

**Town of Simsbury Board of Finance  
REGULAR MEETING MINUTES  
Tuesday, August 16, 2016 at 5:45PM  
Simsbury Town Offices – Main Meeting Room  
933 Hopmeadow Street, Simsbury, Connecticut**

**PRESENT:** Barbara Petitjean, Jeff Blumenthal, Kevin Prell, Robert Pomeroy, Linda Schofield, and Moira Wertheimer.

**ABSENT:** None.

**ALSO PRESENT:** Finance Director Sean Kimball, Simsbury Public Schools Business Manager Burke LaClair, First Selectman Lisa Heavner and other interested parties.

**1. CALL TO ORDER:**

Chairman Barbara Petitjean called the Special Meeting to order at 5:45PM.

**2. PLEDGE OF ALLEGIANCE:**

All those present stood for the Pledge of Allegiance.

**3. EXECUTIVE SESSION – BOARD OF EDUCATION LABOR NEGOTIATIONS:**

**MOTION:** Ms. Schofield, Mr. Pomeroy second, **to enter into Executive Session for the purposes of speaking with representatives of the Board of Education in advance of their labor negotiations; unanimously approved.**

Members of the public exited the Main Meeting Room while the Board of Finance, along with Mr. Kimball, met with Mr. LaClair and two other representatives from the Board of Education at 5:47PM.

**MOTION:** Ms. Wertheimer, Ms. Schofield second, **to exit Executive Session; unanimously approved.**

Executive Session concluded at 6:52PM.

**4. APPROVAL OF MINUTES:**

The June 21, 2016 Minutes should be amended as follows:

Page 3, First Line, the portion that reads, "...*Mr. Pomeroy agreed that the policy he has been assigned, Capital and Non-Recurring Fund...*" should instead read, "...*Mr. Blumenthal agreed that the policy he has been assigned, Capital and Non-Recurring Fund...*".

**MOTION:** Ms. Schofield, Ms. Wertheimer second, **to approve the June 21, 2016 Minutes as amended; unanimously approved.**

**5. FINANCE DIRECTOR'S REPORT – UPDATE ON TOWN/BOE BUDGETS:**

Mr. Kimball reviewed the written report presented to the Board. He noted that his office is still closing out FY2016, explaining that the focus now is booking the last of the revenues. Mr. Kimball reported that Town Departments had until August 12, 2016 to input any FY2016 expenditures and the last of those are still being reconciled.

Mr. Kimball reported that total general fund revenues are looking very good. He indicated that while final figures are not yet available, there may be between \$1.2M and as high as \$1.5M favorability in these numbers. Mr. Kimball reminded the Board that \$1.2M has already been used as an assumption in the FY2017 budget, and that anything greater than this figure would be an improvement in what has already been projected.

Mr. Kimball reminded the Board that with respect to the Planning Study, there originally was supposed to be an encumbrance of \$25K from FY2015 into FY2016. Because of savings derived from the vacancy in the position of Planning Director for a period of time, it turned out that there were adequate funds to encumber for the study.

Mr. Kimball reported receipt of a check from the Office of Policy and Management in the sum of \$221,536 addressed to the Simsbury Fire District. He explained that after a series of phone calls, it was revealed that this is a result of the methods employed by the State to offset the car tax cap. Mr. Kimball explained how this amount was calculated and noted that \$36,310 will be distributed to the Fire District and \$185,226 will be distributed back to the Town. It was noted that this is unexpected favorable revenue to the Town.

Mr. Kimball reported that the Board of Selectmen approved the selection of Municipal Valuation Services, LLC for the revaluation process. He noted that this company has presented with a price of \$141K for their service, significantly less than the \$235K budgeted appropriation. Mr. Kimball also reported that the supplemental request for \$35K has been removed. In response to a question regarding moving remaining funds out of the fund once this has been paid, Mr. Kimball noted that he will return a report at a later date in this regard. He noted that his office is spending a great deal of time reviewing fund balances, especially capital non-recurring. Mr. Kimball explained that if funds remain in designated accounts, they have not been included as part of the undesignated fund balance and this would continue until they were closed out. Ms. Petitjean noted that this should be included as a future agenda item.

Mr. Kimball noted that a copy of a report from the Moody's Credit Reporting Agency has been provided to the Board. He noted that an annual statement, similar to those received when the Town seeks to have their bonds rated, will now be received from Moody's. He noted that he had conversations with the Moody's analyst regarding verbiage and methodology. It was noted that next month's meeting will include a presentation to walk the Board through this report.

Ms. Petitjean requested that the next Board of Selectmen contract with the auditors should include a provision whereby the auditors present their product to the Board of Finance, and are available to clarify any questions through that meeting, with no additional charge for this appearance.

Ms. Petitjean requested that copies of the packets provided to Board members in advance of their meeting be attached to the Minutes and filed with the Town Clerk's office. A copy of the packet provided to Board members via email from Mr. Kimball, on August 12, 2016, is attached to these minutes and made a part herein.

Mr. LaClair reported that the Board of Education is conducting its close-out and are in the process of meeting the September 1<sup>st</sup> deadline for ED001 submission. He reported that the District continues to expect to achieve similar levels of predicted favorability.

**6. APPROVAL OF FY2017 SUPPLEMENTAL APPROPRIATION OF \$27,500 FOR SETTLEMENT OF GLADNEY V. SIMSBURY:**

Ms. Petitjean suggested that the Board wait on this item rather than do supplemental appropriations at this point in the year. She explained that typically the Board approves these later on in the fiscal year as this sum may be able to be found in the operating budget.

**7. TOWN/BOE SAVINGS INITIATIVES:**

Ms. Petitjean noted the extensive work that the First Selectman and her office did in the preparation of the Update on Savings Initiative report dated August 12, 2016 submitted to the Board. Noting the \$460K grant that was applied for by the Town and the Main Street Partnership, Ms. Schofield questioned what it would be used for. Ms. Heavner reported that it would be used for streetscape and supplement existing projects.

In response to a question from Ms. Schofield regarding the street light purchase, Ms. Heavner explained that the original sum anticipated and budgeted for the purchase was \$850K. She noted that Director of Public Works Tom Roy managed to negotiate that price down to \$772K but has requested that the difference be used for possible receipt of change orders and/or modifications made during the process. Given the long return on investment period to be realized from this purchase, Ms. Schofield questioned how long the poles and light fixtures last. Ms. Heavner noted that she will obtain that information and provide it but seemed to recall that Mr. Roy had indicated twenty years. Ms. Schofield noted the reduced overtime realized through the Police Department. Ms. Heavner explained that the department increased by two officers resulting in an expected decrease in overtime expenses. It was noted that this decrease in overtime has been assumed in the budget. Mr. Blumenthal noted the great information contained in this report, allowing taxpayers to see many of the means employed to save the Town in costs. Ms. Heavner credited the commitment of the department heads with looking for savings daily to deliver quality services at the best possible prices.

Mr. LaClair distributed copies of an Update on Cost Savings Ideas report dated August 15, 2016. Mr. LaClair noted that bids on propane fueled school busses were opened on August 15, 2016. He explained that the details are still being reviewed regarding the propane fueling station, an aspect that was included in the contract renewal for student transportation.

The \$93K reimbursement grant received from the State, that will be used for the purchase of Chromebooks for twelve additional classroom sets, was discussed.

Ms. Schofield noted that the Cafeteria account has been losing money every year since 2011 and questioned whether outsourcing is being considered. Mr. LaClair explained that there has been no material change since March in that his board is aware that there will again be a loss for FY2016 but that it will be covered from within that fund. Mr. LaClair acknowledged that it is a trend that has to stop. He explained that despite the bid process necessitating starting very early to outsource this, he has still not made the decision that this is the appropriate approach. He noted that the Director of Nutritional Services works very hard in making this budget balance, having to reduce some staff hours across the Board while seven cafeterias in seven different schools still have to function. Noting that the CAFR (Comprehensive Annual Financing Report) is the source for the figures she has referenced, Ms. Schofield and Mr. LaClair agreed to confer through a separate meeting regarding this account.

Ms. Schofield questioned whether a specific figure for savings can be provided in terms of the Voice Over Internet recently installed. Mr. LaClair explained that this initiative actually allows for greater efficiencies in the part-time receptionist position already within this office.

Solar energy initiatives were then reviewed. Ms. Petitjean reminded Mr. LaClair to consider the Board's suggestion regarding new proposed purchases and/or added services, where any potential incremental costs associated with the change revealing the operational impact resulting from the change, is researched.

Mr. Blumenthal opined that cost savings should be the result of a collaborative effort by employees and department chairpersons and explained that he hopes that this is encouraged by some sort of recognition by the school district's administration. Mr. LaClair confirmed this, noting that Simsbury Public Schools Supervisor of Building and Grounds Steven Twitchell worked to find the savings in energy efficiency at Simsbury High School, Tootin Hills Elementary School and Henry James Memorial School. Mr. LaClair noted that Mr. Twitchell is now working on some areas in multiple schools that will result in savings and another example of this "Spend to Save" concept will be presented at a future meeting once finalized. Mr. LaClair also cited example of savings derived from the work of Director of Systems Technology Jason Casey. Mr. Blumenthal praised the public recognition component for school district employees who seek and propose efficiencies and savings, and not just the "Spend to Save" initiatives.

**8. DISCUSSION ON ESTABLISHING SPECIAL REVENUE FUNDS:**

**MOTION:** Mr. Pomeroy, Mr. Blumenthal second, **to move Discussion on Establishing Special Revenue Funds to the agenda for next month's meeting; unanimously approved.**

**9. BOARD OF FINANCE POLICIES DISCUSSION:**

Copies of a red-lined revised draft of Capital and Non-Recurring Fund Policy Statement as prepared by Mr. Blumenthal were distributed to the Board. An error in the June 21, 2016 Minutes led Mr. Pomeroy to duplicate these efforts in reviewing this policy and making suggestions for revisions. It was noted that these suggestions, along with the comments of the other Board members, would be emailed to Mr. Blumenthal.

**10. OTHER ITEMS:**

Ms. Petitjean noted that the Board may want to consider including Public Audience at regular meetings, noting that it is required at certain special meetings during the budget process. She indicated that the discussion on this topic will be included as an agenda item.

**11. ADJOURN:**

**MOTION:** Mr. Blumenthal, Mr. Pomeroy second, **to adjourn at 8:06PM; unanimously approved.**

**Respectfully submitted,**

**Pamela A. Colombie  
Commission Clerk**



# Town of Simsbury

933 HOPMEADOW STREET

P.O. BOX 495

SIMSBURY, CONNECTICUT 06070

Sean M. Kimball - Director of Finance/Treasurer

## **MEMORANDUM**

**To:** Board of Finance  
**From:** Sean Kimball – Director of Finance/Treasurer  
**Re:** Finance Director's Report and Budget Update  
**Date:** August 12, 2016

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### **FY 16 Revenue Update**

We are close to booking the last of the FY16 revenue entries and making required prior year revenue adjustments; this process also includes "60 day tax collection adjustments" that can't be entered until the end of August, at which point we will be closer to a clear picture of our final FY16 revenues (subject as always to any auditor adjustments later this fall). Total general fund revenue favorability for FY16 looks very positive, and I expect the final numbers to be approximately \$1.2-\$1.5 million favorable over budgeted revenue.

### **FY 16 Supplemental Budget Items**

As previously discussed, I will be asking the Board of Selectmen to recommend FY16 Supplemental Appropriations [pursuant to Charter Section 809(c)] at their September 12<sup>th</sup> meeting for the following items:

BOE CNR Payment for FY17 Items	\$	(115,000)
NEASC Certification	\$	(25,000)
<b>Sub-Total Expenditures</b>	<b>\$</b>	<b>(140,000)</b>

I have removed the request for \$25,000 for the Planning Study missed FY15 encumbrance, as the Planning Director was able to encumber adequate funding out of FY16 budget favorability. Also, the previously requested \$35,000 needed for a final installment for the FY17 Revaluation will not be required as the Assessor selected a firm for a lower amount than the \$235,000 already appropriated. I expect to bring these to the Board of Finance for final approval at the Regular Meeting on September 20, 2016.

As a reminder, the following items have been previously approved by the Board of Finance as supplemental budget appropriations for FY 2016 pursuant to Charter Section 809(c).

Cushman/UTV	\$	(15,000)
Heart & Hypertension	\$	(70,000)
BOE Turf Field Project	\$	(660,000)
<b>Sub-Total Expenditures</b>	<b>\$</b>	<b>(745,000)</b>

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[www.simsbury-ct.gov](http://www.simsbury-ct.gov)  
A n Equal Opportunity Employer

8:30 – 7:00 Monday  
8:30 – 4:30 Tuesday through Thursday  
8:30 – 1:00 Friday

## **FY17 Budget Information**

For some good news, we received unexpected revenue from the State in the form of a check for \$221,536 intended to offset the impact of the mill rate cap on cars. The check was actually made to the Simsbury Fire District which prompted calls to the Office of Policy and Management and the Office of Fiscal Analysis for clarification. Here is a (somewhat) brief explanation:

As you'll recall during the budget process, the State views the Town & Fire District as one entity for the purpose of our total mill rate. For FY16 this was 38.31 mills. The state calculated the revenue impact of capping our car taxes at 37 mills at \$250,351. In the final budget legislation, the state essentially assumed the Town would be cut from 37.12 mills to 37.00 mills (resulting in an impact of approx. \$28,815) and the fire district would reduce from 1.19 to 0.00 mills on cars (resulting in an impact of approx. \$221,536).

However, during the budget preparation process, the State and CCM continued to report to us that the reimbursement for the mill rate cap was "rolled into" the final \$567,400 the Town would be receiving in Municipal Revenue Sharing in the final budget bill. What they did not report to us or the Fire District, was that their list included the additional \$221,536 due to the Fire District for the mill rate cap. With the uncertainty during budget process, we agreed to allow the Fire District to cap their car taxes at 1.00 mills, and we would set ours at 36.00 mills, and share any revenue received at the same proportion as we were impacted. I've attached a spreadsheet that breaks out the math involved, but the bottom line is that the \$221,536 received will be distributed as \$36,310 for the Fire District and \$185,226 back to the Town.

	FY16	FY17	Mill Rate Loss on Cars	Percent of Total Loss	Share of OPM MRSA Grant
Town	37.12	36.00	1.12	85.5%	<b>\$ 214,040.55</b>
Fire	1.19	1.00	0.19	14.5%	<b>\$ 36,310.45</b>
Total	38.31	37.00	1.31	100.0%	<b>\$ 250,351.00</b>
<b>Amount to be returned to Town from grant to SF Fire (\$221,536-\$36,310)</b>					<b>\$ 185,225.55</b>
<b>\$ 221,536</b>	Piece of Grant addressed to SF Fire				
<b>\$ 28,815</b>	Piece of larger MRSA grant (\$567,400) designated to Town				
<b>\$ 250,351</b>	Total				

## **Revaluation**

The Board of Selectmen approved David Gardner's selection of Municipal Valuation Services, LLC in the amount of \$141,000. The total appropriation previously made by the Board of Finance for this project was \$235,000, so this is well within budget.

## **Moody's**

The Moody's Credit Rating Agency recently finalized its first ever annual "Local Government Issuer Comment Report" for the Town of Simsbury. This is a new annual "snapshot" of town finances and credit rating that Moody's will be publishing annually regardless of whether we are issuing debt or not. I have attached the report which was published on Thursday. I had some conversations with the analyst regarding some of the verbiage used and the methodology, and I am in receipt of a larger document that fully explains their methodology that I can forward on to anyone interested.



# Town of Simsbury

933 HOPMEADOW STREET, SIMSBURY, CONNECTICUT 06070

Lisa L. Heavner - First Selectman

**To: Members of the Board of Finance**  
**From: First Selectman Lisa Heavner**  
**Date: August 12, 2016**  
**Re: Update on Saving Initiatives**

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The Board of Finance has requested an update on town savings initiatives. The last update on savings was provided to the Board of Finance in the Board of Selectmen budget presentation through a memorandum dated March 24, 2016. Below please find additional information.

## **Town Administration:**

The Town of Simsbury is now participating in CT Prime Stop Loss Insurance with CREC. CT Prime is an intergovernmental pool for medical stop loss insurance designed to reduce health benefit costs for participating self-insured towns and school districts. Anticipated future rate stability is the primary objective. However, immediate savings of approximately \$23,000 will be realized in FY17 between the Town and Board of Education. From a budgetary standpoint on the Town side, there is a positive budget impact of approximately \$5,000.

The Town of Simsbury successfully advocated with CIRMA for the inclusion of Cyber Security protection in our insurance policy reducing the potential for future risk exposure. This will result in savings of approximately \$10,000 per year.

The Director of Finance received a scholarship of \$500 to attend the GFOA conference.

Town staff and Main Street Partnership applied for a Main Street Investment Grant valued at \$460,760.

First Selectman's office (FSO) has initiated a paper and plastic reduction project to use less paper and eliminate the purchase of bottled water. This effort to be more efficient has resulted savings of \$3,000 in office supplies.

FSO reduced summer intern hours to 20/week from 35/week.

The Board Selectmen received \$7,000 worth of donated furniture from Viking Demolition.

The Town and Board of Education are conducting a joint study to make sure that IT expenditures are coordinated and leveraged for cost efficiencies.

The Town and the Board of Education are reviewing a proposal for cloud-based actuarial and technical software services in connection with the Defined Benefit Pension Plan benefits provided to eligible employees of the Town and Board of Education. The proposal could provide significant savings, significant administrative efficiencies and built-in tools for long-range forecasting.

### **Library:**

At the Library, the new system of print/copy management installed in August 2015 brought in net savings of \$3,120 in FY16.

In FY 2016 the Library engaged volunteers for over 2,140 volunteer hours valued at \$57,330.60 using the 1 hour of volunteer service at \$26.79 as determined by the United Way of CT in 2014.

The Library brought in grants of \$1,500 from the Connecticut Humanities for their History of Land Conservation in Simsbury program series; \$2,930 from an Autism Welcome Here Grant for development of programs and services for families affected by autism, and \$4,750 from Social Services Teen Program and Material Grant.

As for gifts, the Library received \$13,200 as a bequest of Jewel Gutman for the Teen Wall construction and \$3,000 for teen technology from Investor Angels/Friends of the Simsbury Public Library.

### **Culture Parks and Recreation:**

The Culture, Parks and Recreation Department (CPR), received a pro bono site evaluation from the USGA and ASGCA Golf Course experts. Simsbury was one of 6 golf courses chosen from across the nation for receipt of these free consultative services.

CPR recently received a gift of \$1,500 from the Farmington Valley Trails Council for fencing repairs along the greenway.

CPR worked with the FSO, volunteers and the Board of Selectmen to establish a Friends of Simsbury Farms nonprofit to accept donations and gifts to enhance the Farms Complex.

The CPR recently adopted, with Board of Selectmen approval, a new Golf course tee time proposal to generate additional income by offering a discounted golf fees on weekends after 11:00 a.m. when the reserved tee time capacity is at 30% or below.

The Director of CPR has been working with Eagle Scouts to reconstruct a retaining wall along the Simsbury Farms Fitness Trail and to make repairs to the pavilion at Tariffville Park.

### **Social Services:**

Social Services received a matching grant of \$34,051 for a Dial-a-Ride Program.

Social Services also:

- served as an intake site for the State Energy Assistance Program, which facilitated the receipt of \$97,000 in federal heating assistance for Simsbury residents in need;



- collected over \$97,000 in donations; and
- applied for \$32,062 in Youth Service Grants.

The Senior Center is encouraging members to pick up their newsletters at the Center instead of having it mailed.

The Senior Center has also reduced our use of paper and ink cartridges by utilizing “electronic flyers” via a digital frame.

### **Town Clerk:**

The Town Clerk is exploring eRecordings for a one time start-up fee of \$965 and at no increase of monthly contractual costs which will lead to time savings for staff – enabling them to be more efficient, eliminating the need to scan original documents and eliminating the need to prepare documents to be mailed back to the submitter. The change will also lead to less mail coming in to the office to be sorted and recorded. Cost savings include a reduction in postage and envelopes.

The Town Clerk is also looking to reduce the number of hard copy code books as we now post the town Charter and Code online. Saving from ordering supplements will result in approximately \$1000 in savings.

### **Public Works:**

The Board of Finance authorized \$850,000 for the purchase of street lights. Due to the delayed referendum, the price negotiated was no longer applicable. Director of Public Works Tom Roy has completed the updated negotiations and has recommended to the Board of Selectmen the purchase of street lights along Iron Horse and at the Library for \$772,767. The purchase will result in annual electricity savings of \$106,526 with a return on investment of 7.25 years.

Bright Ideas Grant valued at \$8,183 for insulating six town owned residential homes that are used to provide affordable housing in our community.

The town accepted a \$10,000 grant from the State of Connecticut Department of Energy and Environmental Protection Public Fleet Electric Vehicle and Public Workplace EV Charging Station Incentive Program. This came upon the strong recommendation by the Clean Energy Task Force in support of “green” infrastructure.

Implemented programs to reduce work related injuries and worker compensation expenses with safety initiatives including weekly tool box talk on safety procedures. Employees have participated in OSHA training and are now participating in lead training.

Made buildings more efficient and will paying off on-bill financing early per referendum approvals.

### **Police:**

Used proceeds from asset forfeiture to pay for bullet proof vests, resulting in a reduction in tax payer expenditure.

Simsbury Police cadets collected donations from local businesses in the amount of \$1,000 to defray cost of explorer's camp.

Police reduced overtime:

Month	2015	2016	Difference
March	22.5	11.5	-49%
April	25	4.5	-82%
May	14.5	14	-3%
June	35	10.5	-70%

Implemented programs to reduce work related injuries and worker compensation expenses including occupant protection and distracted driving, "All Hazards," taser baton, de-escalation techniques, peer support safety precautions in the holding facility, medical training and tactical Combat Casualty Care.

Received \$18,000 through the Edward Byrne Memorial Justice Assistance Grant to fund new technology to support existing in-car cameras.

#### **Planning and Community Development:**

During an internal review of the administrative process associated with processing land use applications we discovered that the Department had not been charging a \$25 fee for zoning compliance review per the Town's adopted fee schedule. The fee schedule was adopted by the Board of Selectmen on 6/25/1990 and revised on 2/25/2013. As of April 1, 2016, the department has started to charge a fee for zoning compliance review per the adopted fee schedule. To date the department has collected \$2,300. It is anticipated that the department will collect approximately \$10,000 annually.

#### **Computer Department:**

- Department continues to explore ways in lowering IT expenditures through researching new ways of using the Town's infrastructure and coordinating municipal services under a centralized management model. Examples include: Reduce Internet service fees by \$4,102 per year by using State of Connecticut sponsored ISP, lowered annual hardware maintenance charges by \$1,685 through the use of hyper-convergent technologies that reduces the number of physical hardware servers.
- Participates in the CRCOG Regional Incentive Program by purchasing Hosted VoIP services for the Simsbury Farms Complex and Board of Education Administrative offices that provides telephone services and support.
- Continued deployment of the Town's fiber optic infrastructure to remote locations on the Hopmeadow Street corridor to provide departments access to applications and services.
- Continues to utilize the National Joint Powers Alliance, Naspo ValuePoint, and State of Connecticut contracts for technology equipment and services.