

**BOARD OF FINANCE
REGULAR MONTHLY MEETING MINUTES
THURSDAY, MAY 20, 2010**

Meeting called to order at 7:07 pm in the Finance Room by Claude Pellegrino, Chairman. Members present: Glenn Cheney, Kate Tiffany, and Wendy Schnip. Absent: Julie Lumpkins and Karen Collins. Also present: First Selectman Catherine Osten, Treasurer Jeannette Deschamps, and Susan Zimmerman.

1. Public Comment

None.

2. Review and act on minutes of April 15, 2010 monthly meeting

Motion made by W. Schnip, seconded by K. Tiffany, to approve said minutes. Unanimously approved.

3. Monthly Tax Collector, Treasurer, and Town Expenditure reports

J. Deschamps reviewed monthly reports. Discussion on revenue side of Budget vs. Actual.

W. Schnip and C. Pellegrino suggested there be public access tax base information electronically. To be discussed further at the next monthly meeting.

W. Schnip suggested the Board of Selectmen consider having town agencies hold off on spending until next fiscal year. C. Osten will bring up at the next Board of Selectmen meeting.

4. Discuss and possibly act on an appropriation of \$6,207 for the Records Storage Room funded by a USDA grant and contingent upon receiving said funds

Motion made by G. Cheney to appropriate an additional \$207 for a total of \$6,207 for the Records Storage Room funded by a USDA grant and contingent upon receiving said funds. Seconded by K. Tiffany. Budget for fiscal year 2010-11 approved \$6,000. Unanimously approved.

5. Discuss and possibly act on an appropriation of \$16,404 for the Communication System funded by a USDA grant and contingent upon receiving said funds

Motion made by G. Cheney to appropriate an additional \$1,071 for a total of \$16,404 for the Communication System funded by a USDA grant and contingent upon receiving said funds. Seconded by K. Tiffany. Budget for fiscal year 2010-11 approved \$15,333. Unanimously approved.

6. Discuss and possibly act on recommending an appropriation of \$21,855 from the sale of Fire Department apparatus to be used for the Fire Department and capital expenditures

Motion made by W. Schnip to recommend a transfer of \$21,855 from the Undesignated Reserve Fund to the Baltic Fire Department Reserve Fund. This amount is from the sale of Fire Department apparatus. Seconded by G. Cheney. Unanimously approved.

7. Discuss and possibly act on recommending an appropriation of \$25,000 received from Cascades Boxboard Group for the Wastewater Treatment Study

Total of the study is \$55,000. Received USDA grant for \$25,000. Water & Sewer Authority will pay \$5,000.

Motion made by G. Cheney to recommend an appropriation of \$25,000 received from Cascades Boxboard Group for the Wastewater Treatment Study. Seconded by K. Tiffany. Unanimously approved.

8. Discuss and possibly act on recommending an appropriation of \$90,000 funded by the Historic Restoration Fund Grant Program of the Connecticut Commission on Culture & Tourism for the renovation of the 3rd floor of the Grist Mill for museum and archival space and contingent upon receiving said funds

Motion made by G. Cheney to recommend an appropriation of \$90,000 funded by the Historic Restoration Fund Grant Program of the Connecticut Commission on Culture & Tourism for the renovation of the 3rd floor of the Grist Mill for museum and archival space and contingent upon receiving said funds. Seconded by K. Tiffany. Unanimously approved.

9. Discuss and possibly act on recommending an appropriation up to \$210,000 funded by a CT Clean Energy Fund Grant for solar panels and contingent upon receiving said funds

Motion made by G. Cheney to recommend an appropriation up to \$210,000 funded by a CT Clean Energy Fund Grant for solar panels and contingent upon receiving said funds. Seconded by K. Tiffany. Cost may be less. Unanimously approved.

10. Discuss and possibly act on recommending an appropriation up to \$500,000 funded by a DEP Land Acquisition Grant for the purchase of Watson property and contingent upon receiving said funds

Received appraised values of \$517,500 and \$511,000 for the Watson property. C. Osten intends not to use any town tax money on purchase. If enough money not received, C. Osten recommends not going forward on purchase.

Motion made by G. Cheney to recommend an appropriation up to \$517,500 funded by a DEP Land Acquisition Grant for the purchase of Watson property and contingent upon receiving said funds.

Seconded by K. Tiffany. The town is pursuing other grants to fund ancillary acquisition costs. Approved. W. Schnip opposed.

11. Discuss and possibly act on recommending an appropriation of \$892,000 funded by a USDA grant for Pump Station 1 and 2 and contingent upon receiving said funds

Motion made by G. Cheney to recommend an appropriation of \$892,000 funded by a USDA grant for Pump Station 1 and 2 and contingent upon receiving said funds. Seconded by K. Tiffany. C. Osten stated this has been preliminarily approved. Other grants may be associated. A portion will be paid by the Sprague Water & Sewer Authority. Unanimously approved.

12. Discuss and possibly act on recommending an appropriation of \$2,200,000 funded by a USDA grant for the Baltic Dam and Filtration plant and contingent upon receiving said funds

Motion made by G. Cheney to recommend an appropriation of \$2,200,000 funded by a USDA grant for the Baltic Dam and Filtration plant and contingent upon receiving said funds. Seconded by K. Tiffany. C. Osten stated this has been preliminarily approved, other grants may be associated, and a portion will be paid by the SW&SA. Unanimously approved.

13. Discuss and possibly act on resolutions for appropriations and bond and note authorization for the following:

a. Road Upgrades and Streetscape Improvements Program

Motion made by W. Schnip, seconded by G. Cheney, to approve the following resolution as written for the Fiscal Year 2010-11 Road Upgrades and Streetscape Improvements Program. Unanimously approved.

Item 13a:

WHEREAS, the Town's capital budget for the fiscal year ending June 30, 2011 includes appropriations in the aggregate amount of \$314,000 for costs related to various projects constituting the Fiscal Year 2010/11 Road Upgrades and Streetscape Improvements Program; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriations;

NOW, THEREFORE, RESOLVED, that the Board of Finance recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$314,000 to finance appropriations in the aggregate amount of \$314,000 included in the adopted budget for the fiscal year ending June 30, 2011 for costs related to various projects constituting the Fiscal Year 2010/11 Road Upgrades and Streetscape Improvements Program, as follows: (a) pavement overlays to all or portions of Parkwood Road, Hazelwood Drive, Bay Street and Pearl Street, drainage improvements on Potash Hill Drive, and other related work as to be determined by the First Selectman (\$200,000 appropriation), (b) pavement chip sealing to all or portions of Salt Rock Road, Mission Street and Fifth Avenue, and other related work as to be determined by the First Selectman (\$48,000 appropriation), (c) installation of ribbon guardrail to all or

portions of Bay Street, Ridge Road, Baltic-Hanover Road and Fifth Avenue, and other related work as to be determined by the First Selectman (\$16,000 appropriation), and (d) streetscape improvements to all or portions of Upper High Street and High Street, including drainage, widening, sidewalk installation and other related work as to be determined by the First Selectman (\$50,000 appropriation); (balance of project costs to be funded with \$500,000 Small Cities grant proceeds appropriated in the adopted budget for the fiscal year ending June 30, 2011). The appropriations may be spent for design and construction costs, equipment, materials, engineering fees, legal fees, related land or easement acquisitions, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

b. Communication System

Motion made by W. Schnip, seconded by G. Cheney, to approve the following resolution for the Town's net cost related to replacement of the Communications System. Unanimously approved.

Item 13b:

WHEREAS, the Town's capital budget for the fiscal year ending June 30, 2011 includes an appropriation in the amount of \$30,667 for the Town's net cost related to replacement of the communications system among Town Hall, Town highway vehicles and emergency vehicles, and related work and equipment; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriation;

NOW, THEREFORE, RESOLVED, that the Board of Finance recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$30,667 to finance an appropriation in the amount of \$30,667 for the Town's net cost related to replacement of the communications system among Town Hall, Town highway vehicles and emergency vehicles, and related work and equipment. The balance of the costs of the project is to be funded with \$15,333 grant proceeds appropriated in the adopted budget for the fiscal year ending June 30, 2011. The appropriation may be spent for acquisition and installation costs, consultant fees, equipment, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

c. Senior Center Refurbishment Project

Motion made by W. Schnip, seconded by G. Cheney, to approve the following resolution for the Senior Center Refurbishment Project. Unanimously approved.

Item 13c:

WHEREAS, the Town's capital budget for the fiscal year ending June 30, 2011 includes appropriations in the amount of \$13,500 for costs related to the Senior Center Refurbishment Project; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriation;

NOW, THEREFORE, RESOLVED, that the Board of Finance recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$13,500 to finance an appropriation in the amount of \$13,500 included in the adopted budget for the fiscal year ending June 30, 2011 for costs related to refurbishment of the Senior Center located at One Main Street in Baltic, including such improvements, renovations, modifications, and equipment and furnishing acquisitions as to be determined by the First Selectman. The appropriations may be spent for design and construction costs, equipment, furnishings, materials, engineering fees, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

d. Water and Sewer System Upgrades Preliminary Costs

Motion made by W. Schnip, seconded by G. Cheney, to approve the following resolution for the Water and Sewer System Upgrades Preliminary Costs. Unanimously approved.

Item 13d:

WHEREAS, the Town's capital budget for the fiscal year ending June 30, 2011 includes appropriations in the amount of \$35,000 for costs related to the Water and Sewer System Upgrades Preliminary Costs; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriation;

NOW, THEREFORE, RESOLVED, that the Board of Finance recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$35,000 to finance an appropriation in the amount of \$35,000 included in the adopted budget for the fiscal year ending June 30, 2011 for a portion of the costs related to preliminary design of and grant applications for various improvements to the sanitary sewer and water systems of the Town, contemplated to include improvements to Baltic Reservoir including demolition and reconstruction of the east dam (spillway) and upgrades to the water filtration plant system for surface water filtration; improvements to the water system including removal of abandoned fire hydrants, water line upgrades, spare pump acquisition and construction of a 500,000 gallon storage tank; improvements to or replacement of the sewage treatment plant; improvements to Sanitary Sewer Pump Station #1 in Baltic, Sanitary Sewer Pump Station #2 in Hanover, Sanitary Sewer Pump Station #3 on Main Street in Versailles and Sanitary Sewer Pump Station #4 on Bay Street in Versailles; and implementation of a sewer system inflow/infiltration study. The balance of the preliminary design and grant application costs is anticipated to be funded with future grant awards from the U.S. Department of Agriculture. The appropriation may be spent for design costs, grant application and administration, engineering and consultant fees, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

e. Costs related to issuance of bonds or notes and temporary notes

Motion made by W. Schnip, seconded by G. Cheney, to approve the following resolution for costs related to issuance of bonds or notes and temporary notes. Unanimously approved.

Item 13e:

RESOLVED, that the Board of Finance recommends that the Town of Sprague appropriate \$81,761 for costs related to the issuance of bonds or notes and temporary notes to finance all or a portion of the aggregate \$393,167 appropriations included in the Town's capital budget for the fiscal year ending June 30, 2011 referred to in agenda items 13a through 13d, inclusive, above; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$81,761 to finance said appropriation. The appropriation may be spent for financial advisory fees, legal fees, net interest on borrowings and other financing costs and expenses related to the financing of all or a portion of said aggregate \$393,167 appropriations.

14. Set 2010-11 tax mill rate

The Board recommended at the Referendum a mill rate of 25.75.

Motion made by K. Tiffany, seconded by C. Pellegrino, to set the mill rate at 25.75. Approved. W. Schnip opposed.

15. First Selectman's Report

C. Osten met with FEMA today. Will be refunded for repairs to Inland Road.

Waiting for permits.

Fire at Amgraph, minor damage to equipment.

16. Old Business Update

C. Osten would like names of BOF members to be on a committee for office policies and procedures for financial impacts. To be discussed further at the next meeting.

C. Pellegrino stated he received no response from the Fire Department regarding revenue issue. In addition, we do not know if the Fire Department filed its IRS form. To be formally discussed at the next monthly meeting.

17. Public Comment

Susan Zimmerman commented the Fire Department could file for an extension on its IRS filing.

18. Any other business proper to come before said meeting

None.

19. Adjournment

Motion made by W. Schnip, seconded by G. Cheney, to adjourn. So voted. Meeting adjourned at 9:30 pm.

Claude R. Pellegrino, Chairman

June 17, 2010 monthly meeting was cancelled due to lack of quorum.