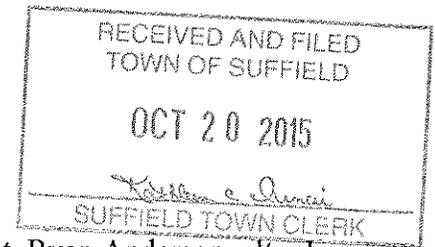


Minutes of the Board of Finance Regular Meeting
Oct.13, 2015 – Town Hall – 7 p.m.



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

Also present: First Selectman McAnaney, Director of Finance Cerrato
Chairman Justin Donnelly called the meeting of Oct. 13, 2015 to order at 7 p.m.

Lauren Life, spoke in favor of using \$500,000 from the undesignated fund to cover the additional funding necessary. Robert White spoke in favor of using the undesignated fund to cover the additional \$500,000 needed for the Library renovation. He would like to thank the Selectmen for this recommendation. Bob Brooks, of the Library Commission spoke in favor of using the undesignated fund balance to cover the overage. He noted that the Library Foundation had already donated \$650,000 for this project and believes that the \$500,000 should come from the undesignated fund balance.

Citizen Comment: The Chairman noted that all BoF members had received a copy of the email sent by Larry Edwards pertaining to the Library Cost Overrun Bridge Street School Project and his suggested solutions.

Mr. Childs moved to accord voting rights to Eric Harrington for the absent Mr. Lingenfelter.
Mr. Kost seconded; the motion was approved by unanimous

Minutes: Mr. Childs moved to approve the minutes of the regular Board of Finance Meeting of September 14, 2015; Mr. Kost seconded. The minutes were approved by a 5 to 1 abstention vote; Mr. Sangiovanni was absent and abstained..

- Request to purchase 2015 Chevrolet Equinox by the Mini Bus: The Director Denise Winiarski is seeking approval to trade in the 2008 Grand Marquis for the 2015 Chevrolet Equinox. The final cost to the Suffield Mini Bus Reserve Fund would be \$21,105.00. This is the Mini Bus Reserve Fund totals approximately \$146,000. This was presented to Advisory Commission for Capital Expenditures (ACCE) during the budget season but was not included on their list because the funding was coming from the reserve fund. Mr. Kost moved to approve the purchase a 2015 Chevrolet Equinox (\$21,105.00) by the Mini Bus from the reserve fund; Mr. Sangiovanni seconded. The motion was approved by a unanimous vote.
- Library – salary increase – to correct an error in the budget document
This is needed to approve for the pay increase for the Library Assistant 2 position from \$15.78 per hour to \$16.17 per hour due to a budgeting error. No additional funding is needed. There is no financial impact because there is sufficient money in the library salary line item. Mr. Kost moved to approve the pay raise for the Library Assistant 2 position from \$15.78 per hour to \$16.17 to correct a budget error; Mr. Anderson seconded. The motion was approved by unanimous vote.

- Grant Application for Purchase of a Conservation Easement : Town Planner Bill Hawkins was present and reviewed the memo dated October 8, 2015 in detail. Mr. Hawkins stated that the Connecticut Dept. of Energy & Environmental Protection (DEEP) has announced a grant round for its Open Space and Watershed Land Acquisition programs. We are recommending applying for a grant to help fund the purchase of a conservation easement on a 32 acre farm located off Boston Neck Road. He is seeking authorization to submit this grant application to DEEP. Two appraisals are required and he will also have a Phase I Environmental Study completed. The cost of these studies would be paid out of the appraisals line item of the open space fund and/or the contracted services line item of the Zoning and Planning Department budget.

After discussion, Mr. Childs moved that the Board of Finance approve the submission of an application to the 2015-/16 Open Space and Watershed Land Acquisition Grant Program where the Town share to purchase a conservation easement on the 32+/-acre Lefcheck Farm located off Wisteria Lane would be 50% of the appraised conservation easement value.

- Approve \$500,000 increase to the Kent Memorial Library Combined Renovation and Entrance Project. Funding to come from the undesignated fund balance and Town Meeting approval.

The Memo of Oct. 9, 2015 was prepared by John Cloonan and Joe Sangiovanni.

The Dept. of Public Works is requesting an additional \$500,000 for cost overruns for the KML project. We have encountered PCB's in the building which requires approval form the Environmental Protection Agency (EPA). The EPA needs to approve a risk based plan which was developed by TRC Environmental, the Town's environmental consultant to determine the removal or encapsulation process.

The hazmat contingency budget was originally set at \$79,900 which was estimated by Silver/Petrucci Associates. The current amount spent to date on hazmat related charges is \$348,557 which leaves a deficit balance of (\$268,657.14) in the hazmat contingency account. This cost overrun was primarily due to changes due to the newly discovered PCB contamination.

The contract contingency budget was \$395,452.00 for Enterprise Builders. There were additional change orders for code related modifications, testing and the installation of an ADA camera in the auditorium. The current amount spent to date on contract contingency is \$531,994.20 which leaves a deficit balance of (\$136,542.00) in the contract contingency account.

The combined short fall is \$405,199.34 with an added 20% contingency; makes the total funds needed \$486,239.21.

The approved construction cost for the KML Project was \$4,444,675.00.

The BOS approved the \$500,000 from the Undesignated Fund balance of the Kent Memorial Library combined renovation and entrance project on Oct. 7, 2015.

Mr. Childs discussed spending down the Undesignated Fund Balance to down to 15 to 12 %. Mr. Kost stated we have 3 sources of funding the overrun:

- 1) from the capital reserve, but that does not make sense as it is earning interest
- 2) undesignated fund balance (which I think we should do.)
- 3) cancel some other project that have been previously approved because we are way over budget on something else.

The Chairman noted this does not include the possibility of State funds being furthered reduced.

Mr. Kost noted that another option would be to take funding from contingency. The board members discussed this agenda item at some length and in some detail.

Mr. McAnaney stated that that we have made three submissions to the EPA. We come now because until the EPA says our plan is good, for remediation we do not have a final number. We need more money. EPA has to give a final approval of our plans.

Mr. Donnelly stated that we have \$900,000 for roads management in this year's budget, I think taking half of million of dollars this year for roads is not taking away from our trust of doing what we planned to do. I think this is a logical place to take it if we are not going to take it from undesignated funds.

*Mr. Kost moved that we approve and recommend to Town Meeting, the transfer of \$500,000 from the road management account from the 2015-26 budget and reappropriate the funding to the Kent Memorial Library Combined Renovation and Entrance Project. Mr. Childs seconded. The motion was approved by 5-0 vote; Mr. Sangiovanni had recused himself from the voting as he is the chairman of the PBC. He did not vote.

The Board stated that perhaps the Board of Finance have tighter fiscal control over capital projects, as we seem to have cost overruns frequently. Mr. Kost suggested that we should re-assess the funding to see if we will make the budget as the projects proceed.

****FY 2014-2015

Budget line item Transfers – Ms. Cerrato submitted a revised report and reviewed her report.(11 pages.) Mr. Anderson moved to approve the 2014-2015 budget line items transfers as documented by the Finance Director. Mr. Sangiovanni seconded. The motion was approved by unanimous vote.

****Treasurer's Report – 9 -30 -15. The Treasurer was unable to attend this meeting, and she submitted her report, General Fund Investment Income Analysis, 7-1 to 9-30 2015 prior to the meeting.

****Director of Finance Deborah Cerrato - Budget Highlights:

There is not much to report as this point in time. The latest reduction by the Governor's budget cost the Town, \$5,210.00 in budget funding.

Mr. Childs announced that Investment Advisor for OPEB and CNR is presenting to the Retirement Commission November 12 at 5: 30 p.m. Tracy Eccles cannot serve as representative as she is conflicted with her job. Does the BoF want to hear the presentation? The OPEB and CNR are completely invested. Mr. Childs will work with the Chairman for a meeting date.

****First Selectman's update:

Update on former Police Chief Retirement Agreement: Town Counsel Charles Alfano was present. He stated that the retirement agreement was valid and binding. Any accrued payment could be funded by the PD salary line item.

Mr. McAnaney updated the Board on litigation with Brian Glynn. Mr. Glynn believes the Town owes him reimbursement for his covering the cost of the paving of his parking lot. The discussion was general as the Board was not in Executive Session.

The meeting was adjourned at 8:15 p.m.

Respectfully submitted, Bobbie C. Kling, Secretary BOF.Oct.13.2015 minutes.REV.3.