

Minutes of the Regular Meeting of the Board of Finance  
Town Hall-September 12, 2016

Members Present: Justin Donnelly, Eric Harrington, Chris Childs, and Dr. Ann Huntington  
Members Absent: Ryan Anderson, and Brian Kost. Alternates Present: J. Michael Stevens and John Sullivan,  
Alternates Absent: Tracy Eccles,

Also Present: First Selectman Melissa Mack, Town Treasurer Christine Davidson, Director of Finance Deborah Cerrato, Superintendent Karen Berasi.

Chairman Donnelly called the meeting to order at 7:00pm.

Dr. Ann Huntington made a motion for J. Michael Stevens and John Sullivan to be accorded the voting rights for the absent Ryan Anderson and Brian Kost. The motion was seconded by Eric Harrington and passed unanimously.

Citizen Comment: None.

Minutes of Regular Meeting, June 13, 2016 and Special Meetings, July 26, 2016 and August 22, 2016

Mr. Childs asked to accept the minutes as written, Mr. Harrington seconded.

Mr. Stevens asked to amend June 13<sup>th</sup> minutes. Page 4 of Board packet (page 3 of minutes) in Technology Committee Update; change the cost savings for the budgeted "Tough books" to \$2,000 instead of \$18,000.

Mr. Sullivan asked to amend August 22<sup>nd</sup>, include that John Sullivan absent.

Mr. Childs made a motion to amend the minutes accordingly and Mr. Harrington seconded. Motion passed unanimously.

Treasurers Report (6-30-16)-Christine Davidson

Presented is the year end is June 30<sup>th</sup> did get close to \$30,000 for the general fund investment income that was budgeted for 15/16. May not meet the \$30,000 budgeted for the next fiscal year since there was a lot of the road money in the banks which has now been spent. Fund balance may be less next year for the other jobs in town. Mrs. Davidson has been keeping more money in STIF (State Treasurers Investment Fund) which is doing much better for return. The Town is restricted in what we can put our general fund investments into for the long term. The STIF allows municipalities to get a more diverse portfolio. Some items are deposited automatically into that account. Mr. Childs asked if it comes from First National Bank into STIF or TD Bank. Mrs. Davidson stated that the money is coming from First National Bank most of the time because we have to keep a certain amount in the TD Bank accounts to offset fees.

Conservation Commission-Sunrise Park revision of the transfer approved in July-Correction of the account number:

Mrs. Cerrato stated that we need to move from Conservation-Park Maintenance-Repairs and Maintenance instead of Tools and Equipment which was changed to Repairs and Maintenance during the budget process. Dr. Huntington made a motion that instead of moving \$2,894.00 from Conservation Park Maintenance-Tools and Equipment as voted on at last meeting, we instead move from Conservation Park Maintenance-Repairs and Maintenance. Mr. Childs seconded the motion and it passed unanimously.

Director of Finance

a. FY 2015-2016-Encumbrance List request

Mrs. Cerrato directed the board to the list of Year end Encumbrances totaling \$22,271.00. Last years amount was \$40,865.07 so the amount keeps going down generally. There were a few requests to have operating costs to carry over for last fiscal year but that is not appropriate. Mr. Childs made a motion to approve the encumbrances as listed, Dr. Huntington seconded, passed unanimously. Dr. Huntington asked if these were projects that couldn't be completed before June. Mrs. Cerrato explained that some items, Sunrise Park items, went out to get contract or services at end of June but was not completed by end of June so it is included.

b. Preliminary Fund Balance Estimate:

Mrs. Cerrato provided details on the Fund Balance estimate as a revision from the June meeting. Approximately 2 million dollars less than June meeting, took in \$902,000 less than anticipated for June, also the expenditures increase \$969,000 than what was estimated for June. Mr. Childs asked for explanation. The June amounts were estimates on what departments would be spending in June. Mrs. Cerrato stated that we did not actually fall short. They were just forecasted. On revenue side, through the end of June, the biggest items are the budgeted items for the fund balance of \$650,000; we did not use this balance, the capital project expenditures reimbursement of difference of that was \$636,000, the largest part being the Remington Street bridge project. The auditors will not allow us to make an adjustment into accounts receivable unless we are further into the project. This will be a timing issue. Mr. Childs stated that we will be moving funds once it began. Mrs. Cerrato stated that was correct. First Selectman asks what "in the project" refers to, Mrs. Cerrato stated that it has to be in process here not in process with the state. We can send a request for payment to the state the amount of \$97,000 for pavement management. The ECS (Education Cost Sharing) grant down \$226,000. Mr. Donnelly asked if that was what we expected. Mr. Harrington doesn't recall last year we were short. Mr. Donnelly stated that they were making changes continually through FY15/16. Mrs. Cerrato stated that the amount was reduced. Mr. Childs gave an amount of 1.3M and remove the \$226,000 we are at one million or so the 900K is not as large. Mrs. Cerrato's estimate and it is taking in account the fund balance and the other items. The building department was also down \$89,000, which is a large drop. Mr. Childs stated we had Suffield Academy in there again and we are already seeing it now. The building department was waiting on timing for the Suffield Academy project. Mr. Childs asked about the expense side. Mrs. Cerrato stated the police commission went over budget and they will come to October meeting to explain overage after meeting with Board of Selectman. The Board of Selectman issue was with a formula error and paid vacation for an employee that left. Mr. Harrington asked why if we spent \$404,000 less why is our fund balance percentage not 17%. Mrs. Cerrato stated that percentage was using estimates that didn't work out. Mrs. Cerrato stated that they did not anticipate the change of fund balance. Mr. Childs is looking at 2016 budgeted expenses, \$55,496, came in 400K better than budget, then why do we have 969K coming in on the fund balance spreadsheet. Mrs. Cerrato stated that the 969K is just the difference than what was estimated at June meeting. Mr. Harrington asked for the amount of what else we fell short on when other than Remington and ECS there are no shortfalls? Mr. Harrington does not see any other big numbers to offset. Mrs. Cerrato stated she would reconcile 1, 468,989 which is the over under amount after fund balance. Mr. Childs sees a difference in expenses as well. Mrs. Cerrato states that she will reconcile the two reports. Mr. Childs asked about the 531K expenditure encumbrances. Mrs. Cerrato stated that the amount is mostly Board of Education except for 22 K just approved by the board. Mr. Childs asked if this will ever come back to us. Mr. Harrington stated these are numbers that they are expenses accrued but did not pay and there are purchase orders for these items the money was approved last budget. Mr. Donnelly stated they came from Mr. Hoff in detail.

c. Current Year Budget Recap-compared to Prior Year

Mrs. Cerrato stated that the reports reflect the current years first two months.

First Selectman's Update:

First Selectman Mack began update with an explanation of some insurance changes. The town decided not to use an independent insurance agency and we will save a total of \$31,000. We had a separate coverage for fire department that was essentially the same as CIRMA, so that policy was discontinued. We increased

coverage of crime policy using Hanover Insurance. The change gave us an annual savings for next year of \$1,200.00. The school security project came in under budget by approximately \$11,601.11. Mrs. Berasi stated that it was all done in a timely manner. Mr. Harrington stated that other towns had delays and incompleteness. In July we received a member equity distribution check for \$23,353 from CIRMA. Suffield applied for 2 different grants for canal study, we got \$40,000 for feasibility study and \$20,000 was awarded from Suffield Certified Local Government (CLG) grant which would be matched by \$20,000 from Historic Preservation Technical Assistance grant (HPTAG). Mr. Childs asked if that was to fund enhancement. The town also received \$5,940 for recycle program from Department of Energy and Environmental Protection. Ellington was awarded \$450,000 in Small Cities CDBG (Community Development Block Grant) funds for its regional housing rehabilitation program which Suffield is a member; LMI (Low and Moderate Income) residents of Suffield are eligible to apply for housing upgrades, must apply with the Emergency Aid Association. Lode Star contract worked on a virtual net metering agreement and it is finalized. Currently verifying it does not need to go to a town vote. Suffield will benefit 85% on dollar when we begin, see some savings in 1<sup>st</sup> or 2<sup>nd</sup> quarter of 2017, overall \$1,460,000 of savings over 20 years. The town negotiated down to 11 cents from 12 cents. First Selectman did ask for apparatus request for review for the Fire Commission. Bond Counsel recommended that we bond to finance the trucks. Mrs. Dawson from bond counsel offered to come and speak to us about the bonding. Tri-Board meeting is Monday Sept 26<sup>th</sup> at Suffield ambulance building at 7PM. Status of capital projects, we are pulling together all money spent on Kent Memorial Library to present at the meeting. Four Seasons, hydroponic tomatoes, they are working through their issues. First Selectman Mack will be touring their Wallingford facility. First Selectman Mack is currently in union negotiations for fire, police, town hall and dispatchers. Mr. Donnelly asked about WPCA, Highway and library union negotiations. First Selectman Mack stated that it will be next year. First Selectman Mack stated the Babb's Beach Dedication Ceremony will be on Sept 16<sup>th</sup> at the platform at 12:30pm. Mr. Harrington asked if the Kent Memorial Library information will be in line item detail for library. Mrs. Cerrato stated yes it will. Mr. Harrington wants to make sure it is the same cost we thought for HVAC and PCPs. Mr. Donnelly asked if you need any additional information for union contract negotiations. First Selectman said any input would be great, Mr. Kost had sent some information to date. Mr. Harrington asked about the sidewalks project completion. First Selectman Mack stated within a year, they are waiting on design approval and would be in the spring. Mr. Donnelly complimented her on her presentation at 9/11 ceremony. Mr. Childs asked how far back we are going on library costs and if we would start with the roof, Mrs. Cerrato stated yes it will. Mr. Donnelly stated the town did not contribute any money when it was built; it was urban redevelopment money for that strip of land intended for economic development. First Selectman reported that we need to move the library to another temporary location. We looked at space in the town but they were either cost prohibitive or did not follow standards needed for the town hall offices legal requirements for vault and location of services. We looked everywhere including senior center. We received permission to move the Library to the Senior Center temporarily. This was needed because of the state funding that was received to renovate the church to the Senior Center. First Selectman did not want to spend any additional money on swing space. First Selectman Mack met with the state to let them know that we need help with the library and what we have currently invested and the issues are not fault of Town of Suffield. We may qualify for the Emergency Urban Act grant. First Selectman Mack wants to be able to ask the taxpayers for adequate amount.

At 7:35pm Mr. Childs made a motion that we change next agenda item to reflect the Executive Session for the Board of Education before the Executive Session for the Kathie Bond Settlement so that they can go into Executive Session to discuss Union Negotiations-Board of Education-Suffield Administrators Group with Superintendent Karen Berasi first. Dr. Huntington seconded the motion and passed unanimously. Dr. Huntington made a motion to go into Executive Session; Mr. Donnelly seconded and the motion passed unanimously. Also in attendance at the executive session was First Selectman Melissa M. Mack and Director of Finance Deborah Cerrato.

At 7:53 Mr. Childs made a motion to end Executive Session. Mr. Donnelly seconded and motion passed unanimously. Dr. Huntington made a motion to move the potential approval of the Kathie Bond Settlement until after the Executive Session to discuss Terms of Kathie Bond Settlement. Mr. Childs seconded and motion passed unanimously.

At 7:55pm Dr. Huntington made a motion to enter Executive Session to discuss Terms of Kathie Bond Settlement and Mr. Donnelly seconded the motion and motion passed unanimously. Also in attendance at the executive session was First Selectman Melissa M. Mack and Director of Finance Deborah Cerrato.

At 8:05pm Dr. Huntington made a motion to end Executive Session. Mr. Donnelly seconded and motion passed unanimously.

Dr. Huntington made a motion to approve the Kathie Bond settlement consisting of \$4,500 dollars with no letter of recommendation and no rehire on the town side. Mr. Harrington seconded the motion and it was passed unanimously.

Mr. Childs made a motion to adjourn meeting, Mr. Stevens seconded the motion and it passed unanimously and was adjourned at 8:06pm.

Respectfully submitted,

Melissa Finnigan