

Minutes of the Board of Finance Budget Review Meeting  
March 24, 2014 – 7 p.m. – Town Hall

Members present: Justin Donnelly, Joseph Sangiovanni, Brian Kost, Chris Childs, Ryan Anderson, Scott Lingenfelter, alts. Tracy Eccles, Eric Harrington Absent J. Michael Stevens

Also present: First Selectman McAnaney, Selectman Fitzgerald, Selectman Chafetz, Treasurer Christine Davidson, Director of Finance Deborah Cerrato,

Chairman Justin Donnelly called the meeting to order at 7 p.m.

Citizen Comment: None

Correspondence: The Chairman read a note from the Lingenfelter family thanking the Board of Finance for their gift to the SVAA in memory of Ray Lingenfelter.

#### Budget Review

\*\*\* Water Pollution Control Authority (9) Jim Rusczyk, Acting Chief Operator and Julie Nigro, Business Administrator presented the review. Copies of the WPCA were distributed to the Board. Ms. Nigro reported that the 2014-15 Expense Budget decreased \$116,001 or 5.4%. The Suffield Sewer Use Fee per unit charge for FY 2014-15 remains at \$283 and the rate for the Kent Farm Sewer Use Fee remains at \$210. The decrease in the budget is due to a lower percentage of commercial flow to Plant flow which creates a lower commercial rate as well as much lower flow from Hood. We have six operators, including the chief operator. We will be hiring a Chief Operator with a Class 4 License at the end of this fiscal period. Mr. Rusczyk will return as Shift Operator. The aggregate increase in Payroll is 3.70%. The union has finalized the contract and there is a 2% pay increase. The Commission has not set the increase for the non-union employees. She then reviewed the major areas and answered questions on other line items. She reported their OPEB Contribution, \$139,043 as recommended by Hooker & Holcombe.

The WPCA anticipates returning \$275,000 of Assessment Funds to the Town of Suffield General Fund in Fiscal Year 2014-2015. The cash in this fund, disbursed in its entirety on an annual basis, is transferred to the Town's General Fund for sewer debt reduction. The payment of sewer debt will end by 2015. This revenue stream will cease as the payment of debt service is completed.

There was discussion of any capital needs in the near future. It is fact that Pump Station #1 has major issues, estimated to cost over \$1M.

The new hire of the Class 4 operator in this fiscal year will be the last employee covered under the current pension plan. The pension coverage was a hiring enticement.

\*\*\*Town Counsel (20) First Selectman McAnaney –The Town Counsel budget remains the same. Last fiscal year and this fiscal year there have been union negotiations and settlements that have required additional transfers into this line item. If there is a spill over regarding negotiations, he may have to come back. This does not cover the legal services of the Zoning and Planning Commission.

\*\*\*Town Hall – Mr. McAnaney - The only change is a percentage to the service maintenance contract. We entered into a maintenance contact with the Suffield Volunteer Ambulance Association

to maintain 6 defibrillators in the town buildings. He is incorporating it into the proposed budget. The placement of the defibrillators was installed by an Eagle Scout.

\*\*\*Finance (18) - Ms. Cerrato noted that the increase in Contracted Services is to cover an OPEB Actuarial Valuation, this is done every other year. The other increases are for audit fees, mileage, and contractual pay steps.

#### Budget Discussion Issues

\*The BoE increase will be approximately \$1million dollars, 3.3%

There is a declining student enrollment. The enrollment has declined for the past five years.

\*Lindberg/Ripple will be attending the March 31 meeting. We have a negative insurance fund at this time. We did transfer \$500,000 from the Insurance Fund in FY 2012-13.

\*What general fiscal directive was given to managers?

\*The First Selectman stated that we wanted to keep increases as low as possible, but there are union increases, and we have extra insurance costs. The Police Department has requested 2 new officers. The BoS reduced it to one new officer as a placeholder. The Police will be presenting their request at the next Board of Selectmen's meeting on April 2<sup>nd</sup>. The budget was a late submission. There have been some decreases, but we are trying to keep as low as possible.

\*\*Are we providing enough services? Can we consolidate municipal services? The process is very slow when contemplating the merging of services.

\*\*The Board discussed the salary of two officers, 1 on military leave and 1 out on workman's comp. Should we continue to budget for vacant positions, i.e. the police officers? We would reduce overtime, by having two new officers. We should look at any new hires. We should examine needs, IT, a new Highwayman, Youth Services Director.

\*The First Selectman will re-examine the request of the Police Department and discuss this issue at the next Selectmen's meeting. The BoS have already voted upon their budget with a placeholder of 1 new officer. There are 4 contracts still under negotiation/mediation.

\*\*Is there a long term goal of salary needs, union and non union?

\*\*The BoF discussed the possibility of retaining a benefits management consultant? We need to begin now to look at the numbers for the next contracts as they end in three years. The BoF needs to give guidance for the contract negotiation process. What they would like to see occur with the contracts.

\*\*Bridge Street School – what are the plans for use and cost estimates. There is a request before ACCE for asbestos abatement expenses for Bridge Street School included in this years' capital expenditure request. The asbestos abatement will need to be done whether it is demolished or renovated and the costs just keep increasing.

\*\*We need to define long term goals i.e. capital projects, new hires, and pension design and obligations, capital expenses, and bonding.

\*\*The First Selectman stated that retirements will spark new employment. But generally we are not going to increase new hires.

\*\*Draw up a request for quote for benefit consultant. The next contract cycle is three years from now.

The Board discussed the Bridge Street School proposal. The Board of Selectmen sent a proposal to the BoF, and ask for a recommendation to Town Meeting. This will be on the agenda for the next regular BoF meeting April 14<sup>th</sup>. The BoF wants figures, final plans of use, etc. There does not seem to be an urgency at this time to begin a project estimated at \$2.7M.

The next meeting is scheduled for March 31. The meeting was adjourned at approximately 8:08 a.m.

Respectfully submitted, Bobbie C. Kling, Secretary BOF.MINUTES.MARCH.24.2014

