

From: SimsburyCT Postings March 19, 2010 3:58:34 PM  
Subject: Board of Finance Minutes 03/16/2010  
To: SimsburyCT\_FinanceMin  
Cc:

BOARD OF FINANCE  
MARCH 16, 2010  
REGULAR MEETING

1. CALL TO ORDER

The Regular Meeting of the Board of Finance was called to order at 6:00 P.M. in the Main Meeting Room of the Simsbury Town Offices. The following members were present: Paul Henault, Peter Askham, Candace Fitzpatrick, Nicholas Mason, Anita Mielert and Kevin North. Also present were Director of Finance Kevin Kane, Board of Education Business Manager David Holden, Superintendent of Schools Diane Ullman, First Selectman Mary Glassman, Director of Public Works Thomas Roy and other interested parties.

2. MINUTES

Mr. North made a motion to approve the minutes of the March 9, 2010 Regular Meeting. Ms. Fitzpatrick seconded the motion and it passed 5-0 (Ms. Mielert abstained).

Ms. Fitzpatrick made a motion to approve the minutes of the March 9, 2010 Public Hearing. Mr. Mason seconded the motion and it passed 5-0 (Ms. Mierlert abstained).

Mr. North made a motion to change the order of the agenda such that the Board would first hear the Board of Selectman's budget (Item 2), take action on the Board of Education's budget (Item 4), take action on the Board of Selectmen's budget (Item 2 remainder) and then take action on the capital projects (Item 3). Mr. Mason seconded the motion and it passed unanimously

3. BOARD OF SELECTMEN 2010/11 BUDGET PRESENTATION (PURSUANT TO SECTION 907 OF THE TOWN CHARTER)

Ms. Glassman stated that the Board of Selectmen's budget last year represented a 3% reduction from the prior year and this year's budget is close to 0% this year. Due to the difficult circumstances this year, the budget workshops began much earlier. She noted the difficult economic conditions that many residents are experiencing, as evidenced by a tripling in fuel aid requests, aid program requests at the Senior Center and Social Services, applications for free and reduced school lunch programs as well as a marked increase in foreclosures. While the Board of Finance had given them a 1.33% increase guideline that they certainly could have filled with needed items, the consensus of the Board of Selectmen and staff was to come as close to a 0% increase budget as possible.

The original budgets that were received from department heads represented a 5.9%-6% increase. With State funding so uncertain that there could possibly be cuts even in the current year's budget as well as a potential \$3 billion deficit being faced by the State in the next fiscal year, it did not seem appropriate to put forth a budget with that level of increase.

Ms. Glassman stated that, in developing the budget, the Board first considered the projected .19% grand list growth, which would result approximately \$150,000 in additional revenue (an amount that projected increased utility costs would easily exceed) and a projected \$200,000 decrease in investment income. It was decided to develop a budget that would deliver core services. Obligations that had to be considered first were required pension funding (which increased 30%), health insurance increases (2.6%), gas a fuel increases (19%), and \$190,000 in unnegotiated salaries. After taking those into consideration, the budget was starting off in a deficit position.

In order to arrive at a 0% increase budget, the Receptionist and Assistant Building Official positions were eliminated, police overtime was reduced, police vehicle replacement was reduced by one, the Assistant Assessor and Assistant Engineer positions will not be filled (unless an improvement in the economy would necessitate that they be filled due to need), Memorial Pool will be open for summer programs only, and one day of Dial-A-Ride bus service will be eliminated. Consulting services will be postponed. The Library Board provided \$38,000 in reductions. The proposed budget contains no new programs, buildings or services and focuses primarily on supporting maintenance of existing assets and infrastructure (roads & paving). The long-range plan being proposed by the new Public Works Director is aimed at maintaining roads (which costs about \$2/sq. yard) rather than allowing them to deteriorate to the point of requiring restoration (which costs about \$34/sq. yard).

Mr. Henault asked about various proposed items in the Capital Nonrecurring budget, such as road maintenance, parking lot resurfacing and the Eno

Memorial Study. Ms. Glassman stated that the amount budgeted is the normal annual amount budgeted for road maintenance and was factored in when arriving at the proposed capital project for paving maintenance. She stated that this number can be deferred or changed, conditions can be allowed to get worse and the costs to repair will increase. The number provided is what is needed to achieve on-going long-term maintenance. Ms. Mielert noted that the \$158,000 number in the operating budget has not changed in ten years, while the cost of asphalt products has increased exponentially in that time.

Ms. Mielert stated that the Eno Memorial Study is in response to a survey that was taken for the Senior Center when there was discussion about building a new center. Responses from the seniors indicated that they liked the Eno location, but that there are issues that need to be addressed, such as failing elevators, handicap access, parking and additional space. The Study would be to evaluate costs and options. Ms. Glassman stated that, while the Board of Selectmen has not yet addressed the scope of the study, she would take the suggestions that it be expanded to cover expanding the use of all Town-owned buildings back to them.

Mr. Askham asked about the CNR items "Simsbury Farms Main Building Design" and "Simsbury Farms Improvements". Ms. Glassman replied that the Board of Selectmen had originally received architectural plans back that outlined a plan that was way too costly, so it was decided to split the project into phases and the other item was for ongoing maintenance, such as resurfacing the tennis courts, replacing lights, etc. Mr. Askham asked why this was not included in the Simsbury Farms budget as it was originally set up to be self-sufficient. Ms. Glassman stated that the Board of Selectmen decided to absorb these costs in order to keep the Simsbury Farms budget within the 1.33% guideline. If they did not do so, fees would have to be raised even more than they have been and if the facilities are not maintained or the fees are too high, eventually the facilities will be unusable for the residents.

Mr. Askham asked if sewer use rates would be increased in this budget. Mr. Kane stated that the intent is to change the sewer use assessment in the next year or so to be based on a flow rate (actual amount of usage) vs. the current flat rate. Mr. Askham felt that a joint committee needs to be established to analyze the long-term use of this fund's reserves. Town Engineer Rich Sawitzke stated that currently the reserves are used for emergency repairs and projected capital items. He added that the reserve level will fluctuate based on collections for new hook-ups, as existing users are charged a flat \$320 rate and new connections are charged \$4,195.

Mr. Mason asked about the Unnegotiated Salaries item. Ms. Glassman stated that currently all union contracts are under negotiation.

#### 4. ACTION ON BOARD OF EDUCATION PROPOSED 2010/11 OPERATING BUDGETS

Mr. Henault noted that the Board had decided to defer action on the Board of Education's operating budget at its last meeting. The decision at hand was whether to send the proposed budget on to Public Hearing with the requested 2% increase or to hold the budget increase to the 1.33% guideline that had originally been requested by the Board of Finance. Ms. Fitzpatrick stated that the reason she made the motion to defer was that the sentiment of the majority of the Board at the time was to hold at the 1.33% level and she wanted to receive additional input and get estimates and projections that were as accurate as possible.

Ms. Fitzpatrick made a motion to move the Board of Education operating budget to Public Hearing with a 1.6% spending increase. Mr. North seconded the motion.

Ms. Mielert stated that, in reviewing the mill rate projection worksheet updated with new figures representing the Board of Selectmen budget, which was more than 1% lower than the guideline they were given, it became apparent that the Board of Selectmen has virtually given a \$180,000 gift to the Board of Education. She noted that a 1% increase in the Board of Selectmen's budget is the equivalent of a 1/3% increase in the Board of Education's budget.

Using a 1.6% increase for the Board of Education budget would increase the mill rate by .4, which she felt was very moderate and would most likely be acceptable to the voters. She felt there was lot of sentiment for not increasing the debt load and had gotten input from residents with children in the school system who did not want to see their taxes increased. She felt that both boards did excellent work in preparing their budgets.

Mr. Askham stated that, at the last meeting, he wanted to keep the increase at 1.33% and, while the numbers, like grand list growth and investment revenue, have been changing recently, it has been in the wrong direction and he felt it was important to retain the collection rate in order to offset any shortfalls.

Mr. Mason stated he is concerned about what will happen in the next two years. He noted that the \$5 million that is currently received from the State could possibly be cut by \$2 million next year and wondered how the Town would cover that shortfall unless reserves were used. He agreed with Mr. Askham that it would not be prudent to change the collection rate at this time.

Mr. Henault noted that the Board of Education had worked very hard to develop a budget and thanked them for all their efforts. He felt that the Board should move the proposed budget on to Public Hearing with a 2% increase, but noted that the Board of Finance needs to speak with a clear voice to the voters as to what is a good overall budget. He acknowledged the receipt of many letters and e-mails from parents and students. He stated that a 1.6% increase will most likely not please anyone completely as he has received letters requesting it be 0% as well as requesting that it be 2%. He also agreed with comments made by Mr. Askham and Mr. Mason in that it is important to hold the collection rate as reserves are going to be needed in the future to address potential shortfalls in State funding.

The motion passed unanimously.

5. ACTION ON BOARD OF SELECTMEN PROPOSED 2010/11 OPERATING BUDGETS

Mr. Kane noted that there is an error in the proposed budget for Capital Nonrecurring (Tab 20) in that amounts for the Eno Memorial Study and Town Offices Parking Lot Resurfacing have been reversed. The correct amounts are:

Eno Memorial Study - \$35,000

Town Office Parking Lot Resurfacing - \$125,000

Mr. Mason made a motion that the Board of Selectmen proposed operating budget, as presented with the noted corrections in the CNR budget, be moved on to Public Hearing. Ms. Fitzpatrick seconded the motion and it passed unanimously.

Ms. Mielert commended the Board of Selectmen for all their efforts.

6. ACTION ON PROPOSED CAPITAL PROJECTS

Mr. Henault noted that there had been a Public Hearing regarding capital projects last week. By Town Charter, one of the proposed projects (\$3 million - paving management) would go to referendum and the rest would be voted on at a Special Town Meeting.

Item 1:

Mr. North introduced the following resolution, which was seconded by Ms. Fitzpatrick:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury

appropriate \$260,000 from the Sewer Assessment Fund for sewer main extensions on Pheasant Lane, portions of Bushy Hill Road (north of Sidney Way) and related work or; after referral to the Planning Commission for a report pursuant to Section 8-24 of the General Statutes and a public hearing and approval by the Water Pollution control Authority, other equivalent areas.

The resolution was approved by 6 votes in favor and 0 votes opposed.

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#### Item 2:

Mr. North introduced the following resolution, which was seconded by Ms. Fitzpatrick:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$670,000 from the Sewer Use Fund for the Tunxis Pumping Station Replacement to include an energy efficient, dual, submersible grinder pump, emergency generator, electrical switch gear, connection to the main treatment plant controls and monitoring system and related work.

The resolution was approved by 6 votes in favor and 0 votes opposed.

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#### Item 3A:

Mr. North introduced the following resolution, which was seconded by Ms. Fitzpatrick:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$3,000,000 for (1) repaving, repair and rehabilitation of Town roadways pursuant to the Town's pavement management program and (2) repair of the Town's bikeways, including repair and repaving on existing sections. The project shall include: crack sealing, chip sealing, hot in place asphalt recycling (heat scarification), milling and overlay, full depth reconstruction, and related engineering, inspection, testing and support services; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$3,000,000 to finance the appropriation.

Mr. Askham felt that there needed to be a better explanation of the project as to need and why this expense is being presented all at once if the project will be over a number of years. Mr. Kane stated that the intent was to appropriate \$3 million over three years and that the actual bond issue would be done on a cash flow basis (most likely in the second or third year). Public Works Director Tom Roy explained that a large portion

of the Town's roadways are moving into a condition of needing reconstruction and, if money is not infused now towards their repair, it will result in major reconstruction costs.

Mr. North asked about the bikeway portion of the project. Mr. Roy stated that \$590,000 of the project would be for bikeways, sidewalks, the Rail Trail and approximately 10 miles of multi-use trails in Town. Mr. Henault asked if \$2 million could be done this year and \$1 million next year, how much of the Greenway could be completed. Mr. Roy said that the problem sections by the high school down to Hopmeadow at West Street would be addressed as they are highly used and could result in some liability issues.

Mr. North stated that, while he appreciated that there is finally an approach being brought forward for the roadways that provides for their long-term maintenance, he could not support the entire program given that this year is so difficult and recommended reducing the request to \$2.4 million. He felt the bikeway portion should be removed and addressed at a later time. Ms. Mielert disagreed and felt that, if all you build are roads, then the only way to get around is by car. She noted that the pathway segment that needs the most work is the one that is taken by high school students to the center of town. Mr. Roy also noted that the bikeways are tied into other initiatives in Town, such as Safe Routes to School, the charrette, and the Bike-Friendly Community designation. Ms. Mielert did not think that the voters would not support bonding for road work. Mr. Askham's concern was that the entire \$3 million was being presented all at once.

The resolution and second were withdrawn.

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Item 3B:

Mr. North introduced the following resolution, which was seconded by Ms. Fitzpatrick:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$2,400,000 for (1) repaving, repair and rehabilitation of Town roadways pursuant to the Town's pavement management program and (2) repair of the Town's bikeways, including repair and repaving on existing sections. The project shall include: crack sealing, chip sealing, hot in place asphalt recycling (heat scarification), milling and overlay, full depth reconstruction, and related engineering, inspection, testing and support services; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$2,400,000 to finance the appropriation.

The resolution was approved by 5 votes in favor and 1 vote (Ms. Mielert) opposed.

Item 4:

Ms. Fitzpatrick introduced the following resolution:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$350,000 for improvements to Simsbury Farms Golf Course, including drainage installation and repair, tee renovations, sand bunker renovation, cart path work, tree replacement, other on-course improvements and building repair, rehabilitation of the pro shop and clubhouse, and related work; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$350,000 to finance the appropriation.

There was no second to the resolution.

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Item 5:

Ms. Fitzpatrick introduced the following resolution, which was seconded by Mr. North:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$1,277,500 for replacement of the roof at Latimer Lane School; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$1,277,500 to finance the appropriation.

Mr. North confirmed with Mr. Holden that this roof was failing, whereas the second roof (Central School) is in good condition, but approaching the end of its useful life. Ms. Mielert asked if this was a project that needed pre-approval in order to qualify for grant funding. Mr. Holden stated that he would need approval of the funding prior to June 30th as he would be unable to submit the application for school construction reimbursement until the local funding is in place. Actual reroofing of the school would occur in the summer of 2011.

The resolution was approved by 6 votes in favor and 0 votes opposed.

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Item 6:

Ms. Fitzpatrick introduced the following resolution, which was seconded by Mr. Mason:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$770,000 from any available state grants for replacement of the 1949 building addition section of the roof at Central School; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$770,000 to finance the appropriation.

Ms. Mielert questioned why the language of this resolution was different from the prior resolution as this one discusses appropriating money from "any available state grants". It was felt that there was an omission in the language of the prior resolution and Mr. Kane indicated that he would verify the correct language and that it would be corrected, if required,



prior to going to the Town Meeting.

Mr. Holden stated that this roof is the first rubber roof that the district has installed on any school and, while it is currently in good condition, it will be reaching the end of its useful life (20 years) in 2012. In light of economic pressures, it was thought to be prudent to move the project forward, but he acknowledged that, of the three Board of Education requests, it was the least urgent. Mr. Askham stated that he would prefer to defer the project and address any urgent situations, if they arise, through reserves. Ms. Fitzpatrick noted that the project has been on the six-year plan and is maintenance-related. Mr. Mason agreed. Ms. Mielert felt that it was important to get the project on the State funding list. Mr. North felt that this was not a compelling project as the roof is not currently failing or at the end of its useful life and that the Board could address any premature failures on an emergency basis. Mr. Henault agreed. The resolution failed by 2 votes in favor (Ms. Mielert and Mr. Mason) and 4 votes opposed.

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Item 7:

Mr. North introduced the following resolution, which was seconded by Ms. Mielert:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$450,000 for district network infrastructure, including fiber optic connection to Tariffville School, connection of the system network server room at Simsbury High School to the emergency generator, acquisition of e-mail archival hardware for the Town and Board of Education, and replacement of servers, routers and switches within the school system network infrastructure throughout the seven Town schools; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$450,000 to finance the appropriation.

Mr. North felt that this project has been around for a while and the final connection to Tariffville School is overdue and work should proceed and that it is important to maintain the overall integrity of the IT infrastructure for the Board of Education as well.

The resolution was approved by 6 votes in favor and 0 votes opposed.

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Mr. North introduced the following resolution, which was seconded by Ms. Fitzpatrick:

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.

The resolution was approved by 6 votes in favor and 0 votes opposed.

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#### 7. OTHER BUSINESS

None.

#### 8. ADJOURNMENT

Mr. North made a motion to adjourn the meeting at 7:40 P.M. Ms.  
Fitzpatrick seconded the motion and it passed unanimously.

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Paul Henault, Chairman

Debra L. Sweeney, Clerk