

BOARD OF FINANCE
TOWN OF SOUTHLINGTON
NOVEMBER 10, 2020

CORRECTED MINUTES

The Board of Finance of the Town of Southington held a Meeting on Tuesday November 10, 2020 via teleconference. Joseph Labieniec, Acting Chair, called the meeting to order at 7:00 o'clock, p.m.

Appropriations from Contingency Account:

Approved to date.....	\$ 52,102
Approved this meeting.....	0
Total Appropriations.....	\$ 52,102

Appropriations with Revenue Offsets:

Approved to date.....	\$ 37,898
Approved this meeting.....	0
Total Appropriations.....	\$ 37,898

The following board members participated:

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

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

A quorum was determined.

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

A Budget Discussion Workshop will commence immediately upon the completion of the Board of Finance Regular Meeting.

III. Public Hearing Items

None this evening.

IV. Old Business

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1. Approval of Minutes of October 14th, 2020 meeting

Mr. Morrison made a motion to approve the Minutes as submitted. Mr. Beaudoin seconded. Motion passed unanimously on a voice vote.

New Business

- V. Assess current financial state of the town

1. Review revenues vs budget
2. Review expenses vs budget

Ms. Portelinha reported on four months into the year. Our interest on taxes are currently about \$50,000 under budget. Building permits and fees are about \$100,000 over budget. Interest on investments is about \$50,000 under budget which is expected considering the interest rate situation. Town Clerk fees are \$170,000 above budget. CIRMA equity came in \$44,000 under what we budgeted for a net of \$126,000 to the positive.

We have some revenues that are doing remarkably well that offset those that are a little bit slower.

As to expenses, there are currently not any expenditures that we are concerned with. No department has indicated they'll need additional appropriations, but we are four months into the year. So, hopefully, this will continue.

3. Review Capital Projects in Budget (Quarterly)

This report will be forthcoming next month. We had auditors for two weeks. But we did pretty well, we had them come in, spaced out for two weeks. They got more done than if they had done it remotely. We are now just providing them with information remotely.

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

- A. Sewer Committee (Tony Morrison)

Mr. Morrison said the meeting won't be until Thursday this week. Nothing tonight.

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

Mrs. Zoni said at the meeting there was very limited information at this time. Bulky waste is going to every other week schedule. Check on line. Leaf collection is in process in the northeast quadrant. Check on line for your quadrant and make sure you get your

leaves out. Please do not block the roadway. It is not legal to do that and we ask you to be caution that you don't get your leaves into the road.

C. Open Space Committee (Ed Pocock)

Mr. Pocock advised the council approved the purchase of the horse farm and a portion of it for open space which connects to a big parcel we have there.

Also, the same one is going to be purchased for the building rights.

There are a lot of things in the hopper, but nothing I can speak to at this present time.

Mr. Sciota added that Mr. Pocock is correct. We bought a two-acre parcel of the horse farm and took the development rights for the rest.

Last night, the council authorized the purchase of acreage off Sherry Court. That happened last night.

The open space committee has been quite busy.

As to the horse farm, they are going to run it as a horse farm and they do have the right to increase the size of the dwelling on the property in a building envelope. Other than that, it'll remain as is.

Mrs. Zoni asked what is going on with the Grosky property? At public works somebody was discussing some time in the future putting in water and electricity to this property which will come at a significant cost to the taxpayers. How is it planned to be paid for and what is the purpose of that to the property?

Mr. Pocock said the water department and the highway department worked on that. The highway department only did the portion in the road. The rest was completed by the water department.

Mr. Sciota added about a year ago or more, the open space committee put together an overall plan for the open space properties one of which is the Grosky barn presented to the council. Part of that is to bring water and electricity to it and eventually fix the roof on it. That is what the open space committee is currently operating under.

Mrs. Zoni asked the purpose for the hot and cold water. Mr. Sciota said there is cold water but he was not aware of hot water. Electricity is for lights for the barn and the water would be for the

barn. My guess would be that eventually to goal is to eventually keep animals in that area. Mr. Pocock said that is correct. It is down the road for the high school VOAG to have animals in there down the road. I don't have any knowledge of any hot water.

Mrs. Zoni asked if this was being worked on in conjunction with the VOAG Department, have their say in what is going on there? Or is this being done and then you are going to say, here you go, VOAG?

Mr. Pocock had no answer for that. Mr. Sciota said there is a member of the BOE on the open space committee, but as mentioned, I can get that further information for you. I am not at the meetings. Maybe Mr. Pocock can have Mr. Lavallee and the Chair of the open space committee do a brief email to the BOF? That would make more sense than us trying to guess.

Mrs. Zoni said she would really appreciate that. Mr. Pocock said he would get that because Dave is not doing anything with that. Chris Palmieri is a representative.

Mrs. Zoni wanted to know the overall plan for this property. At the high school, I saw the VOAG stuff there and the animals there on site. Now if we are going to start bringing animals off site, you have to transport kids off site. All these things are additional costs. Has this been considered and is it all really necessary?

Mr. Sciota said there is an open space long range plan for all farming parcels --- a document was out a few years ago. We'll have Dave Lavallee send a copy to you with a brief description of what is to be done at the Grosky farm and we can forward that right to the BOF.

Mrs. Zoni expressed her thanks and appreciation.

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

Mr. Labieniec gave a couple of updates. In terms of the budget status, we have results through September which was another good month, just under a quarter of a million dollars below budget. For the first three fiscal months of the year, we're almost \$1.1 million under budget and about \$600,000 under prior. Around 12% under prior and 20% under budget.

August and September were a little bit higher. A lot closer to prior. We'll see how this trends for the remainder of the year.

Secondly, the committee did act on a different funding split this year between the government and the BOE. Previously it was a 24/76 split. It was voted to do a 25/75 split between the government and the BOE.

Thirdly, we have our next meeting on Wednesday of next week, but the one following in December is where we set the recommended budget for the upcoming fiscal year. We'll work with Anthem to try to get better information on what was driving the shortfall at the end of last year and the beginning of this year. Was it preventative measures or procedure not being done, visits to the ER. Really find out what drove the shortfall with the thought of what is the appropriate budget going to be for the upcoming fiscal year. More to come there. We'll take our first crack at the budget at our December meeting.

E. Economic Strike Committee (Tony Morrison)

Mr. Morrison said the last meeting was the day of the BOF meeting and we haven't met since then. Hopefully we'll meet soon. The marketing company sends us a view into what our marketing would look like on what is called the Landing Page which is the website. It looks pretty good but we may need to talk about it. Hopefully the meeting will be scheduled very, very soon. We are getting into a period when the state is going to go back to things the way they were a couple of months back with increasing COVID cases in Connecticut. We really have to talk about what we are going to focus in.

Mount Southington is front and center there as something people will still do. We have to talk about the other stuff we're going to push and what's appropriate for that.

Nothing major to report, but hopefully, we'll have something for the next meeting.

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

A. Investment Committee (Kevin Beaudoin)

Mr. Beaudoin said the interest rates are very low and they appear to be that way for the foreseeable future. When it comes to investment income, we are probably going to be below budget every month. We don't see that changing.

Ms. Portelinha said unfortunately nobody sees any change in the rates any time soon.

Mr. Morrison asked if the losses in one area are matched by the gains in the other? Money saved on the bonding was noted. Ms. Portelinha said they are still looking at refunding our Clean Water loan for the first time. We are going to look to see if we can do some refunding on those and get rates under 2% which is what we are currently paying on that.

Mr. Beaudoin noted that service to debt is a big plus.

The Chair asked about tax collections now that the deferment period is over. Ms. Portelinha said we are doing very well. When you look at the spreadsheet that was provided, that is on a cash basis. Money coming in. In October we had \$2.4 million whereas we normally get a little over \$600,000 in October. That brings our year to date at \$1.2 million over what we normally would bring in or what was budgeted for this year. I think we've made up the difference. Now we have to see how things go in December and January with the second collection. Hopefully, we'll do just as well.

Discussion.

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

Mr. Pocock said he had not heard anything on the fire chief search committee. I don't have anything else to report.

Mr. Sciota advised that working together with the group that was hired, my office, HR and the fire commission same up with a job description which has been put out. We'll hopefully getting the candidates in. The group we hired is going to do most of the heavy lifting. They'll do the interviews. We expect to have four or five candidates that we'll do face to face interviews with. Ed and Kevin are part of that group.

C. Other Committees

Nothing this evening.

6. Board Communications

Nothing this evening.

VI. Public Communications (Excluding Public Hearing Items)

No speakers this evening.

VII. Review Long Range Plan and Priorities

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

We will talk about the 2021-22 budget after this. It will be our workshop. (Scheduled but not held this evening.)

VIII. Conduct Administrative Business

1. Consent Agenda

- A. Appropriation \$1,000 * Police Dept - Vehicle Maintenance - Loss/Damage (Spec Rev)
 - B. Appropriation \$1,186 * Planning - Vehicle Maintenance - Loss/Damage (Spec Rev)
 - C. Appropriation \$225 * Police Dept - K9 Program Supplies (Spec Rev)
 - D. Appropriation \$525 * Youth Services - Outside Programs (Spec Rev)
- \$1,857 * Youth Services - STEPS Program
(Spec Rev)
- Appropriation \$7,142 * Youth Services - Local Prevention
- Program Svcs (Spec Rev)

A motion to approve the Consent Agenda Items A, B, C & D was made by Mr. Pocock. Mr. Beaudoin seconded. Motion passed unanimously on a voice vote.

2. Manager's memos

None this evening.

IX. Executive Session - Contractual

The entire Board of Finance, the Finance Director, Town Manager, Stephan Chykirda, Actuary of Hooker & Holcomb and Sgt. Steve Salerno from the Southington Police Department will participate.

(Whereupon, the meeting was adjourned to executive session at 7:24 o'clock, p.m.)

EXECUTIVE SESSION

The Board of Finance of the Town of Southington entered into executive session on Tuesday, November 10, 2020 teleconference call, immediately following the regular meeting, in order to discuss Contractual Matters.

The following board members participated:

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

Also, Participating:

Mark J. Sciota, Town Manager
Emilia Portelinha, Director of Finance
Stephen Chykira, Actuary from Hooker & Holcomb
Sgt. Steve Salerno, SPD

No motions or votes were taken.

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

(Whereupon, executive session was adjourned at 8:25 o'clock, p.m.)

REGULAR SESSION

XI. Adjournment

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

(Whereupon, the meeting was adjourned at 8:26 o'clock, p.m.)

Mark J. Sciota
Acting Secretary

