



Town of Simsbury

933 HOPMEADOW STREET

P.O. BOX 495

SIMSBURY, CONNECTICUT 06070

Thomas J. Roy, PE - Director of Public Works

BOARD OF SELECTMEN MEETING AGENDA SUBMISSION FORM

1. **Title of submission:** Public Works Special Revenue Fund
2. **Date of submission:** March 5, 2014
3. **Date of Board Meeting:** March 10, 2014
4. **Individual or Entity making the submission:** Thomas J. Roy, PE 
5. **Action requested of the Board of Selectmen:** (Acceptance of gift, creation of reserve, approval of contract, information only, etc. Be as specific as possible with respect to the desired action of the Board.)
The Individual or Entity making the submission requests that the Board of Selectmen:

Authorization for the Board of Finance to create a special revenue fund for Public Works

6. **Individual(s) responsible for submission:** (Please include complete contact information. The identified individual(s) should be prepared to present information to the Board of Selectmen at the Board Meeting.)

Thomas J. Roy, Director of Public Works

7. **Summary of Submission:** (Include in your summary (i) relevant dates and timelines; (ii) parties involved; (iii) a description of financial terms and conditions specifically identifying the financial exposure/commitment of the Town of Simsbury; (iv) whether or not contracts, licenses and other legal documents have been reviewed by the Town's counsel; and (v) other information that will inform the Board of Selectmen's consideration of your submission. Include any additional information in an attached memorandum.)

Please see attached memo dated March 5, 2014

8. **Description of documents included with submission:** (All documents must be in final form and signed by the appropriate party.)

The following documents are included with this submission and attached hereto:

- Memo dated March 5, 2014
- Draft Special Revenue Fund



Town of Simsbury

66 TOWN FOREST ROAD, P.O. BOX 495, SIMSBURY, CONNECTICUT 06070

~ Department of Public Works ~

Memorandum: Creation of a Special Revenue Fund for Public Works

To: Board of Selectmen
CC: Thomas Cooke, Sean Kimball
From: Thomas J. Roy, Director of Public Works *TR*
Date: March 5, 2014

For a number of years the Public Works Department has been working to create a special revenue fund to allow the department to receive funds from a variety of sources, including:

- Sale of sand and recycled back fill materials
- Sale of used vehicles and equipment
- Sale of scrap metal
- Reimbursements for damage to town assets (guard rail, street signs, trees typically resulting from insurance claims associated with car accidents)
- Reimbursements for Department over time for special events (custodial work at Eno, placement of barricades, etc.)

Holding this money in a special revenue fund will allow for a more efficient management of the sale of these materials and provide an incentive for staff to be creative in looking for potential sources of revenue. This will result in the Town receiving the highest returns, as sales will occur when market prices are most favorable and larger volumes of material can be sold on a less than annual basis.

The revenue generated from the sale of materials from Public Works will be used to offset our material costs equipment purchases, facility and roadway maintenance programs. Attached is a copy of the proposed Public Works Special Revenue Fund.

**POLICIES AND PROCEDURES TO GOVERN THE PUBLIC WORKS
SPECIAL REVENUE FUND**

A. Establishment of the Public Works Special Revenue Fund

The Board of Selectmen and Board of Finance hereby authorize the establishment of a new special revenue fund to be called the Simsbury Public Works Special Revenue Fund (“the Fund”).

B. Budget and Appropriation Preparation and Approval

1. Statement as to purpose of the fund:

- a. The purpose of the Fund is to receive and expend funds to purchase materials to maintain the Town’s roadways and facilities.

2. Budget Appropriations and Approval:

- a. Budget approval: The Fund is not to be established as a legally adopted budget through the Town Meeting.
- b. Future deposits will be from payments from the sale of construction materials (Sand, Screened Sand, Gravel, etc.), sale of used public works equipment (trucks, construction equipment, plows, scrap metal), payments collected for damages to guide-rails, signs, trees etc. damaged by motorists.
- c. Expenditures will be used for the purchase of materials and equipment required for the maintenance of town roads and/or improvements to the Town’s Public Works facility located on Town Forest Road.

3. Fund Accounting:

The Town will account for all transactions through a special account which shall be designated “Public Works Special Revenue Fund”

- a. Receipt and deposit of special revenue fund proceeds: Revenues will be forwarded to the Finance Department and will be deposited in the account referenced above.
- b. Limitations on Classifications of Expenditures: Purchases, commitments and expenditures of funds shall be in accordance with legal restrictions imposed by the fund. Purchases, commitments and expenditures are allowable from the Fund only if revenues have been received and funds are available.

- c. Financial reporting, format, timing and process: The Town will account for the Fund in conformance to both generally accepted accounting principles (GAAP) as applicable to governmental units and the governmental accounting standards board (GASB) which is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The Fund will be shown separately in a supporting schedule of special revenue funds in the annual audited financial statements.

- d. Fund termination, evaluation and measurement: On an annual basis, the Finance Director, along with the Assistant Finance Director, will review all special revenue funds, including the Fund and will prepare a recommendation that will be forwarded to both the Board of Selectmen and Board of Finance for their authorization to close certain special revenue funds whose purposes have been satisfied.