

Minutes of the Special and Regular Meeting of the Board of Finance – Feb. 8, 2010
Police Station Conference Room – 6:30 p.m.

Members present: Justin Donnelly, Joseph Sangiovanni, Dennis Kreps, Sam Fuller, Ryan Anderson, Brian Kost, alts. James Lennon, Peter Boyd, Eric Harrington
Also present: First Selectman Frenaye, Treasurer Davidson, Director of Finance Cerrato; Mary Roy, Ed Basile, Board of Education; Bruce Remington, Julie Nigro, Water Pollution Control Authority
Guest: Gerry Paradis, Partner, Blum, Shapiro & Company, P.C.

*Chairman Justin Donnelly called the Special Meeting to order at 6:30 p.m. He introduced Mr. Paradis to the Board. Mr. Paradis then reviewed the Town of Suffield, Connecticut State Single Audit Report, Federal Single Audit Report, and the Town of Suffield, Connecticut Audit, all dated as of June 30, 2009. He noted specific findings in the three reports. Included in the Board of Finance packet, was a copy of a letter, addressed to Office and Policy and Management, dated Jan 21, 2010, which documented the corrective action plan for the year ended June 30, 2009. After a question and answer period, it was noted that Board of Finance (BoF) members could email further questions to the Director of Finance and she would respond. The Chairman thanked Mr. Paradis for his presentation. The Special Meeting adjourned at 7:05 p.m.

*Regular Meeting of the Board of Finance –
Chairman Justin Donnelly called the meeting to order at 7:10 p.m.
Citizen Comment:

Tony Raicola ,Randall Drive : He was concerned how the Board of Selectmen and Board of Finance were going to implement a zero increase budget in spite of the contractual increases. Mr. Donnelly stated that the BoF will discuss the upcoming budget and issue a budget statement later in the meeting to the Boards of Education and Selectmen. Mr. Raicola asked if the BoF weighed in on any of the contract negotiations. Mr. Donnelly stated that the BoF, and the First Selectman and the Human Resources Director have exchanged communications regarding this issue. The First Selectman has invited the Chairman and the Vice Chairman of the BoF to attend negotiation strategy sessions.

Minutes of the Jan. 11, 2010 meeting: Mr. Kost moved to approve the minutes of the Jan. 11 meeting as amended on Pg. 2, paragraph 2, change “of” to “on”. Mr. Sangiovanni seconded. The minutes were approved as amended.

*Senior Center – New Fund Request – Paula Pascoe, Senior Center Director, noted from her memo to the Board, dated Feb. 8, 2010, and distributed to the BoF in their board packet, explained her need for the Board to establish a kitchen operating fund, which would handle expenses and revenues for the kitchen operation. She also is seeking a transfer of \$730.75 from the Building Project budget to the new kitchen operating fund, as a means of supporting initial ordering expenses. After discussion, Mr. Kreps moved to establish a Special Revenue Fund – Senior Center Kitchen Operation Fund; Mr. Kost seconded. The motion was approved by unanimous vote. Mr. Kost moved to transfer \$730.75 from the Senior Center Building Project budget to this Special Revenue Fund – Senior Center Kitchen Operation Fund; Mr. Kreps seconded. The motion was approved by unanimous vote.

*Permanent Building Commission, (PBC) – Chairman of the PBC, Joseph Sangiovanni distributed to the BoF, a Senior Center Budget Report, as of Feb. 8, 2010. Mr. Sangiovanni wanted to give a construction/progress update and mainly to explore the sentiments of the BoF for additional funds to complete the project nicely with the addition of a workable kitchen supported by some donated equipment. He strongly suggested that in the future, the PBC is brought into a proposed project

early on in the process, so that we know what the building is going to cost, not hand it over to the PBC with a budget already established. He noted that originally, we did not intend to complete the kitchen. We were only going to design and install the electrical services. But after Paula Pascoe had procured donations of the kitchen equipment, the PBC felt we had to step up and provide a workable kitchen utilizing her support. Mr. Sangiovanni then reviewed the project funding. He also noted several pre-construction expenses wrongly bill to the project, a total of \$7,621.00. He reviewed the necessary unforeseen contingencies completed or in progress. He noted the additional must have items, and reviewed the list of extras needed to complete the building. The Contingency/Reserve is approximately \$64,938.00. Mr. Fuller stated he felt that we have to do with what we have, within the approved \$1,821,000. It was noted that future donations could specified to particular items, specified gifts designated for a special use. The sentiment of the BoF is for PBC to come back with a plan that stays within the original approved amount of \$1,821,000.

★Capital Non Recurring Project Transfers – Jack Muska, Director of Public Works, is requesting the use of funding in the current year budget for the Library. The repair of the leaking roof of the Library now has the highest priority. Both Advisory Commission on Capital Expenditures (ACCE) and the Board of Selectmen have approved the request. He is requesting that funds available for the architect for Americans with Disabilities Act (ADA) and electrical work be redirected for the more urgent need to repair the Library roof. After a brief discussion, Mr. Kost moved that the reallocation of Capital Projects funds available for the ADA architect and the electrical work be redirected to allow the hiring of an architect and structural engineer to develop a permanent fix and provide bid documents for the Library roof. Mr. Sangiovanni seconded. The motion was approved by unanimous vote.

★Transfer of Funds – Director of Finance Deborah Cerrato presented the request to transfer of funds, to cover the deficit Fund Balance in the 1999 School Building and Renovation Project. The transfer of funds, \$1,385,677, would come from the General Fund Undesignated Fund Balance. Since the renovation portion of the project was spread out over several years, we were unable to bond the entire \$30,000,000 and it was decided to save the bonding costs and to use the Undesignated Fund Balance to fund this deficit. This transfer would reduce the Undesignated Fund Balance to \$7,999,255. The Board of Selectmen will need to approve this and forward to Town Meeting. Mr. Kreps moved that the Board of Finance approve the transfer of \$1,385,677 from the General Fund Undesignated Fund Balance to the 1999 School Building and Renovation Project and forward this request to the Board of Selectmen and Town Meeting; Mr. Sangiovanni seconded. The motion was approved by unanimous vote.

★FY 2010/11 Budget Discussion – The Budget Review calendar was approved as amended with the correct budget years, and will be posted in the Town Clerk's Office. Mr. Donnelly reported he had attended the BoE budget meeting, and it is noted that the State of Connecticut has reduced the reimbursement of costs for Special Education that are more than 5 times the costs of other students of 100% for Special Education (outplacement costs) to 60%. This would be a loss of \$150,000 in the BoE budget.

*Budget Expectations: Mr. Donnelly thinks the target for the Town government and for the BoE should come in at 5% less than the current budget. Mr. Frenaye reported the Governor's budget figures, and because of revaluation, the Town will get \$1,500,000 more next year if the budget holds, which is about \$742,000 more than the town is expecting to receive in the current year. It reflects the fact that the Payment In Lieu Of Taxes grant goes up approximately \$1,000,000 because of the revaluation of the Prison, and the Governor's budget funds more of the Pequot grant. This would be more than what the Legislature has approved. Mr. Kreps asked what the figure would be for the 53rd pay week. Mr. Frenaye stated that would reflect a 2% increase. After a brief discussion, the BoF thought budgets should come in flat, and the departments be prepared to offer a budget with a

5% decrease. Mr. Frenaye stated that the 53 rd payweek would be a 2% increase, and if he has to come in with a 5% reduced budget, that would mean cutting 10 or 11 positions. Mr. Donnelly stated that the objective of a zero tax increase, translates to a 5% reduction. He will verbally report to the BoE Wednesday morning and he will draft a written report relating the fiscal goal of zero tax increase, which translates to a 5% reduction.

*New Cell Tower for Verizon Wireless Lease – Patrick McMahon, EDC Director presented the proposal from Verizon Wireless, as documented in a memo to the Board of Selectmen, dated Jan. 29, 2010. Verizon Wireless is interested in installing a new 130 ft. cell tower on a site, a wooded portion of Bruce Park. Verizon Wireless proposes an effective 25 year lease with an initial five year term with four five-year extensions. Revenue to the Town should begin at about \$20,000 per year and increase at a 3% per year rate. This lease agreement would have to be approved by Town Meeting. If Verizon Wireless secures a lease agreement with the Town, it intends to submit the Bruce Park site, as well as, privately owned property on South Grand Street to the Siting Council which has jurisdiction over cell towers in the State. The Siting Council makes the final site selection. The Board of Selectmen has approved this lease agreement. After a brief discussion, Mr. Kreps moved that the Board of Finance approve, subject to final review by the Town Attorney of the lease documents, a five year lease with Verizon for the construction of a 130' tower on a portion of Bruce Park Land with a four five-year renewal terms and associated access and utility easements required for the Project, and recommend to Town Meeting. Mr. Kost seconded. The motion was approved by unanimous vote.

*Police Commission – Update on Police Cruisers - Chairman of the Police Commission Don Miner updated the BoF, on the status of the fleet as documented in his memo to the Board of Finance, dated Feb. 8, 2010. Mr. Miner reviewed the status of the vehicles, mileage, and the maintenance record of each vehicle (attached report from Chief Manzi). Mr. Miner noted that one cruiser was totaled due to an accident. He informed the BoF that Ford will no longer make Crown Victoria police cars. Because of this change, we will not be able to reuse the items to equip the vehicles for Police use for the different make and model. He discussed the funding options for purchasing new vehicles. Mr. Miner is not requesting funds, but simply keeping the BoF informed. Chairman Donnelly noted the Department has a habit of coming in out sync with the budget process. He expects to see the Police Budget during the budget cycle. He thanked Mr. Miner for his report.

*Budget Highlights – Director of Finance Deborah Cerrato noted her report reflects the vote tonight adjusting the undesignated fund balance to \$7,999,255.00; or 16.7%. The Board discussed the percentage of the undesignated fund balance.

*First Selectman's Report – Mr. Frenaye noted it will be difficult forming a budget (within the BoF guideline) and bringing it to the BoF March 1. There will be a 5 item agenda for the Town Meeting, scheduled for March 2:

1. OPEB Ordinance, Board of Selectmen has approved it.
2. Appt. to the River Assembly
3. Accept \$150,000 STEAP grant
4. Cell Tower Lease
5. Funding Transfer from Undesignated Fund Balance

The regular meeting was adjourned at 8:55 p.m.

Respectfully submitted, Bobbie C. Kling, Secretary to the Board of Finance bf.MIN.FEB.9.2010.f

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