

**APPROVED
BOARD OF FINANCE
Minutes
April 10, 2014**

CALL TO ORDER

Chairman Hammers called the Board of Finance meeting to order at 7:05 p.m. at the Town Hall, Trumbull, Connecticut. All those present joined in the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment.

ATTENDANCE

Present

Elaine Hammers, Chairman
Andrew Palo
Paul Lavoie
Thomas Kelly
Roy Molgard
Bill Haberlin

Absent

Vincent DeGennaro, Alternate
Karen Egri

Also present:

Maria Pires, Finance Director; John Ponzio, Treasurer; John Marsilio, Director of Public Works; Joseph Laucella, Director of EMS; Dr. Gary Cialfi; Sean O'Keefe; Steve Kennedy.

TREASURE'S REPORT – John Ponzio

Mr. Ponzio presented his report and noted the following:

- Interest this month is \$23,203 an increase from last year's \$22,659. We are on target for our budgeted interest.
- The market is extremely volatile; running flat for the year.
- Bank of America notified the Police Commission that they would no longer be in the business of administering pension funds effective June 30, 2014. We are expecting RFQs back next week and will be working with the Police Commission on getting a new administrator, as well as a new advisor.
- Our cash balance is healthy at 45 million; March is the slowest month for collections.
- The BOE maintains a series of accounts that we fund on a weekly basis and these have large amounts outstanding because checks are either not clearing, or the payables are not going out when the BOE has indicated. I have asked them to send me both accounts payable and the payroll and I will then fund them, since we are losing interest by keeping large balances in the BOE accounts. We have looked into other options, such as a sweep account, however it is cost prohibitive.

DISCUSSION ITEM – TRUMBULL DAY

Mr. Lavoie moved, seconded by Mr. Haberlin, to take the Trumbull Day discussion item out of order.

Vote: 6-0 motion carries

The Chair indicated that this is a Special Agency account, and we used seed money from the Concert to fund it.

Elizabeth Mastroianni, Chairman of the Trumbull Day Commission, presented the Trumbull Day budget and indicated that some of the estimates were based on last year's actuals, since estimates for this year are still outstanding. She went on to add that there were no signed Contracts as of yet.

- Mr. Palo questioned the Clerk fees. They appear high because they are meeting every week.
- Mr. Kelly questioned the \$5,000 Town office support fee. This is not for a consultant; there is currently an employee working on Trumbull Day.
- This year the Commission will have Finance Department employees handle the cash, per Tim Herbst.

FISCAL YEAR 2013-2014 SUPPLEMENTAL APPROPRIATION

4-14-01	John Marsilio Director of Public Works	<p>FROM: Fund Balance</p> <p>TO: 01030101-501105 Salaries-OT</p> <p>TO: 01030101-534402 Program Supplies</p> <p>TO: 01030101-522203 Prof Serv-Ancillary</p> <p>To cover deficit in the snow removal and to hire subcontractor to clean the sand due to the snow as the sweepers burned out.</p>	<p>\$204,000</p> <p>\$ 87,000</p> <p>\$ 73,000</p> <p>\$ 44,000</p>
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Mr. Lavoie moved, seconded by Mr. Haberlin, to transfer \$204,000 from the Fund Balance to 01030101-501105 Salaries-OT \$87,000; 01030101-534402 Program Supplies \$73,000; 01030101-522203 Prof Serv-Ancillary \$44,000 to cover the deficit in the snow removal budget and to hire a subcontractor to sweep the sand from the streets, etc., since our sweepers burned out.

Mr. Marsilio spoke to the Board, indicating that the snow budget was exceeded due to the storm responses - some quite long and over weekends; the number of events; the need for salt and sand on many occasions, resulting in this request for \$204,000. He indicated that he has a contractor in place to sweep. There are 10,000 tons of sand and over 215 miles of road. The \$204,000 will buy us about 5 weeks; it will not cover all the expense and hopefully we can get sweepers and finish the job in house. He is alerting the Board that this is urgent.

Mr. Palo asked why we don't outsource this job completely each year. Mr. Marsilio indicated that two sweepers will cost about \$370,000 and to outsource will cost \$80,000-\$100,000. In addition, we use the sweeper for the leaves and branches after storms, etc. Sweepers are a vital piece of equipment; we could outsource everything; they are high maintenance pieces of equipment to maintain. The average life of the machine is 18-20 years. Mr. Lavoie indicated that by using a 15-year life and \$25000 per year maintenance cost, with no reduction of staff, there would be no savings.

Mr. Haberlin asked what percent would be complete after 5 weeks; Mr. Marsilio indicated that it would be approximately 50% complete, since we normally have 4 sweepers out; we outsource 2 sweepers and have our 2 sweepers. The Chair indicated that each year we outsource 2 machines and wondered which

funds we would have normally used. Mr. Marsilio indicated that he would just use an account with funds left, i.e. the sand and salt account. In addition, he indicated that there is a machine rental account with \$15000 or \$20000; we had this discussion last year about the sand and using extra outside equipment.

Vote: 6-0 motion carries

FISCAL YEAR 2013-2014 SUPPLEMENTAL APPROPRIATION

4-14-02	Charter Revision Carl Massaro	FROM: Fund Balance	\$7,500
		TO: 01010300-522201 Clerical Services	\$ 500
		01010300-522202 Professional Services	\$6,000
		01010300-545501 Legal Notices	\$1,000
		To cover costs associated with the Charter Revision.	

Mr. Lavoie moved, seconded by Mr. Haberlin, to transfer \$7,500 from the Fund Balance to 01010300-522201 Clerical Services \$500; 01010300-522202 Professional Services \$6,000; 01010300-545501 Legal Notices \$1,000 to cover the costs associated with the Charter Revision.

There was no discussion.

Vote: 5-1 motion carries (against: Mr. Kelly)

FISCAL YEAR 2013-2014 SUPPLEMENTAL APPROPRIATION

4-14-03	Joseph Laucella, Director of EMS	FROM: Fund Balance	\$ 71,516
		TO: 01022600-522202 Professional Services	\$ 71,516
		To cover paramedic services for the next 2 months	

Mr. Lavoie moved, seconded by Mr. Haberlin, to transfer \$71,516 from the Fund Balance to 01022600-522202 Professional Services \$71,516 to cover the cost of paramedic services for the next two months.

Mr. Laucella indicated that they have up-staffed this past year and are now covering more than 92% of call volume and we are transporting 78% of the calls, a 7% increase over last year. The first 3 months of 2013-2014 were up \$92,000 and we are picking up 2nd, 3rd and 4th calls with the use of the volunteers. We knew that we would be 2 months short in payroll; we were covering only 68% last year.

Mr. Kelly asked if the increase in volume related to the residential communities for the elderly. Mr. Laucella indicated that the volume is a mix of residential and commercial. We have an older population and those residents need significant and regular care. The Chair indicated that the EMS must be self-sustaining before it can become a Special Agency account, since once it becomes a special agency account, it cannot come to the Town for an Appropriation.

Mr. Lavoie made it a point of indicating that appropriating funds is not something the Board likes to do and hopes that this has been adequately budgeted for this year.

Mr. Molgard asked if patients have insurance and if not who takes care of the bill. Mr. Laucella indicated that 55% are Medicare patients and we receive reimbursement up to their allowance, approximately \$200.

Our billing fee is currently \$580-\$600 for insured patients. We do receive calls for out of town visitors, and these are often uninsured. If all our calls were insured patients, I would not be here asking for funds. We are sending people to collection and we are sending a Town letter after the 3rd collection notice. We are currently getting \$30 more per call over last year; private insurance makes up 35% of our calls.

Mr. Lavoie indicated that he will support this; they are doing a fantastic job and he realizes that Mr. Laucella inherited the budget.

Vote: 6-0 motion carries

FISCAL YEAR END 2013-2014 TRANSFER

4-14-04	Joseph Laucella, Director of EMS	FROM: 01022600-556603 Professional Dev.	\$ 2,400
		TO: 01022600-556601 Professional Dev.	\$ 2,400
		Training for 12 volunteers to attend a 2 day EMS conference.	

Mr. Lavoie moved, seconded by Mr. Haberlin, to transfer \$2,400 from 01022600-556603 Professional Dev. to 01022600-556601 Professional Dev. \$2,400 for the training of 12 volunteers to attend a 2 day EMS conference.

There was no discussion.

Vote: 6-0 motion carries

FISCAL YEAR END 2013-2014 TRANSFER

4-14-05	Mary Moran Tax Collector	FROM: 01012000-501105 Salaries-OT	\$1,575
		TO: 01012000-501103 Salaries-Seasonal	\$1,575
		To train seasonal employee for busy collection months ahead.	

Mr. Lavoie moved, seconded by Mr. Haberlin, to transfer \$1,575 from 01012000-501105 Salaries-OT to 01012000-501103 Salaries-Seasonal to train seasonal employee for busy collection months ahead. The Chair noted that the Tax Collector does this every year. Ms. Pires indicated that she has used volunteers in the past, which has not worked out. She has funds in the overtime account to do this.

Vote: 6-0 motion carries

FISCAL YEAR END 2013-2014 TRANSFER

4-14-06	Maria Pires Director of Finance	FROM: 01011000-556601 Professional seminars TO: 010011000-556603 Prof Seminars-inservice TO: 01011000-556604 Prof Services-Publications To cover in-house Munis training and additional publications.	\$1,400 \$1,200 \$ 200
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Mr. Lavoie moved, seconded by Mr. Haberlin, to transfer \$1,400 from 01011000-556601 Professional seminars to 010011000-556603 Prof Seminars-inservice \$1,200; 01011000-556604 Prof Services-Publications \$200 to cover in-house Munis training and additional publications.

There was no discussion.

Vote: 6-0 motion carries

DISCUSSION ITEMS

Fund Balance Report FYE 2014

Mr. Lavoie indicated to the Board that the current Fund Balance total is \$17.1 million. We have made decisions here tonight, and over the course of the year, to use over \$2 million that along with the revenue increase in revenue of \$367,800 and the expense decrease of \$457,500 brings the projected June 30, 2014 balance to \$15.9 million. This puts the Fund Balance at 10.46%, which is very close to the 10% threshold we need to maintain for our bond rating. We have a cushion of approximately \$700,000 so we need to let all department heads know that they need to manage to their budgets for the rest of this year and next year as well.

Mr. Kelly indicated that there is \$1.3 million available in the Special Detail account that we can use. Mr. Lavoie indicated that if the Town Council approves the budget that we presented he does not think we will need to use this special agency revenue; however, he also does not think we should use the funds for the Police Pension, but keep the in the General Fund since it is too close to 10%. The Chair indicated that the internal auditor found the funds in an audit of the Special Agency Accounts and she agrees with Mr. Lavoie that we should keep the funds in the Fund Balance.

Mr. Palo indicated that he was under the impression that Special Agency funds automatically reverted to the General Fund each year. The Chair indicated that once it was taken off line it has been accumulating in that account at about \$200,000 each year. Since it wasn't a budget item, the revenue item was also pulled out and they forgot to take the funds that were supposed to come to the Town to cover the expenses of servicing the account.

The Chair asked Ms. Pires to convey to the First Selectman at the next weekly staff meeting that the Board of Finance is now very concerned with making any supplemental appropriations going forward.

BOARD OF EDUCATION – Satus on Previous Bonded Projects

Mr. O’Keefe spoke the to Board of Finance regarding the status on previous bonded projects, as follows:

2011-2012 – See Schedule A attached

Pipe Natural Gas Lines to Booth Hill / Jane Ryan / Tashua Boilers; completed with \$3,557 remaining.

REACH Roof Re-conditioning; completed with Overrun (\$21,430) due to portions of the roof needing to be replaced.

Booth Hill / Jane Ryan Asbestos; completed Booth Hill; “Repaired” Jane Ryan (not critical); committed \$16,000 to the Booth Hill portion and would like to reallocate remaining funds \$68,000 to Long Hill UPS System. Mr. Palo questioned why we didn’t take asbestos out completely. Mr. Kennedy indicted that the long term plan is to go back in and remove all the asbestos tile in Jane Ryan. We held back because we cannot do the removal while the children are in school and to relocate them would have been would have been too difficult.

Madison Steam Trap Project (Energy Effcy); request to re-allocate \$27,500 funds to Long Hill UPS System Generator \$27,500.

Long Hill UPS System - This was originally for a short term back-up system and there has been request to reprioritize funds for a Generator. To date, we have spent \$18,500 and the cost overrun to do this is now (\$83,500). Mr. Kennedy indicated that the initial request was for a short term back-up system at Long Hill. The request has been changed, sionce it is probably better to install a generator, which is more expensive. The decision to change the scope of the project came about after the hurricane when we had no power for a week. Currently looking for a generator to run the servers, keep essential services running, and keep air conditioning in the server room running, back-up outlets, etc.

Summary: Total over-run (\$5,873)

2012-2013 – See Schedule B attached

Asbestos at Hillcrest; to be completed by July 2014; projected remaining funds \$33,612; request to re-allocate to other projects in this appropriation.

Madison Roof; to be completed by August 2014; overrun (\$196,122); requested \$200,000 in 2014-2015 to complete. Mr. Kennedy indicated that funds from this project were used for the emergency repair of the Madison wall. They are currently trying to put the funds back in.

Middlebrook Windows; in process; project has an overrun of (\$390,478); \$350,000 requested in 2014-2015 with the balance \$40,478 coming from Design Contingency. ?They are looking to the state for some reimbursement.

Middlebrook Fuel Tank; there are a number of options; assumes removal of the tank replacing it with a small above-ground emergency 3000 gallon tank in the event there is a gas disruption; the boilers are dual fueled and the generator uses oil from a separate supply; if there is any seepage during removal there will be an additional clean-up cost. Total cost \$110,000; remaining funds \$161,200.

Contngency/Design; fees for special management fees and design \$145,905 budget; we are using this for overruns; \$40,478 allocated to Middlebrook Windows.

Mr. Palo asked about the overrun for the windows. Mr. Kennedy indicated that it has to do with environmental concerns; asbestos, lead, pcbs, disposal of the material, etc).

Mr. Molgard asked if the entire roof at Madison was being replaced, since a new roof was put on 20-25 years ago. Mr. Kennedy indicated that to replace the roof would cost \$3 million; we are going over the existing roof with another membrane, using insurance money, with a 20 year warranty. There will be a 20-year warranty; the warranty holds only if you can see leaks in the building.

Mr. Lavoie asked about state reimbursement; Mr. Kennedy indicated that the Madison roof replacement is not eligible for reimbursement; the state mandates can actually increase the costs; on a \$ 3 million roof, they would see maybe \$2 million.

2013-2014 - See schedule C attached

Security; in process – target date for completion September 2014. Grant received in addition to budgeted amount of \$780,000 Mr. Kennedy indicated 3 locations were not included by the state when they came back with the grant and those 3 were in our request. Ms. Pires indicated that she was not aware that \$270,000 was received; Mr. O’Keefe indicated he would let her know.

THS Turf is completed; 0 remaining.

Network Infrastructure; completed; \$44 remaining.

Wireless Access; target date for completion is the end of May 2014. \$66,592 remaining.

Smartboard; target date for completion mid-May; \$19,536 remaining.

Document Camera; budgeted \$72,900; would like to use the these funds for additional smartboards.

Mr. Kelly questioned how the Turf Field came in to the penny. Mr. O’Keefe indicated that it came in over \$2000 and they funded it internally. It did go out to bid and 3 bids were received.

2014-2015 BOE CAPITAL REQUEST BY LOCATION - See schedule D attached

Mr. Kennedy spoke to the Board of Finance regarding the status of the BOE 2014-2015 Capital Request by location, as follows:

- Facility Assessment; performed to assist with planning. \$200,000.
- Booth Hill; intercom system for safety and security; new clock system for uniformity; paving due to concern for playground safety. \$580,308 .
- Daniels Farm; need to replace roof (shingles) with a 20 year warranty; need to replace in-ground fuel tank with an above-ground tank; new intercom for safety and security; new clock system for uniformity; overlay the courts with asphalt. \$248,790.
- Hillcrest; replace the entire roof; design \$38,500.
- Jane Ryan; remove 8,000 fuel tank; electrical design and distribution upgrade; new intercom system for safety and security. \$134,500.
- Madison; repair exterior brick walls; roof; new master control and room clocks. \$1,378,500.
- Middlebrook; **not on this list is the intercom system that just died and needs to be put ahead of another school.** No estimate given for intercom system; the other schools were somewhere between \$34,500 - 37,000. Additional window request due to 2012-13 cost overruns \$350,000; overlay courts with asphalt. \$420,000.

- Tashua; intercom system for safety and security; overlay courts with asphalt. \$214,000.
- Technology; removal of smartboards. \$25,000
- Fleet and Equipment; \$195,000 vendor estimates have been received and we are also looking to borrow equipment from the Town; need to replace 4 tractors at \$240,000; back hoe; looking to replace a truck \$75,000

Mr. Molgard asked what the maintenance budget was this year and last year. Mr. O'Keefe indicated that the budget for this year was cut and he will forward both to the Chair for distribution to the members.

Mr. Palo asked Mr. O'Keefe to comment on the large balances left in BOE accounts. Mr. O'Keefe indicated that when funding is requested, Mr. Ponzio noticed that there are large balances in the accounts and it has been traced back to the Teachers Retirement Bureau and now they won't request funds until just before they are wired. In addition, they agreed not to fund Accounts Payable requests for a number of days.

Mr. Lavoie left the meeting at 9:00 p.m.

STATUS ON PRIOR BONDED TOWN PROJECTS – See Schedules E, F,G Attached

Ms. Pires indicated that if we are eliminating a project we won't Bond for it and if a project is completed in-house, it would get done but we would not bond for it.

Mr. Marsilio reviewed the approved projects for FY 11-12, commenting as follows:

- Senior Center; they cannot seem to agree on what needs to be done; therefore, it is noted TBD.
- Fleet / Equipment; vehicles purchased; \$41,000 surplus remaining.
- Other projects are TBD or done; Nutmeg and Commerce paving is pending
- We have a wash bay so we are environmentally compliant.
- We were told we need a salt shed for environmental purposes and that is still pending.

Mr. Marsilio reviewed the approved projects for FY 12-13, commenting as follows:

- Roadways CIP 2012 (see schedule F); Mr. Marsilio indicated that Roosevelt will be finished once sewer repair and storm drainage repair are completed; these roads are not under any litigation and have not had sewers for very long.
- Town Hall elevator finished; looking to sell existing handicap elevator.
- Salt Shed; TBD over next several months; foundation built in house and canopy purchased; still need conveyor built; we will have a salt shed for under \$200,000. The fabric won't last 20 years, but the rest of it will last.
- Long Hill Green, possibly eliminating this project.
- Ranger Station relocation; probably not worth renovating; better to build new on existing footprint; we are moving them because it is perceived that the property where they are located should be added back to the tax role; currently using for storage.

Mr. Marsilio reviewed the approved projects for CY 2014, commenting as follows:

- Roadways on Schedule G 9 correspond to those on Schedule F.
- Library; generator; HVAC.
- Town Hall; Technology.
- Police Headquarters; finishing; mechanical.
- Senior Center; air handling; exhaust.

- Public Works Yard; thermal and moisture protection; bay and office renovations; doors and windows. Need showers and an area where workers can sleep during storms. (see above for salt shed). As of now you need to drive the entire distance of the yard to get a dump ticket; looking at a master plan for the yard; salt shed; wash bay; garages that require more space for larger new equipment, i.e., snowplows; offices should be in front of yard; not back, including emergency facilities.
- EMS building; roofing; boiler; insulation; interior lighting and sensors (UI Partnership).
- Highway vehicles; replacing one snowplow each year so the oldest is 20.
- Facilities needs a Bobcat.
- Parks needs a tractor/loader.
- Economic Development; Trumbull Corporate Park emergency exit; repaving Corporate Drive Steap Grant; visitor center "rails to trails"; Trumbull Center design.
- Park Improvements; filter house at pool; Hillcrest field hockey irrigation.
- Old Town Road; major renovations shared by 3 towns; federal funding; 80-10-10 project; sidewalks and bike paths. We needed to put \$150,000 in our budget for design and Bridgeport would have to match in the event we get notice that the state is ready to fund.

Mr. Palo moved, seconded by Mr. Kelly, to extend the meeting until 10:30 p.m.

Vote: 5-0 motion carries

- Mary Bill property needs a roof.
- Police department needs cellblock modifications.
- Engineering; a number of easement and drainage repairs needed; intersection of Daniels Farm Road and Strobel Road needs a new traffic signal; Lake Avenue needs drainage improvement; Moose Hill Road the state will give us 4.6 million if we do the design work.
- WPCA; self-explanatory.

APPROVAL OF MINUTES – February 26, 2014

Mr. Haberlin moved, seconded by Mr. Molgard, to approve the Minutes of the February 26, 2014 meeting, as presented.

Mr. Palo moved, seconded by Mr. Haberlin, to amend the minutes by deleting **Motion to Bench: Mr. Lavoie moved, seconded my Mr. Palo** at the top of page 3 and adding: **Mr. Lavoie moved, seconded by Mr. Palo to table item 2-14-03.**

Vote: 5-0 motion carries to amend the minutes

By unanimous consent, the Board of Finance voted to accept the Amended February 26, 2014 minutes.

ADJOURNMENT

By unanimous consent, the meeting adjourned at 10:30 p.m.

Respectfully submitted

Phyllis C. Collier – Board of Finance Clerk