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Cc:

BOARD OF FINANCE
MARCH 8, 2011
SPECIAL MEETING

1. CALL TO ORDER

The Special Meeting of the Board of Finance was called to order at 8:55 P.M. in the Simsbury High School Auditorium. The following members were present: Paul Henault, Peter Askham, Nicholas Mason, Kevin North and Barbara Petitjean. Member Anita Meilert was absent due to a business commitment. Also present were Director of Finance Kevin Kane and other interested parties.

2. MINUTES

Mr. North made a motion to table approval of the minutes of the February 17, 2011 Special Meeting until the next meeting. Ms. Petitjean seconded the motion and it passed 5-0.

3. DISCUSSION AND POSSIBLE ACTION

Proposed Capital Projects

The Board discussed their concerns about what would happen should bids for the Simsbury Farms and golf course capital project come in less than the projected project costs. Mr. Toner felt there were some potential alternate add-ins that would be under the review of the Public Building Committee. Mr. North stated that, given that there was some ambivalence within the Board about bringing any capital project forward within such difficult economic times, he was not in favor of any add-ons without public discussion. He felt that the Board needed a commitment that the project would be within the scope as currently defined.

Mr. Kane stated that the Board needs to stay on top of the project, much like they did with the high school project and did not recommend modifying the language of the resolution as drafted by bond counsel. He added that a bond should not be issued until the actual cost of the project is known. Mr. North stated that there should be a clear delineation of any add-alternates in the construction documents. Mr. Henault asked Dave Bush, Chairman of the Parks & Recreation Commission, and Nancy Haase, Selectman, both of whom were present at the meeting, to convey to their respective boards the Board of Finance's concerns regarding scope creep and that any potential changes be brought to the attention of the Board of Finance. Mr. Henault appointed Ms. Petitjean to be the Board's liaison with the Public Building Committee.

Mr. North introduced the following resolution:

RESOLVED that the Board of Finance recommends that the Town of Simsbury appropriate THREE MILLION SIXTY-ONE THOUSAND DOLLARS (\$3,061,000) for improvements to the Simsbury Farms Facility. The project shall include renovation of the Simsbury Farms Main Building including improvements to the bathrooms, locker rooms, food concession facility, and first aid area, the addition of approximately 1,000 square feet of new construction, and improvements to the skating rink support rooms and pool deck (estimated cost \$2,836,000) and improvements to the Simsbury Farms Golf Course (estimated cost \$225,000). The appropriation may be spent for design and construction costs, survey fees, site work, equipment, materials, furnishings and supplies, architects', engineering and other consultants' fees, legal fees, net temporary interest and other financing costs, and other expenses related to the project and its financing. The Board of Selectmen may determine the particulars, and may reduce or modify the scope, of the project, and the entire appropriation may be spent on the reduced or modified project; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$3,061,000 to finance the appropriation.

Mr. Mason continued with:

RESOLVED, that the Board of Finance of the Town of Simsbury recommends (1) that any bonds issued to implement the various capital improvement projects recommended at this meeting be issued with a term not to exceed ten years, (2) that the maximum ten year term of any bonds issued to refund any bond anticipation notes be reduced by the period of time that bond anticipation notes are outstanding in excess of two years, and (3) that the Town retire any such notes which are outstanding in excess of two years in an amount equal to at least 1/10th of such notes no later than three years from the date of initial note borrowing and again no later than four years from the date of initial note borrowing.

Ms. Petitjean seconded and the resolution was approved by 5 votes in favor and 0 votes opposed.

Six-Year Capital Plan

Mr. Henault stated that he had concerns regarding the out years in the current Six-Year Capital Improvement Plan, noting that there are \$10.5 million of projects in the 2012/13 year. He felt that the Board of Selectmen and the Board of Education had a lot of work to do in order to bring the Capital Improvement Plan to be in compliance with the Board's of Finance's debt policy. Mr. North added that, since the Charter requires that projects be on the Plan for two years prior to approval, projects not in compliance with the debt policy should not be kept on the Capital Improvement Plan for two years.

Mr. North made a motion to ask the Board of Selectmen and the Board of Education to work collaboratively in order to bring the current Capital Improvement Plan within the debt policy guidelines as set by the Board of Finance prior to the May referendum. Mr. Askham seconded the motion and it passed 5-0.

4. ADJOURNMENT

Mr. Henault adjourned the Special Meeting at 9:20 PM.

Paul Henault, Chairman

Debra L. Sweeney, Clerk