



# THE TOWN OF WOODBRIDGE BOARD OF FINANCE MONTHLY MEETING MINUTES JULY 21, 2016

A Board of Finance Meeting for the Town of Woodbridge was held in the Central Meeting Room at the Town Hall, Woodbridge, Connecticut on Thursday, July 21, 2016 at 6:00 pm

**PRESENT:** Chairman, Matthew Giglietti; Karen Cusick; Andrew Esposito; Paul Kuriakose

**ALSO PRESENT:** First Selectman, Ellen Scalettar; Administrative Officer / Director of Finance, Anthony Genovese; Budget Analyst, Karen Crosby

Chairman Matthew Giglietti called the meeting to order at 6:00 pm

## **PUBLIC COMMENTS**

None

## **WBOE Superintendent – Robert Gilbert**

Superintendent, Robert Gilbert, was in attendance to introduce himself to the Board of Finance. He is now in Week 3 and is ecstatic about being in Woodbridge. He came from the Town of Granby where he was an administrator for 22 years. He finds Woodbridge and Granby to be similar. Guy stayed on for Bob's transition. He provided all the information needed to get Bob started. He has had a chance to meet parents and students. Bob noticed the commitment and support that the Town has given the school and he appreciates the commitment and support. In reviewing the FY16 fiscal year, he is aware of the special education budget and the shortfall there. Through some savings the deficit had been reduced from \$405,000 to \$114,000. The current fiscal year shows a few special education placements that weren't known during the budget process. He will keep the Board apprised of this going forward through the fiscal year.

## **Amity Bond Proposal – Chip Dumais**

Chip presented the bonding project. There have been no decisions made by the Amity Board of Education as of yet. They made an assumption on the referendum process that the referendum passes. The Amity Finance Committee will see the presentation at their August meeting. All the projects are capital improvements that should not be part of the operating budget. The presentation is attached. (Due to national election, the referendum has been moved from November to December) the projects include the Air Handler at the high school (middle gym), Air Handler at the high school (A Wing classrooms and Kitchen), VAV Box Room 164, Consumer Science Room – High School (culinary – current items are not commercial grade, there are no hoods), Parking Lot – Phase I High School (due to high water table), Tennis Courts – High School, HVAC Upgrades – Bethany Campus. Two items that were removed from the project – one of the small gyms is not climate controlled and was removed. The second item was a small out building for external storage, this was also removed from the project.

The total estimated principal of the projects is \$2,072,203. There is no turf field included in this project and they will not consider one until the federal government has made a determination of the safety of turf fields.

Matt asked if the parking lot project is reclaiming or just resurfacing. Chip responded that he thinks they will be tearing up sections of the parking lot.

Ellen asked if they have considered putting the asphalt repair in the operating budget as the Town does. The Town does it frequently and regularly. Chip responded that they do pieces of asphalt as they come up but they also do big projects less frequently.

Ellen also asked how the debt is paid by the three Towns. Terry Lumas stated that since the debt is paid back in each operating budget, the percentages will change from year to year.

Chip introduced Terry Lumas, who is now the Director of Finance and Administration for Amity.

## **ADMINISTRATIVE OFFICER / DIRECTOR OF FINANCE REPORT**

### **Status of FY16 Budget**

Tony reported that the result is a surplus of about \$600,000 that there is \$400,000 from Fund Balance which still returns about \$200,000 to Fund Balance. This has the Fund Balance at 10.44% of the annual projected expenses at the end of the year.

### **Revenues**

Intergovernmental Revenues – projected to experience a slight deficit of \$3,705. Tony had previously reported that the Town would generate a surplus due to receipt of FEMA funds and additional special education excess cost grant funds (even considering some mid-year State cuts in ECS and PILOT grants). This surplus has disappeared because of a timing issue related to school construction reimbursements from the 1996 project. Due to some apparent delays at the State, our final reimbursement of approximately \$75,000 will most likely not be received until next fiscal year.

Department Revenues – expected to be close to budget. Anticipated surplus funds in conveyance taxes, recreation fees and building permits are offset by anticipated deficits in CCW pool revenue and SRO funding.

Other Financing Sources – projected to experience a surplus of \$85,000 due to increased private duty revenues.

### **Expenses**

Board of Selectmen – projected to experience a surplus of \$17,000 primarily due to a vacant position for a portion of the year.

General Administration – projected to experience a surplus of \$36,000 largely due to savings in property, auto, and liability insurance.

Center – projected to experience a surplus of \$16,000 largely due to savings in utilities.

Police – projected to experience a surplus of approximately \$45,000 primarily due to vacant positions for a portion of the year.

Public Works – projected to experience a surplus of \$40,000 primarily due to savings in payroll, utilities, and gas and diesel costs.

Waste Management – projected to experience a surplus of \$45,000 primarily due to lower than anticipated expenses in TIP fees, bulky waste disposal and recycling.

Recreation – Primarily due to staffing vacancies, recreation is projected to experience a surplus of approximately \$18,452.

Pool & Gym – projected to experience a surplus of \$13,500 due to a savings in oil heat. The Beecher pool now gets heat from the boilers at Beecher Road School.

Parks – projected to experience a surplus of \$12,555 primarily due to a vacant position for a portion of the year.

Benefits – projected to experience a surplus of \$30,000 largely due to a savings in healthcare mostly due to vacant positions.

Debt Service – as a result of debt refunding in June of 2015, the Town will experience a savings of \$18,266 in this year's debt service budget.

Throughout the year as things happen, it tends to create surpluses as we are careful and conservative with our budgeting and our forecasting and tracking. This is why unless we have an extraordinary unusual revenue circumstance or something that we specifically allocate Fund Balance for then typically the \$400,000 amount is something that works for our budget and that is why it is not commented on during our rating presentations.

Matt stated that he would word it differently. At the Town Meeting we get approval to, if necessary, use \$400,000 of the Fund Balance to balance the budget. So in fact, we are not using the \$400,000 and we are returning \$200,000 to Fund Balance. We had another good year with a responsible budget.

### **Status of FY16 Audit**

Tony reported that they have finished their field work of testing invoices, payroll, and payables. Everything went well and they will be back in October to finish. There is a letter from the auditors which indicates the process, the approach to auditing, and the controls that they look into.

### **WBOE Monthly Report**

There is a funding request for \$114,000 for their shortfall. Back in November and December they talked about a deficit of about \$400,000 so they did a good job of getting that number down.

### **Bond/Note Sale Update**

Tony reported that we prepared an official statement and went through a bond sale. There were two note sales and one bond sale. In advance of these sales, we also did a rating review and Moody's reaffirmed our Aaa rating. Some of our credit strengths are a stable residential tax base, substantial wealth and income levels, strong financial management including a fund balance policy, and a manageable debt position.

The first note sale of \$4,500,000 for the Beecher Project and the interest rate is 1.9%. It is a sealed bid process. Note sale of \$2,400,000 with an interest rate of .69% (1 year note) The Country Club of Woodbridge is a taxable issue. The possibility exists that the property will be sold for or used for a taxable purpose That Note is \$5,250,000 and the interest rate is 1.07%.

Mat stated that our financing is in good shape. The interest rates are good news for Amity when they go out to bond because it is based on the three towns.

**FUNDING REQUESTS**

Matt suggested that the \$3,300 transfer (Number 1516-23) for the Traffic Review be tabled until we can see if the study has been done since the project has been pulled off the table.

1516-24 Allocation.....\$50,000 Request for Funding

To: Fire/Maintenance Machinery 1230-00/53510  
From: Bd of Finance/Contingency 1170-00/56800  
For: Repairs to Engine 9  
Vote: (Giglietti/Esposito) Unanimous

1516-25 Allocation.....\$114,000 (Line Item Transfer)

To: Woodbridge Bd of Ed 1910-00/70000  
From: Other Revenues/Amity Surplus 1-6-1500/46910  
For: Fund unanticipated special education expenses  
Vote: (Giglietti/Kuriakose) Unanimous

**APPROVAL OF MINUTES**

A was motion made by Matthew Giglietti and seconded by Paul Kuriakose to accept the minutes of the June 16, 2016 meeting as presented.

Vote: Aye: Giglietti, Kuriakose, Esposito  
Nay: None  
Abstain: Cusick

**FIRST SELECTMAN'S REPORT**

Ellen wanted to take a moment to recognize our police officers, who put themselves in the line of duty every day. Ellen sent a memo to Chief Cappiello extending the thanks of the Town on what they do every day.

In addition, Ellen reported on an informational meeting with respect with proposals for the CCW on Wednesday, July 27<sup>th</sup> at 6:30 pm in the Center Gym. There is an updated from Toll Brothers and another proposal from Redan Reserve, LLC.

Ellen stated that there is a chart comparing the proposals on our website.

There was a DOT meeting regarding the tunnel and that has been delayed until sometime in September.

Ellen has been noticing people wandering on the green and it turns out we are a Pokeman Go site.

Ellen reported on the following since the last meeting:

- Sound fiscal stewardship of the Town and to thank Tony and the Board of Finance. Not only did we have a Aaa Bond Rating but we have won the GFOA award for Excellence in Financial Reporting. This is the highest form of recognition in the area of governmental accounting and financial reporting.

- Attended the 8<sup>th</sup> Grade Promotion at Bethany Middle School, Amity High School Graduation, and the Beecher Road School Graduation and welcome again to our new superintendent Bob Gilbert.
- Attended the swearing in ceremony at the Police Department for three sergeants and a new officer that joined us from Orange.
- Attended events for departing staff – a dinner for Lee Canning, a picnic for William Rosario, and Dr. Stella's recognition dinner and a picnic on the Green
- Economic Development – visited Crest Motors known for its excellent customer service.
- Three DOT projects going on. Interim project that will provide some relief, the interchange and then the tunnel project.
- Concerts on the Green are very well attended.
- Attended Rotary installation dinner for Chris Lovejoy who is this year's president
- Met with Paul Decoster who has an idea of a notable tree project for Woodbridge

### **LIAISON REPORTS**

Amity – Matt reported that Amity does not meet in July

Fire – Paul reported on the \$50,000 spent for repairs. Engine 3 and Engine 6 had major work. Engine 3 was a drive shaft problem. There is a possibility that the department may be able to acquire a used ladder truck.

Human Services – Karen did not have a report

Police – Andy reported that most of the meeting was in the form of the reception for the swearing in of the officers.

Recreation – David not in attendance

Library - Sandy not in attendance

WBOE – Sandy not in attendance

Karen Cusick thanked Tony for his work and to allow us to be award-winning.

Matt stated that they are wonderful awards and it recognizes the work that Tony does and the presentation of the budget, which is an excellent document.

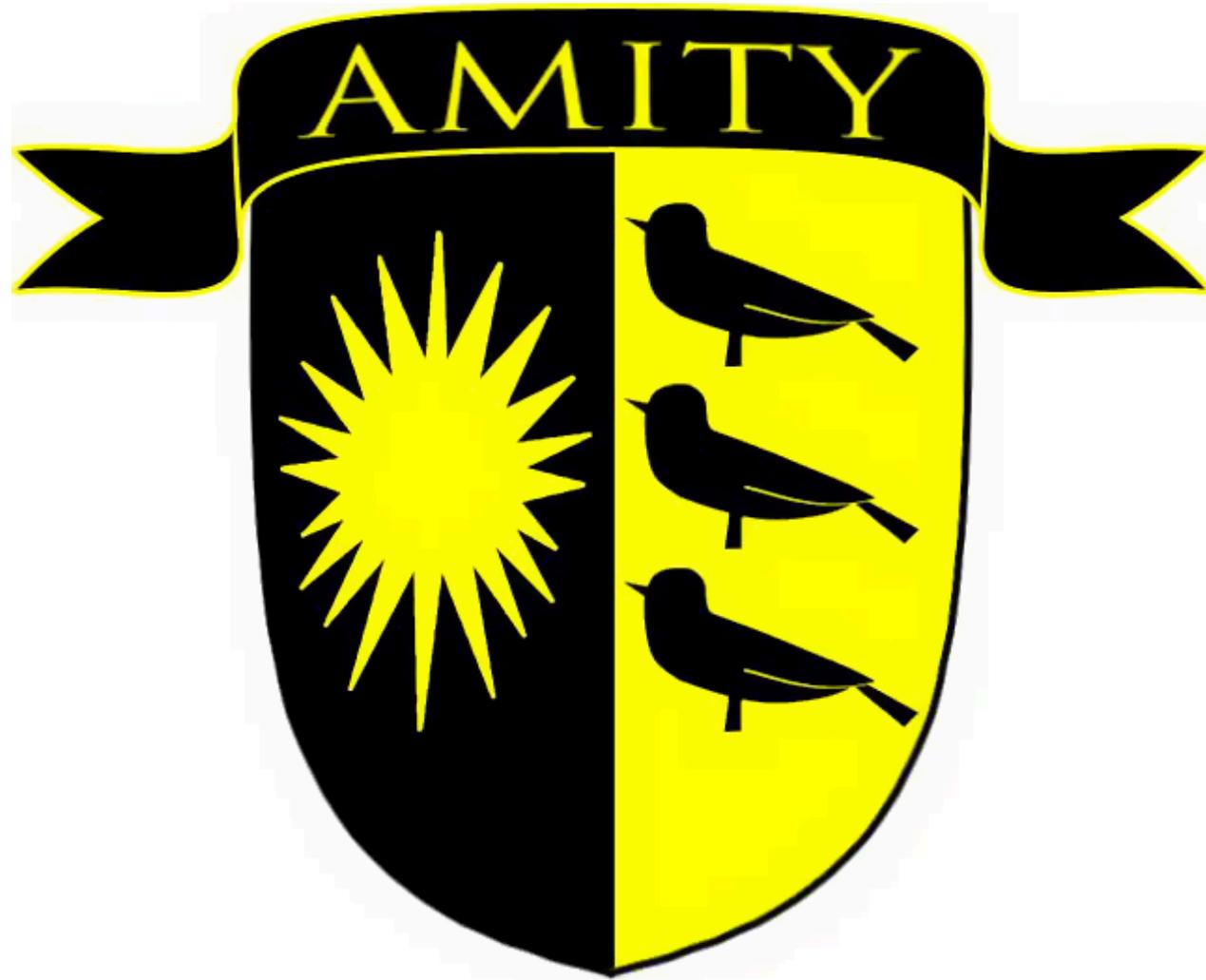
Andy stated that what we don't talk about is how well this Town is managed. Karen stated that the finances are only a part of what Tony does. The bar is set so high here and finance is only a portion of what he does.

The Board of Finance voted (Giglietti/Cusick) unanimously to adjourn at 7:45 pm.

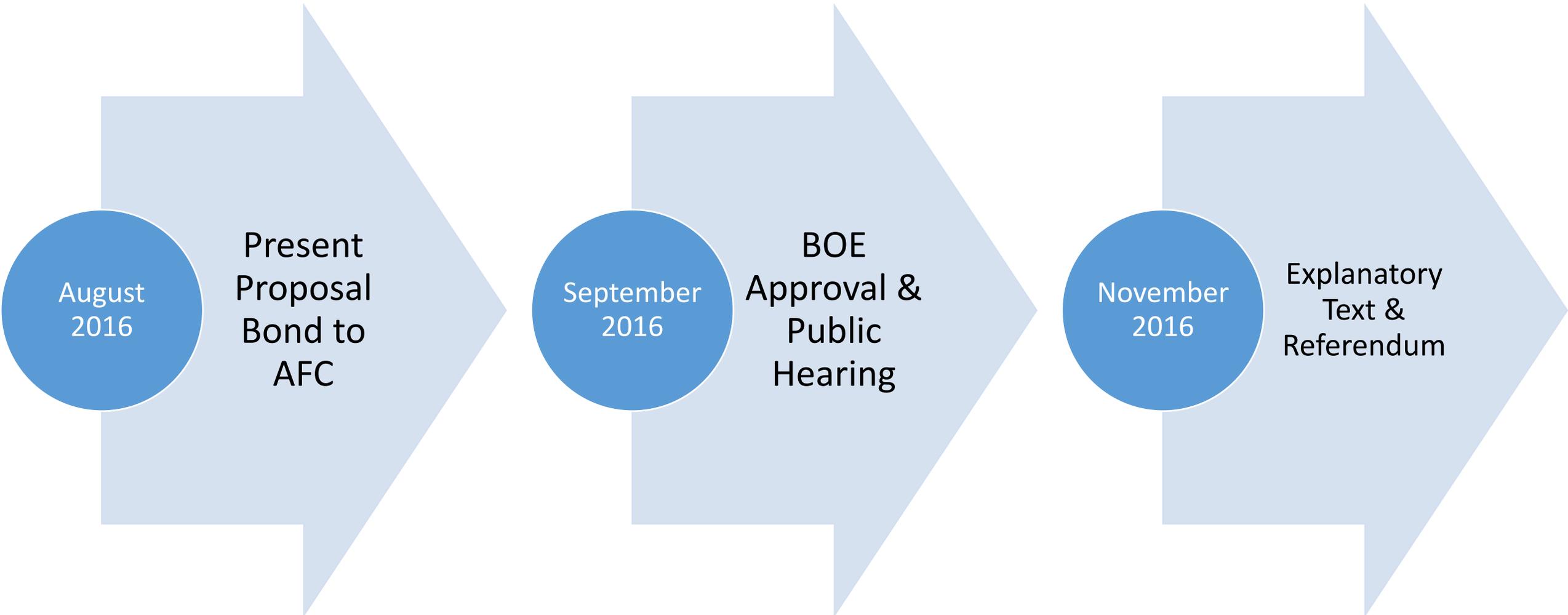
Respectfully submitted,

*Karen Crosby*

Karen Crosby  
Budget Analyst



# Referendum Schedule



August  
2016

Present  
Proposal  
Bond to  
AFC

September  
2016

BOE  
Approval &  
Public  
Hearing

November  
2016

Explanatory  
Text &  
Referendum



# Bond Schedule

December  
2016-  
January  
2017

District  
prepares  
Official  
Statement

February  
2017

Ratings  
Review &  
Bond Sale

March  
2017

Receive  
Funds,  
Issue  
Purchase  
Orders,  
Schedule  
Projects



# Referendum Process

August 2016

- Summer 2016 –
  - Superintendent presents bond package to Member Town Boards of Finance.
- August 8, 2016 - AFC meeting
  - Discuss items for bond
  - Possible Action moving items forward to Board



# Referendum Process

September  
2016

- September 12, 2016– BOE meeting to recommend appropriation and borrowing authorization; schedule public hearing; issue explanatory test
- September 26, 2016- Public Hearing
- September 27, 2016 – Notice to Town Clerks for calling referendum



# Referendum Process

November  
2016

- November ~~±~~ **22**, 2016- Notice of Referendum posted in each member town and District, published.
- November 9 **30**, 2016 – Distribution of Explanatory Text to all residents in member towns.
- ~~November 15~~ **December 6**, 2016 – Referendum held 6 a.m. – 8 p.m. in each member town.



# Bond Process

December 2016 –  
January 2017

- December 12, 2016 - Engage IBIC for bond sale
- December 19, 2016 - IBIC provides financing schedule and list of items required to update Official Statement
- TBD – Organizational meeting to discuss bond offering.
- January 27, 2017 – IBIC distributes Draft of Official Statement



# Bond Process

February  
2017

- February 5, 2017 – Legal notice for bond put in local paper
- February 6, 2017 (approximately) – Rating call with Moody's and/or Fitch
- February 6, 2017 - Project bids posted
- February 14, 2017 – Distribute Official Statement to market.
- February 24, 2017 – Sealed project bid proposals due
- February 28, 2017 – Bond Sale



# Bond Process

March 2017

- March 13, 2017 – AFC recommends contract awards over \$35,000 to BOE
- March 13, 2017 – BOE awards contracts over \$35,000
- March 14, 2017 – District receives bond proceeds
- March 15, 2017 - Purchase orders issued to vendors
- (Post-Graduation 2017 – work commences)



# The Projects



# Air Handler-ARHS-Middle Gym

\$312,835



# Air Handlers –ARHS- A Wing Classrooms and Kitchen \$400,056



# VAV Box – ARHS -Room 164

## \$13,953



# Consumer Science Room – ARHS

## \$200,000



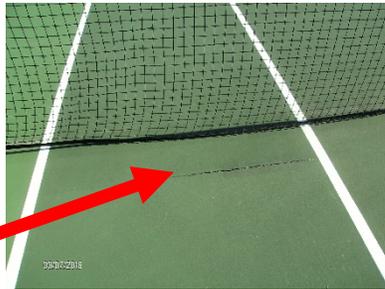
# Parking Lot - Phase I – ARHS

## \$350,000



# Tennis Courts – ARHS

\$405,700



# HVAC Upgrades – Bethany Campus

## \$189,909



# Estimated Principal

\$1,872,458	Total Project Costs*
\$187,245	10% Contingency
(\$71,500)	Engineering for Bid Specifications
\$84,000	Estimated Cost of Issuance
<b>\$2,072,203</b>	<b>Estimated Principal</b>

\* Includes engineering and design plans of \$71,500 for bid specifications for HVAC projects

