

BOARD OF FINANCE
TOWN OF SOUTHLINGTON
February 8, 2017

The Board of Finance of the Town of Southington held a Meeting on Wednesday, February 8, 2017 at the Town Hall Council Chambers, 75 Main Street, Southington, CT. John Leary, Chair, called the meeting to order at 7:23 o'clock, p.m.

Approved to date\$202,030
Approved this meeting..... 3,000
Total Appropriations.....\$205,030

Appropriations with Revenue Offsets:

Approved to date\$1,224,297
Approved this meeting..... 0
Total Appropriations.....\$1,224,297

The following board members were present:

John Leary, Edward Pocock, Jr., Kevin Beaudoin, James Coleman, Sr., and John Moise

Staff: Garry Brumback, Town Manager
Emilia Portelinha, Director of Finance

Absent: Joseph Labieniec, Board Member

A quorum was determined.

Pledge of Allegiance to the American Flag

III. Public Hearing Items

None this evening.

IV. Old Business

1. Approval of Minutes of January 11, 2017 meeting.

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

V. Assess current financial state of the town

1. Presentation of Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2016 by Vanessa Rossitto, Partner for Blum Shapiro & Company P.C.

Postponed at the request of the Board of Finance to the next meeting.

2. Review revenues vs budget

Ms. Portelinha reported the budget for prior year taxes were about \$180,000 over budget. Interest on taxes about \$70,000 over budget. Interest on investments about \$90,000 above budget. MRSA sales tax sharing has an extra \$100,000. Town Clerk fees were about \$110,000 over budget. We have about \$17,000 in the CIRMA Equity. Education Cost Sharing, currently we anticipate being about \$150,000 under budget. We still are unsure about the LOCIP, so we're projecting we are not going to be receiving that which is \$283,000.

3. Review expenses vs budget

As far as expenditures go continued Ms. Portelinha, we are not anticipating at this point having any expenditures where we will have an over expenditure that'll be significant. Obviously, the one unknown is the weather. Snow and ice always seems to eat up some of our contingency account.

Mr. Brumback explained this winter we haven't used contractors a lot but we are going through a lot of material because of ice and slush. We're not in bad shape at this point.

4. Review Capital Projects in Budget (Quarterly)

We review this quarterly.

5. Subcommittee and Liaison Reports (Emphasis on financial aspects)

A. Sewer Committee (John Moise)

Meeting was cancelled. Nothing new from last time.

Mr. Brumback announced we do have a permanent Superintendent at the Wastewater Treatment Plant. Very happy to

announce his name is Peter Stallings. He was serving as the interim. He was a consensus select by the whole committee. He's on duty and ready.

B. Public Works Committee (Ed Pocock & Jim Coleman)

Mr. Pocock reported parks and recreation has combined at the DellaBitta Drive location. A good move. The renovations down at the highway garage are going smooth. The phase where the offices are should be nearly done and they'll move down to the locker rooms, bathrooms, et cetera. We've had some little storms and they've been out there and have done a really good job. It's a great team.

C. Calendar House Building Committee (Garry Brumback)

Mr. Brumback announced a bid opening this past week and we received 27 bids. It'll take a little while to evaluate them. First impressions are good. It wasn't 27 companies bidding for the whole project, but it was 27 bids as the project was broken down to try to encourage smaller companies to compete as well as larger companies. We were happy with the turnout. To be determined how it works out, but we hope it will go really well.

D. Open Space Committee (Ed Pocock)

Nothing new to report.

E. Self Insurance Committee (Joe Labieniec & John Moise)

There hasn't been a meeting since the last BOF meeting so there is nothing to reported advised Mr. Moise.

F. Investment Committee (Jim Coleman & Kevin Beaudoin)

This is reported quarterly. We will report at the end of March.

The Chair noted credit should be given to Mr. Beaudoin for setting that all up in year's past in his earlier terms on the BOF saying we out to invest our cash and be more prudent and it is paying interest in dividends for our town. Mr. Coleman did add we have some CDs rolling forward this year and rates are higher, so we expect revenues to be higher than last year.

G. Parks board Liaison Report (Kevin Beaudoin)

Nothing to report.

H. Economic Development Strike Committee (Jim Coleman)

Mr. Brumback explained we are fortunate to be active in the Town of Southington. We are bringing forward to the town council eight tax abatements recognizing new companies coming to town. On West Street, Michaels, Home Goods and CHIPS is well on their way to being done as is a hotel just a little further up the road.

Further, I am happy to report the Grand List came in at 1.12 percent which was very, very good relative to the communities around us. In dollars, that equates to \$1.3 million in revenue.

The Chair explained for the public exactly what that means to the town is \$1.3 million tax dollars will come into the town which is not paid by the folks who paid taxes last year. This is new property being taxed.

Discussion.

It was noted that Lou Perillo does a great job.

Discussion of the new state numbers provided which impact Southington both for the board of education and the government side.

I. Other Committees

Nothing to report.

6. Board Communication

Mr. Moise brought up a few:

- The ice skating rink. They are moving it over to Memorial Park. I researched this and I remember in the beginning it wasn't costing the town a dime, as usual. Then I see in the article it will eliminate maintenance costs, et cetera. The question I have is what did the town pay through the parks department for the ice skating rink, that was not going to cost the taxpayers a dime. When there were holes in it, they had to fix it. Who fixed it?

Money was donated from what I understood to begin with. It may have been a great thing. The weather never cooperated.

I see this article that it is closed. Driving down Mill Street, I see fifteen people on the rink on Sunday. What's going on here?

Mr. Brumback explained the article is wrong. It was never intended to be open until next winter. This winter we had to prep the pond, set up the rink and it was always going to be next year.

Mr. Moise said he wanted clarification on this because he doesn't like: it doesn't cost us anything, this is free. Nothing is free. I know the fire department volunteered some time with the water --- that was sanctioned. But in the grand scheme of things, there are costs through the parks department for the maintenance of this area. I'd like it for the last three or four years.

Mr. Brumback said he would provide that information.

- Secondly, I read the article about the fire department's acting fire chief who is going to be paid the same as the retiring fire chief. My question is: where are they getting the money from? Are they coming to us for an appropriation after the fact? Mr. Brumback said the fire commission did not consult him.

And, they're going to be searching for a new fire chief. Reports have it they are going to use an outside source at a cost of upwards of \$60,000. That is insane! I, for one, will not support that on this BOF. We have other ways of getting someone that is qualified and can do job in this state or surrounding states. You are a perfect example of that. We didn't hire a search firm to find you --- you found us. It all worked out. (Mr. Brumback expressed thanks.)

I just want to make sure they're on notice, don't come to this board because I am not going to support this.

Mr. Pocock added he totally agreed with Mr. Moise on this. Mr. Brumback is the prime example and we can see the results. I feel the same way. I am not in agreeing with making an acting chief when you've got an assistant chief. I don't agree with the fire commission on that and I am not afraid to openly say that. It's not the way to do business, bottom line. The commission is at fault. I can't support this.

Mr. Moise said in looking through the budget, he can't find where they are going to get this money.

Mr. Beaudoin questioned the fire commission approving this expense without going to the town council.

Discussion.

Transfers and appropriations were brought up. Mr. Brumback said if you deny the transfer, that is problematic. If you deny the increase, then they have to find the savings within their budget.

Mr. Moise said he would be more than willing to be on the search committee. I have knowledge of the situation. They can watch this meeting on video and read our Minutes. They need to communicate with us like the board of education does.

The Chair explained the organizational chart. (Refer to video.)

- The Chair informed Ms. Portelinha the board would like to switch the March 29th meeting to March 22nd wherein the BOF would recommend the budget.

Another complete collaboration meeting with the board of education and the board of finance will be set up. The Chair and Mr. Goralski will set that up. It will be open to the public to attend.

Discussion of possible dates for workshops, et cetera.

The public hearing for the board of finance budget is Monday, March 6th at 7:00 pm at DePaolo Middle School.

Mr. Moise had one more item:

- We lost another representative last week, Representative Ann Dandrow passed away. She was a former Council Chairperson and State Rep for quite a few years. She led the way on special ed needs that had a positive national affect. Just like to have a moment of silence for Ms. Dandrow.

(Moment of silence)
(Moment of silence)

Mr. Coleman brought up the letter from Tim Connellan on the new procedures for handling cash within the school systems. I haven't seen anything and I asked at the last meeting if we were going to get a listing of the families that paid with a check that were sitting in the safe and if we could identify who they are. The thought process and assumption being that some families paid cash and some paid with checks. We'd like to know who the families are.

Also, there is a timeframe where the checks are non-negotiable and the families would still owe the school system, I would think.

Mr. Goralski responded there has been a lot of conversation at this podium and others about those matters. This is the first time

I've been asked by somebody to address it. Mr. Connellan or Ms. DiNello could've also explained, but we were not invited to any meeting.

I came today for this reason. There was no lost money because of checks. There was some failure to follow our procedure practices and that's been acknowledged. The memo you received on December 16th from Mr. Connellan referenced procedures that went into place immediately following the release of the police report. We have a practice that we're proud of and we trust our professionals. When the SPD is investigating something of that nature, we are not going to address it until we get the facts from the SPD.

We had been polishing and improving our practices right to that point. The procedures mentioned in that memo are in place now.

There were no checks lost. Everything has been squared up by one of our staff members.

Mr. Coleman asked about those that might be non-negotiable. Mr. Goralski explained that is a rumor.

Mr. Coleman thanked him for taking the time to put the new procedures together. A good thing.

Mr. added that when he states a fact, it is not a rumor. I had that on very good authority that there was \$60,000 worth of checks. Mr. Goralski agreed. Mr. Moise also added that the checks were over 90 days, some of them but not all of them. Nothing was lost and nobody said anything was lost. The fact of the matter is you went back to every one of these families and they wrote another check. Is that what you are saying?

Mr. Goralski responded that was not necessary. The information to me was that during the process of depositing the checks, there were no issues with deposits. It is my understanding all the checks were deposited.

Discussion.

Mr. Goralski offered to get more specifics for the board if necessary. We're always happy to provide follow up.

Mr. Coleman said he was concerned that if some families paid cash and some paid by check, then for some reason the checks were not cashed, we'd like to have the confidence in knowing that all families whether paid by cash or check, they all paid. Mr. Goralski will follow up through Ms. DiNello's office to Mr. Leary.

Mr. Moise brought up another thing. You talked about communication and respect. With communication, it is a two-way

street. When we as a BOF or a member are watching this on the news that \$90,000 is reported missing, et cetera. People don't understand the difference between the BOE and the government. Knowing this, in the future for communication purposes I hope we get some kind of an email as a BOF so we understand what is going on. I felt we were blind-sighted. Mr. Goralski said whenever you ask for information, he is more than happy to follow up.

Discussion.

Mr. Goralski said he did not have knowledge of the matter until he read the police report.

Discussion.

Mr. Moise pointed out a few years back when the audit was done, an issue was found with the activity account. At that point the policy was sharpened. Obviously, there has been a lot of new changes over there, but I hope in the future that when the changes come about this part of the procedure for the town or the board of education.

Mr. Goralski said when we have procedures in writing, our expectation as a board of education is that those procedures are followed. I believe this is an isolated incident.

Discussion.

VI. Public Communications (Excluding Public Hearing Items)

Arthur Cyr, 103-105 Berlin Avenue. Explained he did not make up a darned thing he has said in the last two months.

Addressing the budget, he explained this goes back to way it was done before. Present a higher number, he BOF slash it, and then it is a lower budget. They said they presented a \$4,790,000 increase and we pared it back to only a \$2,683,751 increase.

I'm tired of hearing these are their needs. These are their wants.

When the Governor hits us with increases and we have pay a couple of million dollars more, we should turn around and cut the board of ed.

We no longer have fairy tale budgets in this town. But they still have the fairy tale budgets where the status quo is maintained and we can't do without this or that. If they laid off five or ten people and cut a couple of programs, they could come back with a zero-budget increase.

The taxpayers are going to take it on the chin.

VII. Review Long Range Plan and Priorities

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

2. Strategy Discussion- Status of the State Budget and Possible Additional Revenue Cuts

This was covered with the presentation of the board of education budget earlier this evening.

IX. Conduct Administrative Business

1. Consent Agenda

A. Appropriation \$2,275* Highway Dept - Property Maint - Loss/Damage (Spec Rev)

B. Appropriation \$14,625* Engineering - Clean Energy Communities Program (Spec Rev)

C. Appropriation \$1,960* Capital Fund - Widen, Resurface & Drainage
Appropriation \$3,607* Capital Fund - Widen, Resurface & Drainage

D. Appropriation \$4,760* Town Clerk- Program Svcs - Nominee Fees (Spec Rev)

E. Appropriation \$980* Youth Services - Outside Programs (Spec Rev)

F. Appropriation \$291* Youth Services - STEPS (Spec Rev)

G. Appropriation \$2,908* Police Dept - Vehicle Maint-Loss/Damage (Spec Rev)

Mr. Coleman made a motion to approve the Consent Agenda. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

2. Manager's memos

1. Transfer \$800 Building Dept - Temp/Seasonal

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

2. Transfer \$9,000 Library - Building Maintenance
Appropriation \$3,000 Library - Building Maintenance

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

X. Meeting Adjournment

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

(Whereupon, the meeting was adjourned at 8:07 o'clock, p.m.)