

Minutes of the Special Budget Review Meeting of the Board of Finance  
May 2, 2011 – Police Station Conference Room – 7 p.m.

Members present: Justin Donnelly, Joseph Sangiovanni, Dennis Kreps, Sam Fuller, Brian Kost, Ryan Anderson, alts. James Lennon, Eric Harrington, Peter Boyd  
Also present: First Selectman Thomas Frenaye, Selectmen Eileen Moncrief, Brian Fitzgerald, Treasurer Christine Davidson, Director of Finance Deborah Cerrato, Secretary Bobbie C. Kling

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

Correspondence: The Chairman, for the record, noted two letters. The first letter was received from Mr. Skip Chapman, West Side Oil located at Ebbs Plaza, West Suffield, CT. wrote noting his vehement opposition to the incorporation of trash fees into the mill rate. The second letter was received from Mr. Nitin Patel, owner of Sam's Food Store and Lakeside Liquors, also located at Ebbs Plaza, West Suffield, CT. , wrote noting his strong opposition to the trash fees being rolled into the mill rate. Both Mr. Chapman and Mr. Patel feel that this action would be unfair and unjust to the businesses in Suffield. Copies of these letters were sent to each BoF member prior to the meeting.

Mr. Kreps recommended that a letter be sent to these businesses, fully explaining the reasoning for taking this action; more revenue in the future years, thus benefiting all taxpayers. Chairman Donnelly will write a response on behalf of the Board of Finance.

The Chairman stated that Mr. Lennon was unable to attend the past meetings, and he would like an opportunity to express his opinion on this issue.

Mr. Lennon: He would like for the BoF to delay such an action for a year, so that all aspects could be fully analyzed.

Public Comment:

Beth Chafetz stated she hoped the Board of Finance would completely fund the repair of the Library roof and for critical needs of the Town Hall.

Mr. Donnelly thanked her for her comments.

Overall Budget Review:

First Selectman Tom Frenaye: The two bonding issues that did pass, add up to \$4.5 million. He noted it was enough to bond, although we would probably not get as good of rates, as for a higher bond. Spreading the cost of the bonding over just two issues will be a little more costly than spreading the expense over four bonding issues. We anticipate that it will take 4 to 6 months before we are ready to borrow.. There are some borrowing options. It could be a 20 year or 15 year. We had priced it out over 20 years. The timing of when we do bond will depend on the market and the progress of the two projects.

Kent Memorial Library: Because the new library project was rejected by the voters, some repairs of the existing building are needed. We had put some money in the budget (\$250,000) in FY 2010-11 and received a Small Town Economic Assistance Program (STEAP) grant for \$200,000; but that is still less than the estimated price of \$589,000. The STEAP grant is still available; we need to accept the grant, and put the \$200,000 into revenue. We will need to use the full \$250,000 originally proposed for the roof in the FY 2010/11 budget, which means we will need to remove the \$150,000 included in the proposed FY 2011/12 budget as a transfer from Capital Non Recurring revenue. The total of \$450,000 will be available for the roof

but it is still \$139,000 short. I think we can put off the removal of asbestos of the Bridge Street School since it is not an immediate need. We can use the \$139,000 to complete the KML roof cost.

The First Selectman noted that the Library building would have to close for a period of time during the replacement of the roof. That is another issue.

The Town Hall renovation project is a harder problem. The Heating Ventilation Air Conditioning (HVAC) is the original in the building and is 50 years old. The renovation was to include reconfigured office space to be completed while replacing the HVAC. It is difficult to make changes to the HVAC without the office reconfiguration. The estimate for the HVAC is \$400,000-\$500,000. That is a project that has to have money put aside in this budget for dealing with the HVAC.

A couple of administrative changes from the budget presented at the Public Hearing. We need to add \$94,057 to revenue from the Local Capital Improvement Program (LoCip) grant; and there is a decrease in the Telecommunication grant from \$26,700 to \$8,000 as a result of a law signed by the Governor on April 16, 2011. We need to address the issues of items cited by the State on the High School, regarding the compliance issues. We have delayed but we need to do this. We are talking of about \$50,000 in repairs that have to be made. This figure is much better than the original estimate, \$200,000. I think it is time to put funding in the budget and begin to do this.

The Director of Finance Deborah Cerrato reviewed the changes as reflected in the document she just distributed. Most were items discussed by the First Selectman.

Changes in Revenue, Revenue Summary:

Telecommunications Grant: It is now \$8,000 originally \$26,700 (-\$18,700)

Add LoCIP: \$94,050 – to be applied to the Pavement Management Capital Project.

Capital Expenditures reimbursement: It is now \$1,007,300; this now includes the STEAP grant \$200,000 for the KML roof.

Capital Non Recurring Fund - \$150,000; that was the \$150,000 that was put aside for the fire truck reduced by \$150,000 from the Library Roof Project.

Net increase to revenue is \$125,357.

Changes noted in Capital Expenditures:

Asbestos Removal, Bridge St. School \$150,000 – removed

KML roof added \$339,000 (\$200,000 from STEAP grant plus the \$139,000 that is needed).

Mr. Kost:

I move that we add back to Capital Expenditures, \$339,000 KML Roof and increase revenues by the \$200,000 (STEAP grant) and decrease revenues by \$150,000 transfer from CNR Fund for part of the FY 2010/11 KML Roof Project.

Mr. Kreps seconded. Discussion followed.

VOTE: 5 votes in favor; Mr. Sangiovanni voted against.

Mr. Kost :

I moved that we remove from Capital Expenditures, The Bridge Street School Asbestos Removal project of \$150,000 . Mr. Sangiovanni seconded. Vote: Unanimous

Mr. Kost:

I make a motion to modify the revenues to include \$94,057 LoCIP, which was applied to Pavement Management. Mr. Kreps seconded. Vote: Unanimous

Mr. Kost:

I move that we reduce the Telecommunications Grant to \$8,000 to reflect the new number. Mr. Kreps seconded. Vote: Unanimous

Mr. Kost:

I move that we present the budget as modified and documented by the Director of Finance , with an estimated mill rate of 24.17 to Town Meeting.

Mr. Kreps seconded.

Discussion followed.

Town Hall HVAC: Mr. Sangiovanni recommended we put some money in the budget. We need to replace the system; we need to start putting money aside for the HVAC.

Mr. Kreps: We have not maintained the Town Hall; we asked for bonding for rehabilitation and did not get it.

Mr. Donnelly; we have to do the right thing for the Town Hall; what should we do?

We have not maintained this 50 year old building. It is unusual for a building 50 years old to have the original HVAC system still in place.

Mr. Kreps: How big is the problem, how much should we put aside for the HVAC.

I think we should put some money in to address the issue.

Mr. Kost amended his motion;

Make include \$400,000 as Capital Expenditures, for the Town Hall HVAC;

Eliminate the \$200,000 from Capital Expenditures, for Farmland Preservation, and use \$200,000 from Fund Balance.

Mr. Kreps seconded the amendment.

Vote on the amendment: Kost, Kreps - 2 in favor; Donnelly, Fuller, Anderson - 3 against with Sangiovanni, abstaining. The amendment failed.

Mr. Fuller moved to take \$200,000 from Fund Balance to the Town Hall HVAC.

There was no second. The motion failed.

Vote on original motion: 1 in favor; opposed 5. Motion failed. Mr. Kost voted in favor.

Mr. Kreps:

I move that we put \$400,000 for the Town Hall HVAC as a Capital Expenditure. Mr. Sangiovanni seconded. There is no discussion where we will fund this.

Vote: 2 in favor, 4 against. Motion failed. Mr. Kreps and Mr. Sangiovanni seconded.

Mr. Kost: I move that we add \$400,000 for the Town Hall HVAC; reduce the Pavement Management Plan from \$950,000 to \$750,000, and we use \$200,000 out of Fund Balance. Mr. Kreps seconded. Vote: 5 in favor; 1 against. Motion approved. Mr. Fuller voted against the motion.

Mr. Kost moved to approve a budget, with an increase to the Capital Expenditures Line item to \$3,245,946, in the final budget, and an increase of \$200,000 from Fund Balance, for Total Revenues without the current list of \$17,494,796, total Expenditures of \$50,609,137, an estimated mill rate of 24.17 would generate \$33,114,341 for total Revenues of \$50,609,137.

Mr. Kreps seconded. Discussion; Mr. Sangiovanni stated we have not addressed the high school corrections as required by the State. Mr. Donnelly stated we shall deal with this when needed.

Vote: 5 in favor; 1 against. Mr. Anderson voted against the motion. The budget is approved.

The meeting was adjourned at 8:05 p.m.

Bobbie C. Kling, Secretary

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