

MIDDLEFIELD BOARD OF FINANCE
405 Main Street
Middlefield, Connecticut 06455

Revised Minutes of the August 2, 2018 Special Meeting

Jim Irish called the meeting to order at 7:00 pm.

Attendance:

Members

Others

X	Irish, Jim	X	Bailey, Ed (<i>Ex Officio</i> Member)
X	Kowal, Melissa		
X	Lowry, David		
X	Malcolm, Alice		
X	Nick, Joel		
X	Wolak, Mary	X	Rusilowicz, Al (Finance Director)

A=Absent

X=Present

The Pledge of Allegiance was recited.

Approval of the Agenda

Alice Malcolm mentioned the email that had been received from the Levi Coe Library for funding for security and asked that that be added under New Business.

Joel Nick made a motion, seconded by Melissa Kowal, to approve the agenda as amended. Motion carried unanimously.

Public Comment

None.

Approval of Minutes from 6/7/18

Jim Irish suggested some wording changes to the fifth paragraph on page 3, changing the third sentence to read as follows: Mr. Irish stated that the concept of contingency was to have money to be used for things that are nondiscretionary, such as cost overruns and non-salary items. Municipal expenses are the town expenses less the school expenses.

Melissa Kowal made a motion, seconded by Joel Nick, to approve the minutes from the 6/7/18 meeting, as amended. Motion carried unanimously.

Jim Irish also reported that he has not made any progress on policy statements, but he will try to get a second draft to the Board members and to the Board of Selectmen for review at the September meeting.

Review of 2018 Fiscal Year Spending

Al Rusilowicz distributed two documents, one for the expenses and one for the revenue. He reported that there are still a few invoices in-house that have not been processed and more are anticipated. Anything over budget was highlighted on the reports, but there is nothing at this point that would require a town meeting. He also mentioned that Fran Pac has retired, effective June 15th and Judi Rand has taken over her position. Mr. Rusilowicz stated that Judi Rand is doing a fabulous job and he believes it will work out well.

Jim Irish asked about next month's transfers to cover over-expenditures and Mr. Rusilowicz explained that the bottom line of the general fund is substantially under-expended and he will move as much of the capital expenditures to operations as possible before the next meeting. Nothing will get moved that would require a town meeting. He gave an example of Town Hall improvements and Community Center improvements in both capital improvements and in the general fund. Currently, those line items are under-expended in the general fund, so he will move the bulk of the money charged for those line items from capital to operations. This will basically decrease expenses against the capital fund and increase expenses in general operations. Mr. Irish asked if Mr. Rusilowicz would provide a list of items where this was done.

Mr. Rusilowicz went on to review that the Town Website went over, but will not happen again. Insurance Deductibles is over by \$500. Lake Beseck drawdown went over budget as did the custodial salary. Tires and brakes needed to be replaced on the newest police car and brakes on the First Selectman's vehicle, both of which had not been anticipated. Software has been purchased for up-keeping of records in the Town Clerk's office which had not been budgeted.

Mary Wolak arrived at this point of the meeting.

Tax Collector Office Expenses were primarily legal fees related to the tax sales. Mr. Rusilowicz also reported that the registrars have asked to be compensated for additional time related to registration for the primaries and he was told that that was not part of their salary. The Board members felt that the salaries should reflect the duties of the registrars in the future. There was also discussion about the registrars canvassing, the election procedures and training that is provided for registrars.

Al Rusilowicz reviewed that the Inland Wetlands Enforcement Agent also fills in when help is needed in the office and it was felt that that extra money should come from the staff shortage line item. Senior and Social Services has a surplus in Renter's Rebate as that was put back into the State budget. Senior meals are also under budget as the expected billing did not happen. The plan is to take that money out of the general fund and move it into miscellaneous grant funds to be help outside of the budget in case there an issue arises about the senior meals.

Moving to the Public Works department, the line item over budget is equipment maintenance and that is due to some serious issues with a payloader. Overtime costs are under budget. Storm-related expenses are primarily salt. Mr. Rusilowicz also reported that the person who was going to do the training for salting the roads no longer does it.

Dave Lowry asked if the Tree Warden has been paid and Al Rusilowicz said that he would take care of it.

Jim Irish asked what kinds of expenses are in Road Maintenance and Mr. Rusilowicz thought it there was really no formal plan in the budget process as to what will actually be performed and it looks as though work

was not performed that they thought would be. Money will be moved from Town-Aid Road to this line item. It was generally agreed that there should be a plan in place before money is budgeted. Jim Irish reviewed the road maintenance expenditures from the last several years. Mary Wolak explained that the Board of Finance has asked all the other departments to be specific with their budgets and that has worked, so it would seem reasonable that Public Works could do the same. Mr. Irish summarized that the combined totals of Road Maintenance and Town-Aid Road is a considerable amount of money and it would be good to have a plan. Ed Bailey felt that there is a plan in place now that covers approximately 85 percent of the total.

Dave Lowry asked about the \$11,000 remaining in Peckham Park expenses and Ed Bailey explained that the work at the park didn't get done this year. He explained that there had been money set aside for tree trimming and tree removal that did not get done yet. Mr. Bailey also reported that they underspent on the process for the parking area as well and a lot less material was needed for the walking trail than was originally thought. He also explained that there is no Public Works Director who would handle a lot of these things and the Park and Rec Director is trying to orchestrate all of the work with Mr. Bailey's assistance.

Al Rusilowicz reported that they have not yet received the overtime bill for the Police Department for the month of June, but they are hoping that the total overage will not exceed \$20,000. Melissa Kowal asked about the sundry expenses and asked if the land line has been eliminated. Mr. Bailey stated that it has not been eliminated and explained that it is a town-owned land line in Mr. Chowaniec's house, but the Town does not pay for his personal land line. Mr. Bailey explained that the town doesn't publish cell phone numbers on the website and that's why he has a land line as well as a cell phone. He also explained that all town-owned cell phones have been upgraded to smart phones.

Mr. Rusilowicz noted that there are several Fire Department line items that are over budget, but nothing significant. They are under budget overall. He also reported that Peter Tyc has asked the town to encumber line item 8007, Training, as they have an agreement for some training to be provided. Mr. Rusilowicz also mentioned that they will encumber \$5,000 of the remaining \$7,323 in Labor Counsel, item 6072 under Professional Services, as the union negotiations didn't happen as quickly as they had hoped and are not part of the 2018-2019 budget. Brookside Drive sewer system and WPCA Lake Beseck are slightly over budget. Fourteen people from Middlefield disposed of hazardous waste, but that is difficult to predict.

Al Rusilowicz also pointed out that total expenses for Old Home Days had been \$18,158, including everything but police. There was \$2,000 in the budget and \$16,400 in the bank account, leaving approximately \$223. Ed Bailey explained that the fund raising that was done for the sesquicentennial was much higher than expected and the expenses were under budget. Alice Malcolm pointed out that Old Home Days costs a lot more than \$4,000 and asked why they only budget \$2,000 per year. Ed Bailey explained that Old Home Days historically raised around \$15,000 for each event and the town would add a small amount. He also commented that the Sesquicentennial raised about \$50,000 and there was about \$16,000 left after the event. Mr. Bailey reported that the Old Home Days committee disbanded this year and the Park and Rec Commission took over. They had made a decision this year not to solicit any contributions and therefore had no income from outside sources, other than in-kind contributions. Mr. Bailey felt that the event was a success and hoped that a program could raise some revenue in the future. He also felt that the town could easily afford to spend \$10,000 a year for this and explained how difficult it is to get volunteers to solicit donations. Mr. Bailey explained that there would be a better plan in place for the next budget year. It was generally agreed to zero the fund out and start fresh next year.

Al Rusilowicz also reminded the Board that all accounts are now town-controlled and they are aware of all expenses, except for the Fire Department and the Library. He summarized that the general fund is under-expended as of right now by \$353,000 which will go down as there are some bills still outstanding.

On the revenue side, Mr. Rusilowicz explained that tax collections, after \$78,000 in refunds, are still over by \$255,000, part of which is the tax sales. Money from the State of Connecticut is over budget by \$19,000, but part of it will go to Durham for the Senior and Disabled Bus. Land Use charges for services is over budget, but the Town Clerk is under budget, without June's revenue. Police Department is over budget, primarily due to the incident at the schools that involved the Resident Trooper.

Under Other Revenue, the biggest item is the sale of a fire truck which is over budget by \$70,000. Interest income is up. None of the available surplus was used this year and the contribution to fund balance, as of now, will be all of the \$350,000 plus at least \$60,000 which will be an increase to the prior year's fund balance which was about \$1.8 million, bringing the surplus to over \$2 million.

Jim Irish again asked Al Rusilowicz to provide a list of the capital to general fund changes he will make as well as any transfers that are needed. Ed Bailey explained that his focus is to get the town budget in a different place than it was five years ago, focusing on efficiencies and ways to save money.

Old Business

Mr. Bailey also updated the Board that the Plainville/Southington Health District is in favor of having Middlefield join and details are being ironed out. He also got a letter from the State, making \$15,000 available for towns who are classified as having a part-time health department and join a health district. Mr. Bailey sent a letter of intent to the Department of Public Health that Middlefield plans to join the Plainville/Southington Health District. The grant is divided to \$10,000 to the town that is joining and \$5,000 to the health district, however the health district agreed to apply the money toward Middlefield's fee. Details are still being worked out and he hopes that the process will be complete by October 1st. Mr. Bailey also reported that if the town joins a health district before June 30, 2019, the State will provide full funding for Middlefield for the health district (about \$1.50 per capita). There will be a town meeting and a public hearing on this issue in the future. Mr. Bailey felt that the buy-in will be approximately \$25,000 and the annual fees around \$30,000 and will produce a huge savings for the town.

New Business

A. Cell Tower Lease - New Interest

Jim Irish explained that the Board has received a letter from Peter Tyc talking about the need for communications hardware on top of the cell tower. They need two dual UHF antenna units, one low-band antenna and two microwave radiowaves. They will also need two 7/8" feed lines for the UHF antenna. Mary Wolak thought that the town had the right to be on top of the tower, but it was explained that that was part of the contract that never went through. Mr. Irish explained that the town's attorney had asked for that, but no lease agreement or new contract was signed.

Ed Bailey explained that the lease is in effect with SBA, but we have not been successful in getting them to modify the lease. He will try to work something out with them. Mr. Bailey explained that Valley Shore would like some assurances before they commit to putting things on the tower. The town doesn't have much leverage with SBA at this point unless they agree to what they have proposed. The present lease is due to expire in either 2023 or 2024 and Mr. Bailey felt that the town would get the best deal if they wait until the lease is about to expire.

Mary Wolak asked if a plan was in place so that we don't lose what Valley Shore is offering and are able to put the communications equipment where it belongs. Ms. Wolak is concerned that if this isn't resolved, the town will have to spend some serious money. Melissa Kowal asked about AT&T recently moving their equipment to the top of the tower and into the shelter space and Mr. Bailey explained that that is incorrect and they did not move into the shelter space. Mr. Bailey stated that AT&T's equipment is located outside the shelter.

Ed Bailey felt that the nature of what Valley Shore requires has changed as far as the microwave, but there is plenty of space at the top of the tower for the antennas. Bill Konefal explained that the microwave dish going from the firehouse to the antenna is an option and not set in stone. The ideal would be to have the microwave at the top so it can hit a tower down in Guilford. That would eliminate all phone line issues. Mr. Konefal did not know if the microwave could go at the top with AT&T's equipment there, but did feel it would be possible for the antennas to go there.

Mr. Bailey will convey all of the information as to what needs to be installed to SBA and see if they will agree to allow the town to install it. Al Rusilowicz explained that SBA pays the town \$3,600 a month, but that rent goes down by \$20,000 for the last two years of the lease. This gives SBA the incentive to give space to AT&T, rather than the town. Ed Bailey explained that the agreement was that the town could put anything on the tower as long as it doesn't interfere with what SBA needs. He hopes to have this wrapped up some time in September. Mr. Konefal stated that Valley Shore has been trying to contact SBA and no phone calls are being returned. SBA has not returned any phone calls to Chief Tyc either. Mr. Bailey has reached out to the rep, but she was on vacation and he will gather all the information and contact her. He will be reviewing the original language of the lease before talking to them.

Mary Wolak asked what the next step would be if SBA says no and Ed Bailey explained that Valley Shore would look for alternatives for their purposes, but the town would have a problem for their own purposes. Mr. Bailey was optimistic that it could be worked out with SBA. Bill Konefal commented that this would help more communities than just Middlefield. Mr. Bailey reviewed that the lease is for the land under the tower as the town doesn't own the tower, but SBA's tower is an asset to them.

Ed Bailey also explained that the town has been approached by several companies that want to buy the lease, but he didn't want to share any details publicly at this time. Bill Konefal reiterated that Chief Tyc and the Fire Company are very concerned about this and want to be sure that they don't lose the Valley Shore part of this as it will help the town with their communications. He also explained that Valley Shore is paid based upon the number of 911 calls that the town has.

Dave Lowry asked if the town would be better off owning its own cell tower and Bill Konefal stated that Killingworth just installed a tower at a cost in excess of \$1.2 million. Ed Bailey stated that that would also have to go through the Siting Council, but that a communications tower would be a different thing than a cell tower. Melissa Kowal wondered if Valley Shore would pay for space on a communications tower and Mr. Konefal guessed that Valley Shore would probably then increase the rates to the town.

Jim Irish asked about the timing for this and how patient Valley Shore will be. Ed Bailey thought that the end of September would work. Bill Konefal reminded everyone that they have been working on this for five years. Dave Lowry felt that getting the Fire Department antennas on the tower should be the priority, but Bill Konefal was explained that it all works together as one big project. This issue will be on the Board's agenda for the September meeting.

B. Levi Coe Library Request for Funding for Security

Jim Irish reviewed that the librarian has requested to install panic buttons at both the adult and children's room desks for a cost of \$1,200, with a monthly monitoring fee of \$500 yearly. There is enough money

in the capital budget for security in the library to cover this item. Dave Lowry asked Jim Irish to read the letter from the librarian, but Ed Bailey reminded everyone that these items have already been discussed and the money is available. Mr. Bailey explained that the panic buttons will be connected to Monitor Controls. Al Rusilowicz explained that the town will cover the cost of the purchase, but the monitoring fee will be paid out of the library's operating budget.

Alice Malcolm made a motion, seconded by Joel Nick, to endorse the purchase of panic buttons as a security item for the library. Motion carried unanimously.

Adjournment

Melissa Kowal made a motion, seconded by Mary Wolak, to adjourn the meeting. Motion was carried unanimously. The meeting was adjourned at 9:18 pm.

Respectfully submitted,

Debi Waz

Debi Waz
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