

From: SimsburyCT Postings May 29, 2012 3:02:42 PM
Subject: Board of Finance Minutes 05/15/2012
To: SimsburyCT_FinanceMin
Cc:

BOARD OF FINANCE
REGULAR MEETING - 8:30 PM
MAY 15, 2012

CALL TO ORDER

Paul Henault, Chairman, called a regular meeting of the Board of Finance to order at 8:30 P.M. on Tuesday, May 15, 2012 in the Henry James Junior High School cafeteria, 155 Firetown Road, Simsbury, Connecticut. The following members were also present: Peter Askham, Jeff Blumenthal, Nicolas Mason, Kevin North, and Barbara Petitjean. Also present were Mary Glassman, First Selectman, Mary Ann Harris, Finance Director/Treasurer, Burke LaClair, Board of Education Business Manager, Leslie Faraci, Commissions Clerk and other interested parties.

I. APPROVE MINUTES - April 12, 2012 - Special Meeting

Mr. Blumenthal made a motion to approve the minutes of the April 12, 2012 Special Meeting with changes presented. The motion was seconded by Mr. Mason and was unanimously passed.

II. DISCUSS RESULTS OF REFERENDUM - Possible Action

Mr. Henault said all five (5) items that were voted on were approved by a substantial margin. Mr. Henault noted that in his opinion, these results reflect the fact that all three (3) boards worked hard to bring forward well thought-out, balanced and affordable budgets. Mr. Henault thanked all of the Boards for their hard work. Mr. North read the results of the referendum, saying approximately 1,800 voters (approximately 15% of eligible voters) came out today. (The following numbers do not account for unmarked ballots):

- Question 1) 1,204 Yes, 547 No
- Question 2) 1,105 Yes, 649 No
- Question 3) 1,291 Yes, 460 No
- Question 4) 1,137 Yes, 629 No
- Question 5) 1,082 Yes, 655 No

III. MILL RATE CONSIDERATION

Mr. Henault said Ms. Harris had some updated information, as a result of updated Tax Relief numbers and a slight increase in the net Grand List. The Mill Rate increase will be, Mr. Henault explained, 1.65% or 51Mills, for a total Mill Rate of 31.37Mills. Mr. Henault explained the slight increase is primarily due to the fact that the Town Tax Relief Program went up from what was originally anticipated. Ms. Harris explained the Town Tax Relief Program numbers in more detail, saying they saw 58 new applications. She also explained there had been an increase in the Veterans Exemption Program. Mr. North then reported on the Fire District, saying they approved the recommended budget, for an approximately 1% increase. Mr. North explained this increase was predominantly driven by fuel costs. It was stated by Mr. Mason that the overall Mill Rate, including the Fire District, would be 32.40.

Mr. North commented that this is the first time, since he has been on the Board, that they have considered factoring in an un-budgeted change of expenses at the post referendum consideration of the Mill Rate. While he did not want to delay taking action, Mr. North did want to note the constantly evolving picture on both the expense and revenue sides during the budget process this year. This point was discussed further by the Board members. As a result of a question presented by Mr. Askham, the Storm Alfred costs and the expected FEMA reimbursements were discussed by Ms. Glassman and the Board. The origin of the funds were also discussed, since Federal Highway Funds would potentially be a source of some reimbursement funds.

Mr. Askham then brought up the issue presented in a May 9, 2012 memo from Ms. Harris to Ms. Glassman regarding an amount of \$104,000 of the Public Works budget that was not captured in the spreadsheet totals, and therefore was not included in the approved budget. Mr. Askham asked how that amount would be covered, how it happened and about how sure Ms. Harris was that there were no additional oversights. Ms. Glassman explained how the oversight happened and that Mr. Roy said he will make his budget work without this amount, but he will be asking for these additional funds in next year's budget. Ms. Harris assured the Board that the rest of the budget had been reviewed and no other line items were omitted/excluded. Ms. Glassman did note that Mr. Roy's budget was increased over last year, it was just not increased as much as he had initially requested. Mr. Askham asked if something else was going to have to be sacrificed to cover that amount. Ms. Harris explained that Mr. Roy is currently identifying projects that can be deferred until next year. She also said Mr. Roy has said he is comfortable that he can live with this budget and he will be requesting this additional funding next year. It was noted that Mr. Roy will be able to get the tree trimming done within his current budget. Mr. North stated he hopes there are no further issues with the Public Works budgets moving forward, as misunderstandings cannot be a regular occurrence. Mr. Mason

noted that it is important to spend more time finding a way to grow the revenue side.

Mr. Mason made a motion to set the Mill Rate for the Town of Simsbury, for the FY 2012/2013 Budget, at at 31.37Mills, (noted it will total 32.40Mills when combined with the Fire District). The motion was seconded by Mr. North and was unanimously passed.

IV. OTHER BUSINESS

Mr. Henault wanted to remind everyone that moving forward they will be addressing the issues of; CNR, cash flow and the 6-Year Capital Plan. Mr. North also mentioned the treatment of grants, within the Board of Education budget, will be a topic to be addressed. Ms. Glassman informed everyone that the Legislature passed a Uniform Chart of Accounts with a specific format the Boards of Education will have to follow. Mr. LaClair said he read through the Bill and it is intended to be implemented in FY 2014-2015. Mr. LaClair said he will be following this matter closely and that he will try to work with them.

Mr. Askham then spoke briefly about exploring potential revenue sources. He then brought up the timing of the FEMA reimbursement process which he discussed with Ms. Glassman.

ADJOURNMENT

Ms. Petitjean made a motion to adjourn the Regular Meeting of the Board of Finance at 9:12PM. The motion was seconded by Mr. Blumenthal and was unanimously passed.

Respectfully submitted,

Paul Henault, Chairman
Commissions Clerk

Leslie U. Faraci,