

BOARD OF FINANCE
TOWN OF SOUTHLINGTON
JUNE 13, 2018

The Board of Finance of the Town of Southington held a Meeting on Wednesday, June 13, 2018 at the Town Hall Council Chambers, 75 Main Street, Southington, CT. John Leary, Chair, called the meeting to order at 7:00 o'clock, p.m.

Appropriations from Contingency Account:

Approved to date (General Contingency).....	\$ 553,841
Approved to date (Fire Overtime).....	500,000
Approved to date (\$3m Contingency).....	2,150,000
Approved this meeting (General Contingency).....	25,482
Approved this meeting (Fire Overtime).....	0
Approved this meeting (\$3 M Contingency).....	850,000
Total Appropriations.....	\$4,079,323

Appropriations with Revenue Offsets:

Approved to date.....	\$3,225,057
Approved this meeting.....	134,388
Total Appropriations.....	\$3,359,445

The following board members were present:

John Leary, Joseph Labieniec, Edward Pocock, Jr., Kevin Beaudoin, Tony Morrison & Susan Zoni

Staff: Mark Sciota, Interim Town Manager
Emilia Portelinha, Director of Finance

III. Public Hearing Items

None this evening.

IV. Old Business

1. Approval of Minutes of the May 16, 2018 meeting

Mr. Beaudoin made a motion to approve the Minutes as submitted.
Mr. Pocock seconded.

Mrs. Zoni offered discussion. She called attention to the Verbatim Minutes that were given to us and there was a point in time where Mr. Moise said through the council they have to approve it when he was discussing the SAFER Grant. So, they have to go through them.

What he asked for is if you had support for that and send that to the council, that'd be great. I know it is not a vote. It is just a recommendation.

Chairman Leary said well we could have it in vote form in the form of a recommendation. Would anyone like to make a motion.

Then we went through the issue that it was a special meeting and we could not have a motion.

At no time did this board vote on this, make any kind of recommendation. We simply moved it to the council. This is a clarification, we moved it to the council.

However, after that point, Mr. Moise took this to the Board of Fire Commissioners and their Minutes say:

Commissioner Moise discussed the grant application process as prepared by B.C. Heath and that the Board of Finance has endorsed it which will be reflected in their May 16th, 2018 meeting Minutes.

That to me, is an obfuscation of procedure. He knew that our procedure did not include adding something to the agenda. He asked us to make a motion. I remember clearly him saying he'd like a motion. He knew that we cannot add a motion to an agenda. That is an obfuscation of procedure.

For him to tell the Board of Finance (sic) that it was endorsed is a blatant misrepresentation. It questions our integrity. I do not like the concept that the integrity of this board would be challenged. It challenges his integrity by changing it from moving it to endorsing it. Endorsing indicates that we approved it and we did not vote to approve or reject.

Thank you.

Motion to approve passes on a majority voice vote.

New Business

V. Assess current financial state of the town

1. Review revenues vs budget

Ms. Portelinha reported the prior years taxes are currently \$200,000 over budget. Our interest on taxes are \$65,000 above budget. Building permits & fees are \$85,000 above budget. Our interest on investments are now half a million-above budget, which is really great. Town Clerk fees are about \$200,000 above budget. The rest of the items have been discussed repeatedly over the last several months. Basically, they are the reductions in the state grant with the exception of the Municipal Stabilization Grant which we wound up getting a little bit more. It is a net of \$332,000.

2. Review expenses vs budget

Ms. Portelinha pointed out that currently the only item we have is the fire department overtime that we will be addressing later in tonight's meeting. The snow & ice has resolved itself. Hopefully, the accumulated payout has as well.

3. Review Capital Projects in Budget (Quarterly)

This will be done at the July meeting. Mr. Sciota explained overall our road projects are moving forward thanks to this board and the council. We added three roads based upon your approvals. Some board members will talk about where we currently are and we are still looking to go out to bid with the biggest capital project and that is going to be the water pollution control plant.

Mr. Sciota continued. Kudos to the chairman of the investment committee and the committee. They've done a fabulous job. As to the history, we didn't always do this. Kevin Beaudoin originally suggested it and the BOF moved it along and supported hiring a treasurer and cash flow forecasting.

I want the public to know that we didn't always do this but this is where it pays off. We are half a million above our expectations. There are a lot of people to thank. It started with this BOF.

Mr. Beaudoin thanked the finance department as they're the ones that have seen it every single day and talking to the investment advisor on an ongoing basis. It's really her job and she's done a great job. People don't realize it is her work.

The Chair clarified it is good to see. We are talking about \$500,000 over budget on idle cash being invested. And, we have the highest Rainy-Day Fund we've ever had, too. That probably is in there contributing to the asset pool that makes up the interest. It's all good.

4. Town Council Sub Committees (Emphasis on financial aspects)

A. Sewer Committee (Tony Morrison)

The committee hasn't met since our last meeting. They meet tomorrow. A report will be given at the next meeting.

B. Public Works Committee (Ed Pocock & Susan Zoni)

Mrs. Zoni reported on a few things. The highway garage bids were too high, so they were trying to figure out what they can do with that.

- The tanks we are moving along on.
- The drive-in sign for the community is completely paid for by the drive-in committee.
- Electrical is out for quote. It will also be paid for by the drive-in committee. No town funds.
- Electrical quotes for the Town Green are posted now. The bids are open. Half is being paid by the Apple Harvest Festival and the other half is being split by Lou Perillo's office and the parks department in budget money already there.
- Pavers are ahead of schedule. They're using Phase II money right now in Phase II. They're ahead of schedule and will likely begin Phase III pavers with Phase II money.
- Bids for water mains are going out soon.
- Hoping to fix roads with additional money from there.
- Another leak on Mulberry Street which is going to cost more money.

Mr. Pocock added:

- At the bulky waste station, one weekend on a Saturday we had a thousand plus cars. That's a lot of cars.
- Curtiss Street, Hart Street, Kane Street trail intersection is done. Everyone is adhering to the pattern that is set up there.

C. Calendar House Building Committee (Mark Sciota)

Mr. Sciota advised we are still on schedule. We are going to finish in August and have an official grand opening in September which you will be invited to.

D. Open Space Committee (Ed Pocock)

Mr. Pocock noted the railroad station is open on Canal Street.

- The splash pad is in up at the pool at Memorial Park.

- Crescent Lake is a big area for us.
- We are planning another trimming on the Korin property which comes off of Copper Ridge and goes across the top leading over to the YMCA.

Anything else was regular business.

Discussion of the meadow on the Upson property. That is under the jurisdiction of the Farm Heritage Committee. It is a 4.5-acre parcel which is leased to the Carmody Farm and they have corn planted there.

E. Self Insurance Committee (Joe Labieniec & Kevin Beaudoin)

Meeting scheduled for next week and a report will be given at the next meeting. That's the end of the fiscal year.

F. Committee of the Chairs (John Leary)

No meeting held as there wasn't enough active on the agenda. It'll resume next month.

5. Board of finance Sub Committees and Liaison Reports
(Emphasis on financial aspects)

A. Investment Committee (Kevin Beaudoin)

Mr. Beaudoin reported nothing further than the \$500,000 mentioned earlier. We give quarterly updates, so next BOF meeting he will have something.

B. Liaisons to Board of Fire Commissioners (Ed Pocock & Kevin Beaudoin)

Mr. Beaudoin noted there will be a discussion later in the agenda.

C. Other Committees

Nothing this evening.

6. Board Communications

Mr. Morrisson clarified a couple of meetings ago the furlough day was not gone through with as part of the deficit mitigation plan. He had a problem with that. He found out that actually it was the union leadership that made that call. The union membership, teachers in town, did not. They didn't vote on it. No polling of the membership. The leadership just decided which means we have to transfer taxpayers money, et cetera.

I am not too pleased with the way union leadership acted in that case. I think we pay our teachers well. They are paid above average for the state. I think the teachers would have voted for that.

It is something to look for in the next budget season.

Mr. Labieniec brought up the question, for the 2019-20 budget, do we want to keep the September or October meeting short and have a workshop following that meeting not to talk about the budget specifically, but more the approach. What our assumptions are going to be, how we deal with workshops and in general what we want the process for the 2019-20 budget to be. I think it would be worth of a discussion.

The Chair agreed to do it. He asked that when we do our September agenda, we will do it meeting followed by workshop. Just this board, the finance director and town manager. We will talk through what we want it to be. He will put together a current state, future state and look at it to see if there are tweaks we want to make. We'll do them upfront. That is something Mr. Morrisson made in his first observations asking about the process and if changes could be made. A little frustration was there because things were already in motion. Good idea.

Mr. Sciota said he would like to do the same thing in December as we'll have the new legislature and new governor in place.

Discussion.

Mr. Pocock agreed. He noted he had suggested a couple of ideas as well and it doesn't appear as though they went anywhere. I believe there could be substantial savings. Having something in September and December is really important to do.

The Chair also noted we could bring up for discussion a multi-year approach which we have talked about previously. Looking ahead and doing more strategic budgeting. A little broader approach.

VI. Public Communications (Excluding Public Hearing Items)

John Moise, 238 Stonegate Road, speaking as a Southington Board of Fire Commissioners.

In regard to earlier conversation, I want it to be known at this point that I had called Mr. Leary the day after the meeting and texted him and asked that the part of the SAFER Grant discussion was prepared verbatim so that we are not misconstruing anything that was said.

Unfortunately, the fire board doesn't have Verbatim Minutes. I will get the Verbatim Minutes to clarify what was and was not stated.

I did not, repeat, did not state as Mrs. Zoni said, that you supported the SAFER Grant. You never voted on it. It was supposed to be a recommendation and that could not be done because it was a special meeting. I clarify that for the record.

I don't obfuscate my responsibilities whatsoever. I don't get up here and tell lies to this committee. Okay? I want to make sure that is clear. My reputation. Mine. I will never do that. I have never done it on the board or any other place. I will not do that for this.

Thank you.

VII. Review Long Range Plan and Priorities

1. Review status of LRP items in current fiscal year budget
 - A. Status / Reprioritizations
2. Strategy Discussion

September and December meetings.

VIII. Conduct Administrative Business

1. Consent Agenda

A. Appropriation \$7,646 * Highway- Property Maint-
Loss/Damage (Spec Rev)

Appropriation \$9,586 * Streetlights - Property
Maint- Loss/Damage (Spec Rev)

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B. Appropriation \$27,246 * Police - Vehicle
Replacement - Loss/Damage (Spec Rev)

C. Appropriation \$134,388 * Board of Education -
Operations

D. Appropriation \$262,769 * Capital Budget - Town Aid
Road

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

2. Manager's memos

1. Transfer \$7,507 Police Dept - Vehicle
Maintenance

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

2. Transfers \$25,853 Capital Fund- Fire Pumper Truck

Mr. Sciota advised this is the one he had frozen last year as part of the deficit mitigation plan. Based upon the unfreezing of this, it gives me the ability to purchase the truck. The truck is \$643,834.

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

3. Appropriation \$850,000 ^ Board of Education - Operations

This is the last stage of the \$3 million. The town received its portion.

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

4. A. Transfers \$150,000 Capital Budget - Town Wide IT
infrastructure

B.	Transfers	\$130,000	Capital Budget - J Weichsel
Municipal Parking Lot			
C.	Transfers	\$143,100	Capital Budget - Vehicle
Replacement			
D.	Transfers	\$50,000	Capital Budget - Highway/Parks
Rebuild 2005 Loader			
E.	Transfers	\$52,000	Capital Budget - Highway/Parks
Truck Body			

Mr. Sciota advised as part of the budget approved by this BOF and the Town Council, we have capital that we are going to be using and doing projects in the next fiscal year as part of the budget reallocation of this fiscal year these items will be removed based upon savings, most of which are salaries and programs. Putting that into capital, we are able to do \$525,100 in projects.

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

5.	Appropriation	\$21,022	Fire - Overtime
	Appropriation	\$ 4,460	Fire - Volunteer Firefighters

Chairman Bunko and Mr. Moise are here on behalf of the Fire Commission. Chair Bunko explained this represents what we believe is the final request for appropriations. With respect to the overtime account we are looking for \$21,021.09. You have the backup data in front of you.

And, also a minor shortfall in the volunteer firefighter budget line in the amount \$4,452.75. We currently are doing an all call for any fire emergency for our volunteers to come out and participate. We're trying to get everybody out in an appropriate response time.

Hopefully, that'll take us through the end of the year.

Mr. Moise addressed the overtime issue. I want to thank this board. It has been a long year and we're at the end of this. I hope we all learned some different issues about the fire department and the overtime and the department in general.

Again, we'll still be communication through the months ahead to be sure you are aware of stuff and are not blindsighted at the end of the year.

If you have any questions ever, please don't hesitate to call or contact the commission.

The Chair stated that at the beginning of the year when we did this it was a little controversial. The whole overtime. It caused mixed feelings on both board. Members of this board said we know what it is, we ought to budget it. Prudent budgeting. Why hold it back, why force an issue.

I can't speak for the commissioners but probably some members of the fire commission said what is the BOF doing? It started out in an interesting manner.

I have to say to Chairman Bunko and the board; the communication has been excellent. Our liaisons, Mr. Beaudoin and Mr. Pocock, would agree that our communication has never been better. What turned out as questionable as to why are they holding it back and what are they doing it, it turned out to be a path towards some great communication. I think we've all learned a lot about the fire service.

From going through the chief selection process and hearing what constitutes overtime, what is a call back, when do they call, what's going on at dispatch. All of those issues plus all communication, I just want to say as chairman of the board I am appreciative of where we've come with something that started out we were rolling our eyes as to what we were doing collectively on Day 1. I turned out to be a great year in understanding and working together.

The results were the results but the communication had never been better. Mr. Moise said we are going to continue that onward.

Mr. Beaudoin agreed that the fire commission did a good job communicating to us on the overtime. When we get the new fire commissioner (sic), he'll be lucky because he'll have this commission as a resource for this issue, which is an important issue going forward.

Mr. Pocock agreed. He sat at the meetings with Kevin and they learned a lot. We understand. The communications opened up. I'm looking forward to the new fire chief coming onboard.

Mr. Morrison said he hated to throw less than congratulatory stuff here. We may communicate very well, but nothing has changed. What we're asking for at the meeting tonight, if you look at the last three months, it is averaging out at \$37,282 in overtime per pay period.

Next year begins in July we'll be down to \$25,000. I don't see how we are going to get from \$37,282 to \$25,000.

The run rate is perilously close to what it was at the beginning of the year. One million dollars again. Are we going to have one-

million-dollar next year and over. That's the run rate we're running at right now.

My problem is, yes, we can chat back and forth but that isn't the same as changing things. Changing the process by which we run our fire department which will claw down the overtime. I haven't seen any. Obviously, we've seen any of the numbers.

So, I don't feel particularly happy going into next year.

Mr. Moise responded you will be happy once we get through the first couple of months with the new chief. With a lot of this discussion that we've had, a lot of things we looked at as what we could do better. Things will be better. I can promise you that much. One the overtime front, there are different things that we have talked about and will be bringing up with the new chief that he can facilitate. I can guarantee you, come September you will be happier than you have been.

I'll come back in September and we will have a chat.

Mr. Moise also thanked Mr. Morrison for all of his questions. A lot of good discussion, thoughts, different ideas that came up. Believe me, they are all heard and they will be acted upon.

Mr. Pocock made a motion to approve the \$21,022 and the \$4,460. Mr. Beaudoin seconded. Motion passed unanimously on a voice vote.

6. Tax Collector Tax Suspense List

The Chair pointed out the number is \$94,494. It is broken down as \$26,000 for motor vehicles, \$13,000 for personal property, \$51,000 for real estate and \$5,000 for supplemental motor vehicle. That totals \$95,000 on uncollectible.

Mr. Sciota explained these items currently are not in a collectible status and what that means. Kudos to the collection staff which is the Assessor's Office and Tax Department as our collection rate is very high. This amount is taken into account when we do our budgeting.

The Chair asked for a list of all who are not paying their property valued at the grand last and multiplied by the mill rate. Mr. Sciota explained it is a massive list as you are talking about all the elderly, veterans, tax abatements, et cetera.

Discussion.

He wants to know about anybody in town that is not doing that. I would like the board to have it. I have no problem with it but we as a board should know.

Discussion.

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

IX. Meeting Adjournment

Mrs. Zoni made a motion to adjourn. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

(Whereupon, the meeting was adjourned at 7:38 o'clock, p.m.)

* Represent funds received or to be received that were not budgeted. Therefore, no effect on Contingency.

^ Represents funds set aside in Contingency due to Sate Uncertainty.