

CALL TO ORDER

The Board of Selectmen Budget Workshop was called to order at 8:32 a.m. in the Main Meeting Room of the Simsbury Town Offices. Present were: First Selectman Eric Wellman; Board members Sean Askham, Michael Paine, Christopher Kelly, Chris Peterson, and Cheryl Cook. Others in attendance included Town Manager Maria E. Capriola; Deputy Town Manager Melissa Appleby; Director of Culture, Parks and Recreation Tom Tyburski; Director of Planning Michael Glidden; Director of Public Works, Tom Roy; Information Technology Manager, Rich Bazzano; Library Director Lisa Karim; Director of Finance/Treasurer Amy Meriwether; Director of Social Services Kristen Formanek; Police Chief Nicholas Boulter; Town Engineer Jeff Shea, School Business Manager Burke LaClair, and other interested parties.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

PUBLIC AUDIENCE

Maria Ecke, 8 Glenbrook Road, spoke about the Town Manager's performance evaluation, some questions she had asked about at the 2/25/19 Board of Selectmen meeting, the Deepwater Wind project, Police overtime, empathy for residents, Simsbury Volunteer Ambulance, and other issues.

OVERVIEW OF BUDGET

• Revenues and Budgeting Assumptions (Tab 2)

Ms. Capriola went through the budget assumptions on the revenue side. There was small growth on the Grand List. She said the State cap on the mill rate for motor vehicles remains at 45, so the mill rate for motor vehicles, real estate and personal property taxes will be the same. The Governor's budget was released a few days before her budget was released.

General Government Departments

• Town Clerk (Tab 8)

Ms. Appleby said the Town Clerk's budget increase is 2.4% or \$5,500. This is driven primarily by contractual salary increases and some training. They apply for a State Library Historic Documents Preservation Grant each year, which is used for the preservation and conservation of the Town Clerk's permanent records.

Ms. Appleby said the Town Clerk's office will begin accepting credit card payments in FY20, which will be huge for customer service. One of their goals this year will be to implement a more formal records management program. The Town Clerk will be pursuing her certified municipal clerk designation. There will also be a coding change.

Ms. Appleby said there is a small increase in the Town Clerk's revenue for FY20 due to copy increase fees. There were more absentee ballots which causes overtime. There will be more elections next year as well.

Ms. Capriola will bring the credit card fee schedule to the Board to review.

- **Registrars/Elections (Tab 7)**

Ms. Appleby said the Registrars budget increase is 4.1% or \$5,000, which does include a salary adjustment for the Registrars, Deputies and Poll Workers. There are three elections for FY20 and possibly a forth. Therefore, there will be additional copying fees and a canvas of the voter rolls.

- **IT (Tab 11)**

Mr. Bazzano said the budget increase for IT is 6.1% or \$125,967, which reflects a new transparency practice for the budgeting of full-time salaries. He spoke about public safety, public works and the housing authority support. They do support both on-premise and cloud-based technology. Their big focus is on cybersecurity and employee awareness. They are moving to a mobile environment now. They are updating/re-doing the disaster recovery plan.

They are looking into building out fiber to the satellite locations, implementation of Office 365 host exchange services for municipal offices and reviewing current plan and documents with department personnel on best practices and recovery expectations.

Mr. Bazzano said the CNR project that they have is \$40,000 for the phone system that has reached its end of life and is no longer supported. This will have an impact next year and will be a shared service. There was some discussion on shared services and what additional staff positions are needed in that department. There will be an analysis done on shared services.

- **Finance, including Revenue and Assessment (Tab 10)**

Ms. Meriwether said the proposed FY19/20 proposed budget is about \$836,000 which is a 6.2% increase from the prior year. She said the areas of focus are to maintain our AAA bond rating and to make sure we have adequate reserves. They are looking to invest in a modern financial management system and that is on the capital side of the proposed budget. She said the new implementation of a Tax Sale will begin in May.

Ms. Meriwether went through the challenges and trends of the proposed budget. They will be monitoring the impact of the State budget. She said there are staffing challenges in the Finance Department, including the need for better internal control management.

Ms. Meriwether spoke about CNR, which includes the grand list revaluation in 2022. She said their capital project request is for financial management software which is a joint initiative with the Board of Education. There was more discussion on the analysis on shared services.

- **Town Manager's Office/General Government/Legal (Tab 4)**

Ms. Capriola explained what their office is responsible for including the oversight of all Town departments, implementing all policies and procedures of the Board, etc. They are also in charge of a lot of collective bargaining work and insurance issues.

She said the general government budget, which includes phones, copying, postage, etc., has a slight decrease. She also went through the Board of Selectmen/Community Services budget. Ms. Capriola said they did receive

some requests from outside agencies for increases in the grant contributions to those organizations. She did level fund them in her proposed budget at this time.

- **Board of Selectmen/Public Agencies/Health (Tab 5)**

Ms. Appleby said there was a 12.5% increase in the Farmington Valley Health District and the per capita assessment has gone up 10%. The Health District just adopted a five-year strategic plan, and the budget reflects the implementation of the goals for the first year of the plan. They are hoping to add a part-time epidemiologist as a shared position. The District is also applying for accreditation. Ms. Capriola said there is an increase in population and their budget is based on a per capita formula.

There was some discussion on epidemiology and accreditation and why this is needed. More information will be needed on this proposed budget increase. Ms. Appleby said she would give the Board a copy of the Farmington Valley Health District five-year plan.

Ms. Capriola gave areas of focus, trends and challenges, including negotiating with collective bargaining, working with the newly formed Economic Development Commission and working with the Finance Department on implementing a new financial management system, the Parks and Open Space master plan, etc.

Ms. Capriola said there was a small amount of money placed in CNR for the Deepwater Wind project.

- **Boards and Commissions (Tab 6)**

Ms. Capriola said the Historic District Commission was moved into this budget. There was no significant change in the Probate budget. They also included Main Street Partnership here.

Community Development

- **Planning (Tab 12)**
- **Building (Tab 12)**

Mr. Glidden said the Planning and Community Development budget went up 3.5%, but the Building budget went down by 4.5%. The Planning and Community Development budgets used to be shown separately but now they are combined.

Mr. Glidden went through the services provided by Planning and Building. He also went through the areas of focus including rewriting the zoning regulations, which will be more user friendly. They are also exploring options for new building permit software.

Mr. Glidden also went through trends and challenges and said they are very busy with many building projects including Deepwater Wind and the possible development of the Big Y property. FEMA is also updating their flood insurance rate maps, which he is assisting with.

Community Services

- **Social Services (Tab 16)**

Ms. Formanek said the Community and Social Services has a budget increase of 10.4%, which includes administrative, the Senior Center, youth services, senior transportation, etc. The budget now shows the full cost of the senior transportation/Dial-A-Ride service before netting out grant revenue for this service.

Their services include financial assistance, rebates, different food programs, notary services, etc.

Ms. Formanek said she would like to complete her requirements for her ASWB/LCSW license. She would also like to see an expansion of services for the residents. She will also be doing a RFQ process for the Dial-a-ride program, which hasn't been done in several years.

Ms. Formanek went through her budget highlights, which includes administrative increases and negotiated contractual increases.

- **Library (Tab 17)**

Ms. Karim said there is a slight increase to their budget of 0.33%. The Library is open seven days a week for ten months of the year and it is very heavily used. The Innovators Workshop increase by 66% from the previous year. They have once again been awarded the CT Library Association of Excellence in Library Services award.

Ms. Karim went through their focuses including becoming a passport acceptance agency, expanding the technology they offer, renovations, cross-training staff, etc. They are also looking in to the installation of a “Story Walk”, a summer reading programs and working on the 350th anniversary project.

Ms. Karim went through the trends and challenges and said they are continually evaluating programing and services. She said they are asking for \$73,640 for a replacement automated book handler.

Ms. Capriola said there will be some discussion on Library fines at the March 25th Board of Selectmen meeting.

PUBLIC WORKS

- **Engineering (Tab 14)**

Mr. Shea went through the Engineering proposed budget increase of 9.8% or 291,227, which includes the full cost of the project engineer. The Board of Education does contribute to some of this cost.

Mr. Shea went through some of the services and programs, which include capital project planning and development, utility projects, technical support to the Board of Education, GIS service and support, grant applications, etc. Mr. Shea said they have 28 active projects and they continue to support the MS4 stormwater management program.

He said their trends and challenges include supporting and reviewing critical projects, maintaining plan schedules, pursuing grants and opportunities to leverage Town funds, etc. Mr. Shea said they are currently lacking sufficient funding for some capital projects and they are seeking FEMA funds.

- **Highway (Tab 15)**
- **Facilities (Tab 15)**
- **WPCA (Tab 15)**

Mr. Roy said the Highway general fund went down by 7.3% including the transfer station and highway decreases. Staffing is the bulk of the highway budget. Mr. Roy noted that the streetlight acquisition has been great for the Town. Mr. Roy said the Department is involved in the maintenance of Town buildings, paving, plowing, etc.

Mr. Roy said the WPCA is supported by sewer fees, and that the fees are below industry standards. He said there are 85 miles of sanitary sewers and five pump stations. He noted the challenges with the capacity of the custodial department.

Mr. Roy said they do have some trends and challenges including MS4 compliance, tree removal and pavement management.

Mr. Roy said his CNR projects include painting the clock tower at Eno Memorial Hall, signage at Town Center, completing the management of ash borer tree management, etc. They are asking for a new large truck replacement.

Mr. Roy said their capital items include highway pavement management and sidewalk resurfacing and reconstruction projects. The WPCA has two capital projects which are sewer lining and SCDA system upgrading.

Public Safety

- **Police (Tab 13)**
- **Dispatch (Tab 13)**
- **Animal Control (Tab 13)**
- **Emergency Management (Tab 13)**

Chief Boulter said the proposed Police budget shows an increase of 4.3% which includes dispatch and animal control. They detect, deter, and investigate criminal activity. They also are involved in education, roadway safety education, dog licensing, and other ways of helping residents.

Chief Boulter said they are having some issues with auto larcenies right now, mostly because keys are being left in the cars. There was some discussion on ways to make residents understand how important it is to take the keys and other items out of your car.

Ms. Capriola noted that police work needs to be back filled and officers need overtime to cover different shifts. It is the nature of scheduling for public safety. The overtime is always being monitored.

Chief Boulter said the town continues to grow and, therefore, they will need to increase patrols, there will probably be increased investigations in criminal activities and there will probably be a need for more traffic calming.

Chief Boulter said there are three police vehicles in their CNR budget, phase II of the feasibility study for the radio system, installing audio/video in an interview room, etc.

Culture, Parks and Recreation Special Revenue Fund (Tab 24)

Mr. Tyburski said their proposed budget is \$3,371,079, which consolidates the department’s operating budget and the Special Revenue Fund.

He went through the break-down of the new budget. He said consolidating the Special Revenue Fund allows flexibility for program growth and leads to faster progress in programs.

Mr. Tyburski said they handle 535 acres of parks and over 2,500 of open space including the Farmington Valley Greenway, Simsbury Farms Complex, etc. He said they are focusing on increased participation and awareness of different programs and events. They are trying to complete the open space master plan, utilize a new point of sale and member management software at the golf course, etc. They need to get the word out about what they actually do.

Mr. Tyburski said the CNR includes an Ice Rink condenser replacement, control panels for the rink chiller, ceiling painting and repairs, pick-up truck, playground improvements, paddle court resurfacing, etc.

Capital and CNR

• **Board of Education Capital**

Mr. LaClair went through the FY19/20 year one of the CIP, which includes removing the underground oil tanks at Tariffville School and Simsbury High School. The tank at Tariffville School will be replaced with one that meets DEEP regulations. The tank at Simsbury High School will not be replaced, but extensive sidewalk replacement will be needed as the tank is under the sidewalks. The proposed cost would be \$325,000.

Mr. LaClair said they will be focusing on work being completed in vestibule hardening at Simsbury High School, Central School, Latimer Lane School, Tariffville School and Tootin’ Hills School in the next several summers. They will also be improving exterior security per the security audit recommendations. The approximate cost would be \$750,000.

Mr. LaClair said the Simsbury High School 105,645 sq. ft. of a 2-ply modified roof reached 20 years old in 2018. He said grant applications would be filed in June 2019 with construction in the summer of 2020. The approximate cost would be \$2,600,000.

- **Capital Wrap-up (FY 19/20) (Tab 26)**
- **CNR Wrap-up (FY19/20 (Tab 25)**
- **Cash to Capital for Ongoing and Routine Capital needs**

Ms. Capriola said the capital fund budget revenues include all sources of revenues and all projects regardless of the funding source. Under the new capital budget funding policy the capital items that are above \$250,000 are included in this fund. There is a general fund or cash contribution.

Ms. Capriola showed the high level plan expenditures, mostly education projects, etc. She said they kept the cash for capital contributions level funded. They did their best to work with the cash available. Ms. Capriola said there were some transfers made due to the new funding policy.

Ms. Capriola said the CNR fund has various sources of revenue and she showed the operating expenditures and explained the five-year payback method. There was an account established in the 1990's that was made to be a reserve account.

Ms. Capriola said they developed a six year plan for the CNR fund. This is still a work in progress. These items will need to be prioritized in the future. They also spoke with the Performing Arts Center about equipment, etc. that they will be needing in the future.

Ms. Capriola said the Debt Service expenditure line item is the most significant budget driver. This is a 22% increase.

Ms. Meriwether said we are bonding for a lot of the capital projects right now. One of the issues in bonding is that you end up paying more for the project than if you paid in cash. We need to put more cash aside for projects so we don't have to pay more for these projects. We are now bonding for cash flow instead of bonding for projects. Ms. Meriwether proposed some bonding scenarios.

After some discussion on bonding or using cash, it was decided that this Board needs to have a joint meeting with the Board of Finance to discuss this further. Ms. Capriola said they really dug in to the budget and the Board needs to bring the concerns to the Board of Finance, so we can move forward in a positive way. The Debt Service policy has always been at the top in our fiscal policy.

Discussion

- **Outside agency funding requests**

Ms. Capriola spoke about increased outside agency funding requests. She said there is a budget for social service related requests under Social Services. The other outside agencies go under the Board of Selectmen budget. The contribution to the Main Street Partnership goes under the Economic Development budget. She did separate the 350th Anniversary Celebration request as this is only a one time request.

She did include the \$488 increase for the North Central EMS Council since this is based on a per capital assessment.

Mr. Kelly said these requested increases will be looked at very closely. The rest of the Board is also concerned about any increases, including the 350th party.

- **Service improvements**

All departments needed to supply cost analyses for their requests. There are no service improvement requests included in the budget.

Ms. Capriola talked about the Dog Park maintenance and supplies needed. It is a great asset to the Town. The volunteers have been trying to raise money for their costs, but they need some help now.

Ms. Capriola said the new EDC will be tasked with new marketing for the Town. The parks master plan is not completed at this time, so additional parks maintainer positions are not included in this item. There was some discussion on both items.

There was also some discussion on the Police/public safety issue of not having a Deputy Chief and of changing positions. This will need to be further discussed with management.

- **Increased General Fund Contribution to Parks and Recreation Special Revenue Fund for community-use expenditures**

Ms. Capriola spoke about the Parks & Recreation general fund contributions. The special revenue fund finished in a deficit in 8 out of the last 10 years, since cost shifts were implemented in 2011. The fund will need an increase in general fund contributions or a decrease in services, or even both. There was more discussion on closing out the Special Revenue Fund or keeping it. There was also discussion on the Culture, Parks and Recreation budget issues. There are also some issues in programming that need to be discussed.

Ms. Meriwether said it is easier to track which programs are making or not making money with the Special Revenue Fund, whereas if it was closed you can't track each program. All divisions within the department should be reporting on a quarterly basis. The Board requested that staff present a scenario in which all divisions are accounted for in the general fund.

- **Health Insurance Fund reserve**

Ms. Capriola said she had some concerns in the premiums to the Health Insurance Fund Reserve. There will now be a monthly analysis of this account. They are actively working with the consultant on all issues. They did go back and look at the history of this fund. There have been significant losses in this fund and there have also been several transfers made into the fund.

Ms. Capriola said there is a 9.5% increase in budget premiums and reserves need to be built back up. There was discussion on how to increase the reserves and having this discussion with the Board of Education and Board of Finance. There will need to be some plan design changes to help with this as well.

- **Pension and OPEB trust interest rate assumptions**

Ms. Capriola said they have been using an interest rate assumption of 7%, but the actuary said to work it back to 6.5% over time. This is a policy decision and will need to be discussed with the Board of Finance.

Ms. Capriola said the OPEB fund table shows there is no budget impact.

- **Possible use of all or a portion of planned fund balance contribution to fund some combination of above expenditures**

Ms. Capriola went through the budgeted v. anticipated tax collection rates. The anticipated tax collection rate is usually about 99.5% whereas the budget shows 98.5%.

- **Other topics**

To reach the 2.72% guidance from the Board of Finance, this Board would need to decrease Town government by \$140,000. Changes discussed today will be discussed at the March 11th meeting of the Board of Selectmen. The Board then presents their budget to the Board of Finance on March 19th.

Flagged Items/ Wrap-Up

Ms. Capriola will prioritize Capital and CNR items; update the service reduction scenario analysis from last year; and look at moving all of the Parks and Recreation fund into the general fund; provide scenarios on OPEB/pension.

ADJOURN

Mr. Askham made a motion to adjourn at 4:17 p.m. Mr. Kelly seconded the motion. All were in favor and the motion passed.

Respectfully submitted,

Kathi Radocchio
Clerk