

From: SimsburyCT Postings February 22, 2011 11:37:57 AM  
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To: SimsburyCT\_FinanceMin  
Cc:

BOARD OF FINANCE  
FEBRUARY 17, 2011  
SPECIAL MEETING

1. CALL TO ORDER

The Special Meeting of the Board of Finance was called to order at 6:00 P.M. in the Board of Education Conference Room in the Simsbury Town Offices. The following members were present: Paul Henault, Peter Askham, Nicholas Mason, Anita Mielert, Kevin North and Barbara Petitjean. Also present were Director of Finance Kevin Kane, Board of Education Business Manager David Holden, First Selectman Mary Glassman, Recreation Director Gerard Toner, Town Engineer Richard Sawitzke and other interested parties.

2. MINUTES

Mr. North made a motion to approve the minutes of the January 18, 2011 Regular Meeting. Ms. Petitjean seconded the motion.

Mr. Mason requested an edit on page 5 and Mr. Henault requested an edit on page 2, both for points of clarification.

The motion to approve the minutes as amended passed unanimously.

3. STATE OF CONNECTICUT BUDGET UPDATE

Ms. Glassman stated that the Governor has indicated that a committee will be formed next year in June to reconsider the current formula for calculating ECS funding, but the current formula will remain the same for the next two years. She also cautioned that it is very early on in the process and that things can change as the State budget process progresses. She noted that, in the initial proposal, there could possibly be a significant increase in revenue coming into Simsbury (approx. \$600,000) due to new initiatives proposed by the Governor (doubling of the real estate conveyance tax, addition of vessel conveyance, retail sales, and room occupancy taxes as well as aircraft property taxes). There are no details

relative to the collection mechanisms for the new taxes, but as the budget works its way through the legislature and public comment, more information will be forthcoming.

#### 4. SIX-YEAR CAPITAL IMPROVEMENT PLAN

##### Board of Selectmen

Ms. Glassman advised that there is a new budget page on the Town website that contains all the documents that the Board receives, links for public comment as well as links to the related budgets of the Fire District and the Board of Education. The website page also includes information on how the Capital Improvement Plan works, statistical trends and grand list information. Ms. Glassman stated that the grand list will remain flat for the fourth year in a row.

Ms. Glassman stated that the Board of Selectmen has created a new submission form for future project requests that includes a detailed summary of the project, including associated and annual maintenance costs, project detail and a narrative from department heads.

The projects being proposed by the Board of Selectmen for 2011/12 include: \$2,836,000 for Simsbury Farms main building renovations and pool decking, \$120,000 for Memorial Pool renovations and \$225,000 for golf course improvements.

##### Simsbury Farms Main Building Renovations

Ms. Glassman stated that the Simsbury Farms main building renovation has been on the Capital Improvement Plan for many years and that the project has been re-evaluated by the architect. The square footage has been scaled back and the cost reduced so that the pool decking could be included. The project includes all new mechanicals, the addition of an elevator and making the building energy efficient. The Board of Selectmen's concern was to not scale back the project to the point that it no longer met the long-term needs of the Town. Ms. Petitjean asked if there would be an increase in annual maintenance. Ms. Glassman responded that it was anticipated that annual maintenance would decrease from approximately \$14,000 to \$7,000 due to energy savings.

The Board of Selectmen did not require that the Simsbury Farms Special Revenue Fund cover the debt service as it would have resulted in a significant increase in user fees. Mr. Kane added that to do so would be unrealistic as a \$2.8 million bond issue would result in \$330,000 to \$340,000 in debt service and the Simsbury Farms budget has been generating approximately \$1.8 million of revenues or expenditures. Therefore, in

order to have the Fund assume the debt service, it would be necessary to increase user fees by 20%.

Mr. Henault noted that, while the project has been on the Capital Improvement Plan for about six years, it is coming forward at a time when the Town is facing difficult financial issues. Also, while interest rates and construction costs are low and the building is in need of repair, an argument could be made that there should be no capital undertakings this year as the taxpayers are already stressed. Mr. North noted that the project, due to the size, must go to referendum and, therefore, the public would have a mechanism for conveying their wishes instead of the boards making a unilateral decision.

Mr. Henault noted that, in the current six-year plan, the debt policy is exceeded as early as the second year and, therefore, something will have to be eliminated in the out years. Ms. Glassman responded that the Board of Selectmen is well aware that future prioritization will be needed.

Mr. North suggested removing the smaller projects to CNR and lumping the Recreation projects all together and sending them out to referendum. Ms. Mielert was not in favor of that as it could result in the lesser projects not being approved due to being lumped together with the larger project. Mr. North noted that, as a stand-alone project, the \$225,000 golf course project would be too small to send to referendum and would just do out to Town Meeting. The reason for combining the projects would be so that both projects would go out to public referendum and, thereby receive a wider voter input than is typically received at Town Meetings. Ms. Glassman was not certain that bonding language would allow for diverse projects to be lumped together; while the Recreation and Golf projects might feasibly be considered as similar, the Memorial Pool project would be distinctly different.

#### Memorial Pool/Memorial Park (Central School) Parking Lot Improvements

Ms. Glassman stated that Memorial Pool is now 55 years old, but can last longer with some improvements. According to Mr. Toner, the proposed project includes sandblasting, sealing and painting of the pool, which would result in an additional 10-12 years of safe operation. Mr. Henault asked about the feasibility of closing Memorial Pool and using just Simsbury Farms. Mr. Toner stated that Simsbury Farms can not handle the overflow due to the public use as well as programs that already exist at the Farms. Memorial Pool has a camp that runs for 9-10 weeks for about 80 kids. This program currently generates about \$20,000 of revenue for the Town.

Ms. Mielert felt that it was not good public policy to concentrate all

recreational programs in one spot and that they should instead be spread around town so that they are easily accessible by all. She added that Memorial Pool is in a much more walkable neighborhood than Simsbury Farms; Ms. Glassman concurred.

Ms. Glassman stated that the Central School parking lot improvements originated from safety concerns expressed by parents, who worked with Moira Wertheimer, Lisa Heavner and Chief Ingvertsen to arrive at the current proposal which provides expanded parking for the playing fields and teachers. Ms. Glassman also cited a scholastic report that had noted the current parking lot as a violation that needed to be addressed.

Mr. North wondered if reserves in the current fiscal year would be adequate to cover this project if it was removed from the capital plan as it sounded as if it might be better if the project were to be completed in the spring prior to Memorial Park being used. Mr. Holden stated that he would prefer that it be done after school is over (June 14th). Mr. North stated that he would be in favor of covering the Memorial Park project with current year reserves and then lumping the remaining three projects so that they can get sent out to referendum.

#### Golf Course Improvements

Ms. Glassman stated that this project was proposed at \$350,000 last year by the Board of Selectmen but was not approved by the Board of Finance. The project has been scaled back to \$225,000. During the Board of Selectmen budget workshops, residents explained the costs of not doing the renovations. Mr. Toner stated that the renovations would address drainage issues and replacing sand bunkers. Simsbury Farms has been experiencing a decline in rounds due to more courses in the immediate area and they are trying to attract more non-resident play in order to keep resident costs down. Mr. Askham felt that a \$225,000 project seems more like a CNR project. Ms. Petitjean had concerns relative to the project's useful life and borrowing money to pay for it and thought that it would be more appropriate as a CNR project.

#### 5. UPDATE ON 10/1/10 GRAND LIST

Mr. Kane stated that the Town Assessor is anticipating little change in the grand list from 2009. Tax Collector, Colleen O'Connor stated that collections at this time last year were 97.1% and are 97% this year.

#### 6. UPDATE ON PROPOSED 2011/12 OPERATING BUDGETS

Mr. Holden stated that the Superintendent presented her proposed budget, with a 1.54% increase to the Board of Education. The Board will be adopting their final version before March 1st.

Mr. Kane stated that the Board of Selectmen have been having budget workshops all week and are currently considering a budget with a .21% increase, but could have some add-on changes before final adoption. The mill rate projection worksheet was adjusted to include ECS funding at the current year rate. With all these updates, the projection is now at a level where any spending increase results in an equivalent tax increase.

Mr. Askham asked about the current year budget status after the recent winter hardships. Mr. Kane stated that the storms, although severe, came at the right time and were not prolonged and overtime is, therefore, not in excess of budget. Mr. Holden stated that all school roof problems were corrected using in-house staff for approximately \$4,000. He noted that Trumbull has incurred in excess of \$700,000 for snow removal. He felt that the Board of Education's annual roof maintenance program has paid off and that previous actions taken have resulted in current savings. However, he also noted that, while \$10,000 was budgeted for contracted snow removal, \$40,000 has been incurred due to the excessive snow levels in the parking lots. But he did not expect it to have an impact on the overall bottom line. The Board of Education, in conjunction with the DPW Director, has filed for Federal assistance through Homeland Security, but has not received any response yet.

## 7. OPERATING & CAPITAL IMPROVEMENTS

The Board discussed various funding mechanisms for the capital projects proposed as well as the importance of forwarding projects on to referendum for voter input as opposed to moving them to Town Meeting where they get approved by 40 or so attendees. All members agreed that the parking projects should move forward, but not as a capital project. Mr. North thought that the Board of Education should make a request through the Board of Selectmen that they recommend a transfer from reserves in the current year for the project. Mr. Holden noted that, while benefiting the schools and athletic fields, none of the proposed work on parking at Memorial Park would be on school grounds. He stated that he would forward the request to the Board of Selectmen. Mr. Askham felt that the golf course project should be funded through CNR. Mr. Kane recommended moving all the projects on to Public Hearing separately. Mr. North wanted to see the golf and Simsbury Farms projects lumped together so that the voters could weigh in on the projects. Ms. Mielert concurred.

Mr. North made a motion to move a consolidated Simsbury Farms project, consisting of \$2,836,000 in main building renovations and pool decking and

\$225,000 in golf course improvements, to be funded from bonding if approved at referendum, on to Public Hearing. Ms. Petitjean seconded the motion and it passed unanimously.

Mr. North made a motion to remove the Memorial Park parking lot improvements from the capital plan and request that the Board of Education make a request of the Board of Selectmen to make request of the Board of Finance to fund this project with \$125,000 from reserves in this current fiscal year. Ms. Petitjean seconded the motion and it passed unanimously.

Mr. North made a motion that the Board of Finance make a recommendation to the Board of Selectmen that they remove the Memorial Pool improvements from their six-year Capital Improvement Plan requests and instead submit a request at the next Regular Meeting of the Board of Finance that they give favorable consideration to funding this project out of reserves in the amount of \$120,000. Ms. Mielert seconded the motion and it passed unanimously.

Mr. Henault noted that, by moving these projects on to Public Hearing, the Board still wants to discuss the latter years and is in no way approving the out years of the Six-Year Capital Plan. Ms. Petitjean felt that it is important to get a six-year plan with proper second-year considerations. Mr. Kane stated that the Board of Selectmen members understand that there are projects included in next year's schedule that will need to be pushed back. Mr. Henault stated that he was surprised at all the projects that are scheduled in the second year of the plan.

Mr. Holden suggested that both boards schedule joint meetings, as has been done in the past, prior to the actual budget season so as to coordinate their requests.

#### 8. SENIOR CENTER UPDATE

Mr. Henault stated that, after the concerns expressed at the Board's last meeting over renovations vs. new construction, he had sent a memo to the First Selectman requesting clarification and that she indicated that RFP is to consider new construction vs. renovation and that renovation is definitely under consideration. Mr. North stated that such a discussion should be secondary to first assessing the need for the project and, in this case, the project concept has preceded the needs assessment.

9. TRANSFERS FROM RESERVES

Mr. Henault referred to a memo from Mr. Kane requesting two transfers in order to close out two projects.

Mr. North made a motion to authorize a transfer in the amount of \$3,745 to close out Fund 358 (Greenway 5/05) and a transfer in the amount of \$32,145 to close out Fund 378 (Modular Classrooms 5/02). Mr. Askham seconded the motion and it passed unanimously.

10. BOARD OF FINANCE FEBRUARY 22ND REGULAR MEETING

Mr. North made a motion to cancel the Board of Finance's February 22, 2011 Regular Meeting. Ms. Petitjean seconded the motion and it passed unanimously.

11. ADJOURNMENT

Mr. Henault adjourned the Special Meeting at 8:15 PM.

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Paul Henault, Chairman

Debra L. Sweeney, Clerk