

**Town of Simsbury Board of Finance
REGULAR MEETING MINUTES
Tuesday, March 21, 2017 at 5:45PM
Simsbury Town Offices – Main Meeting Room
933 Hopmeadow Street, Simsbury, Connecticut**

PRESENT: Linda Schofield, Jeff Blumenthal, Derek Peterson, Robert Pomeroy, Kevin Prell, and Moira Wertheimer.

ABSENT: None.

ALSO PRESENT: Finance Director Sean Kimball, First Selectman Lisa Heavner, Deputy First Selectmen Chris Kelly, Selectman Elaine Lang, Cheryl Cook, and Mike Reagan, Director of Administrative Services Tom Cooke, Town Engineer Jeff Shea, Simsbury Public Schools Business Manager Burke LaClair, Superintendent of Schools Matt Curtis, Board of Education Chairman Tara Donohue Willerup, Simsbury Public Schools Director of Personnel Neil Sullivan, Assistant Superintendent of Pupil Services Susan Homrok-Lemke, and other interested parties.

1. CALL TO ORDER:

Chairman Robert Pomeroy called the meeting to order at 5:45PM.

2. PLEDGE OF ALLEGIANCE:

All present stood for the Pledge of Allegiance.

3. APPROVAL OF MINUTES – February 21, 2017 and March 15, 2017:

MOTION: Mr. Blumenthal, Ms. Schofield second, to adopt the February 21, 2017 Minutes; unanimously approved.

MOTION: Mr. Blumenthal, Ms. Schofield second to adopt the March 15, 2017 Minutes; unanimously approved.

4. BOARD OF SELECTMEN 2017/2018 OPERATING BUDGET PRESENTATION:

First Selectman Lisa Heavner presented the Board of Selectmen's proposed Fiscal Year 2017-2018 Operating Budget. The budget proposes an increase over last year's budget of \$702,361, or 3.6%. Maintaining existing services, including an additional police dispatcher for public safety and additional hours in the Building Department for economic development are part of the proposed budget, she had explained.

Major Town Accomplishments were included in the power point presentation shared by Ms. Heavner. The Budget Context slide indicated the following assumptions: a COLA of 0.3%, Grand List decrease of 1%, consumer price index of 2.5%, U.S. inflation rate of 2.7% (4.4% statewide), decrease in state aid, mill rate considerations, and loss of The Hartford revenue and future development. It was noted that if the Governor's proposed budget was fully adopted by the Legislature, Simsbury would see a budget impact of \$4.3M or 2.11 mills. Among the items reviewed by Ms. Heavner in her presentation were "Cost Drivers to the Budget", "Cost Savings in the Budget", a Pie Chart reflecting a breakdown of costs by department titled "Where Your Tax Dollars Go", and "What Do Your Tax Dollars Pay For".

Director of Administrative Services Tom Cooke reported that of the six unions representing town employees, the Town negotiated closure of new hires into a defined benefit plan for two unions,

the Dispatchers and with the ASCME union (which includes Public Works and Parks and Recreation). Mr. Cooke indicated that there are roughly two-thirds of the Town unionized employees who are still covered by a defined benefits plan. Ms. Heavner reported that new positions within this budget include an additional dispatcher and a building inspector. She explained that a part-time building inspector has been being carried but has gone unfilled because of a shortage in that area as building inspectors are looking for full-time positions.

Discussion occurred regarding the addition of a dispatcher position. It was noted that this position was unanimously recommended by the Police Commission, Public Safety Commission and the Board of Selectmen. Public Works Director Tom Roy spoke on the initiative undertaken by the Town of Canton who recently removed 23% of their light poles and replaced the remaining lamps with LED lights. He noted that the study undertaken in Simsbury revealed that the primary locations of the lights are at intersections, the decorative lighting downtown, and lights along the state routes.

It was noted that the net cost of the new dispatcher would be approximately \$70K when considering salary and benefits. It was estimated that the cost for overtime currently being spent on dispatchers was \$30K. A copy of the Police Department's PowerPoint presentation from the Board of Selectmen's March 4, 2017 Budget Workshop was distributed to this Board.

5. BOARD OF EDUCATION 2017/2018 OPERATING BUDGET PRESENTATION:

Simsbury Public Schools Superintendent Matt Curtis presented the Board of Education's proposed 2017-2018 proposed operating budget. His presentation included the main drivers of the budget and some background information in areas that this Board has had questions with in the past. He noted that this budget is one that maintains the programs the district currently has and not one that eliminates programs. Mr. Curtiss explained that the goal is to enhance high academic achievement, noting that this budget includes a new math program initiative. However, he noted that Administration has taken a hard look at class size guidelines and reduced some FTEs. The proposed Board of Education budget included a cost of \$69,125,170, an increase of \$1,670,601 (2.48% increase).

Mr. Curtis' PowerPoint presentation included audited data from the State of Connecticut on Per Pupil Expenditure, historic enrollment trends, enrollment information for the district by levels, historic enrollment versus special education enrollment, Special Education expenditures, Special Education historical staffing, major drivers of the budget, and Savings Through Enrollment and Retirements.

He indicated that the Special Education population has gone up, noting that there is a similar state wide trend and reported that it accounts for 21.22% of all BOE expenditures and 19.34% of the BOE operating budget. Mr. Curtis noted that this budget includes a new Social Worker position, a Math Coach position to support the implementation of a new K-8 math curriculum, and 1.6 FTE for Henry James to aid as that school transitions to a new schedule to align to the high school's schedule.

Mr. Curtis emphasized that in order to get to a 2.84% increase in this proposed budget, there were the following assumptions: the BOE will be able to reserve the dollar figure currently in their non-lapsing account and review in the future with this Board how to work down their operating costs. He projected \$335K will not be expended at the end of the year, derived from IDEA grant money as well as a budget and hiring freeze. It was noted that the plan is to seek approval to utilize these funds to offset costs in next year's budget. The Open Choice Grant is

likely to increase as the district is within range, by adding ten to twelve more students reaching a 4% threshold, which will provide the district with an additional \$424.5K.

The Open Choice program was discussed in greater detail. It was noted that the District currently has 153 students enrolled as part of this and are looking to go up to approximately 165 students. It was noted that by reaching that 4% threshold, the highest threshold available, the state's reimbursement jumps from \$6K to \$8K per pupil. No transportation costs are incurred for this programs as those are absorbed by CREC.

Mr. Curtiss provided copies of a Projected K-6 Enrollment, Projected Enrollment at Henry James Memorial School, and Simsbury High School Projected Class Size Average for 2017-2018. Discussion ensued regarding enrollment.

Special Education was also discussed. Assistant Superintendent of Pupil Services Susan Homrok-Lemke addressed the Special Education program that provides services from Pre-K to age 21. She noted that she has observed trends where the intensity of need is on the rise. An increase in mental health issues has been observed. Mr. LaClair noted that those children with Autism who were part of the Ready Set Grow program have aged up and transition programs that are appropriate for them have had to be created. He acknowledged the efforts of Ms. Homrok-Lemke in her efforts to limit the number of outplacements the district incurs and instead, create in-district programs to address those students' needs. He cited the Farmington Valley Diagnostic Center as one of the best examples of shared services, as it is located in Simsbury and is run by CREC.

Mr. LaClair addressed the costs of insurance. It was noted that there are no open defined benefit programs with the Board of Education except for the teachers. The modified block schedule of the high school was explained.

The Board recessed at 7:27PM. They reconvened at 7:35PM.

6. 2017/2018 CAPITAL IMPROVEMENT PLAN PRESENTATION:

Ms. Heavner presented briefly on her board's Capital recommendations including Phase III of the Henry James Memorial School Renovations, Senior Community Center(\$5.8M), Finance security upgrades(\$150K), Simsbury Farms rink/pool improvements(\$950K), bridge improvements(\$805K), the library lower level improvements(\$906K), Simsbury High School tennis court replacement as well as other CIP projects. It was noted that while the Capital Improvement Plan is a six-year plan, this Board only votes on the current year's projects with those above 1% also going to a referendum.

Town Engineer Jeff Shea reviewed the projects with the Board, noting that within their budget binders, is additional information containing cost savings and/or revenues that might be generated from the new facilities as well as costs that might be generated from the improvements. It was noted that the cost to update Eno Hall so that it is ADA compliant, exclusive of the Senior Center proposal, is estimated at \$1.2M.

Mr. Shea also reviewed the following capital expenditures as part of FY18: parks improvements (\$235K), Open Space planning and improvements (\$150K), Town wide parks master plan (\$102K), street lighting purchase/lighting improvements (\$400K), Iron Horse Boulevard playground renovation (\$298K), POCD/land use studies (\$35K), Regulations update(\$65K), cold storage facility for Police Department and DPW(\$380K), dam evaluations and repairs(\$75K),

town facilities master plan(\$400K), various drainage improvement plans(\$125K), and library interior/parking renovations (\$585K).

Mr. LaClair reviewed the BOE capital budget. It was noted that the cost of the move of SCTV has never been part of the Henry James project. The architect's original conceptual cost estimate was \$22,824,407. Operating costs associated with these improvements were briefly reviewed. Mr. LaClair noted that Phase III may start as early as February, 2018 with construction concluding about eighteen months later. He noted that the projected enrollment for that school would be about 600 with a capacity close to 800-900, depending on how each space gets programmed.

7. DISCUSSION ON MILL RATE AND GENERAL FUND RESERVES:

Mr. Kimball presented a mill rate worksheet. It was noted that should the governor's budget be adopted as is, the Board of Selectmen's budget as presented, the Board of Education budget as presented, debt retirement, and non-public schools, revenues of \$81.947M would need to be generated, or an increase of 8.3% in the town's mill rate, or 3.08 mills to 40.20.

Different possible scenarios were reviewed as part of this worksheet.

8. MOTION TO FORWARD BUDGETS AS PRESENTED TO PUBLIC HEARING ON APRIL 6, 2017:

MOTION: Mr. Prell, Ms. Wertheimer second, to forward the proposed budgets to a public hearing, and to adjust the Residential Property Special Revenue Fund to include under FY18 BOS Approved Expenditures \$7951 under *Housing Loan – Principal* and \$572 under *Housing Loan – Interest*, unanimously approved.

It was noted that the Board was targeting June 13, 2017 as the referendum date for the approval of the budgets.

Discussion occurred as to how provide guidance from the Board of Finance to the Board of Selectmen and Board of Education. The chairman noted that this Board will likely request some type of reductions from the BOS and BOE operating budgets and it will likely be a seven-figure number. With regards to the Capital proposals, Mr. Pomeroy also noted that this Board is generally okay with a fifteen-year bonding on the Henry James project.

9. ADJOURN:

MOTION: Ms. Schofield, Mr. Blumenthal second, to adjourn at 9:19PM; unanimously approved.

Respectfully submitted,

**Pamela A. Colombie
Commission Clerk**