agenda, B thru G. Mr. Coleman seconded. Motion passed unanimously on a voice vote.

A. Appropriation \$10,000 * TURF Fund - Contracted Services

Ms. Portelinha explained the turf fund was set up for maintenance of the field as well as replacement in the future. Mr. Beaudoin noted it appears that they have only raised about \$1,000 in fundraising so far. There is other money but it has to do with the leagues paying which is a policy.

The fundraiser is a brick fundraiser. In 2015, they raised \$1,125. But last year they raised \$4,375.

Discussion.

Mr. Beaudoin was concerned about the fundraising amount.

Mr. Labieniec added the fund was supposed to grow through the savings of the maintenance of the BOE. A lot of discussion and discrepancy about the number. The BOE contribution here of \$25,000 -- - forget the amount of money and say a big part of the funding of the turf fund replacement ultimately was going to be through BOE savings which they were going to pass along. That is represented here along with the fundraising. The fundraising was initially earmarked for upgrades and things like that. The savings on maintenance in the BOE budget was going to pay for the replacement of the field which was the biggest concern.

Discussion.

Mr. Brumback said Mike DeFeo is Chairman of that committee and we'll invite him to come here at the next meeting.

Discussion of the \$10,000 in the budget and how much was actually needed for expenditure. Approval procedures, checks and balances and internal controls for this money were discussed.

Mr. Beaudoin made a motion to approve the item for \$10,000. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

2. Manager's Memos

1. Recommendation for Town's Cyber Liability Coverage

See discussion previous.

Meeting Adjournment

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

(Whereupon, the meeting was adjourned at 7:28 o'clock, p.m.)