



Town of Simsbury

933 HOPMEADOW STREET

SIMSBURY, CONNECTICUT 06070

Board of Selectmen
Parks and Recreation Special Revenue Fund Analysis Work Group
Monday, September 21, 2020
4:30 p.m.

SPECIAL MEETING MINUTES – Approved

Members Present: Sean Askham, Chris Peterson, Linda Schofield, Art House, Dave Bush, Gerry Wetjen

Staff Present: Maria Capriola, Town Manager; Melissa Appleby, Deputy Town Manager; Amy Meriwether, Finance Director; Tom Tyburski, Director of Culture, Parks and Recreation

The meeting was called to order at 4:30pm.

1) Public Audience

None

2) Parks and Recreation Special Revenue Fund Analysis – Discussion and Review of Staff Recommendations

Mr. Askham stated that this work group has been convened to discuss the structural deficit in the parks and recreation special revenue fund and how we should deal with it moving forward. Ms. Capriola commended staff for their work on the analysis, which highlights the systemic causes of the deficit. Ms. Capriola reviewed the staff recommendations, one of which is in regards to how parks and recreation expenses are accounted for. The report included three options: account for all expenses in the general fund; account for all expenses in the special revenue fund; or account for all expenses in the general fund except for the golf course.

Mr. Askham said that because the activities included in the fund are unpredictable, there is a timing issue. Most of the time, there is a true-up that occurs in which the taxpayers need to contribute to the fund at some point. Mr. Wetjen said that taxpayers will end up contributing up front through the budget process, or on the back end at the end of the year. He said that this is a transparency issue. He said he believes the golf course can be looked at as a business, but the rest of the operation should not. Discussion ensued regarding the history of the fund, including how specific expenses were added to it over time.

Mr. Peterson asked how other towns approach this issue. Ms. Capriola explained how “community use” expenses are being subsidized by the fund. She pointed to the benchmarking data that was presented in the report regarding how other towns account for community use expenses. She said that user fees are picking up things that it shouldn’t be, and that one of the questions at hand is how much the general fund should cover for staff salaries, benefits, facility costs, and utilities. Mr. Tyburski said that most of our peer towns have the general fund covering these costs.

Ms. Schofield said that having the taxpayers contribute up front results in an impact to the mill rate, whereas the true-up on the back end does not impact the mill rate. She framed the issue at end as two problems: Are we going to raise taxes to support the fund, and what expenses belong in the fund.

Mr. Tyburski noted that the concept of cost recovery is good, but that the activities currently in the fund also need to be supported as a public service. He pointed to Library programming as an example of activity that the taxpayers support and which is not expected to cover its own costs.

Mr. Bush said that the philosophical question for consideration is whether parks and recreation is a public service or a revenue generator. He said that the golf course should stand alone as a revenue generator. Mr. Askham noted that if all expenses are moved to the general fund, they will be put in with police, public works, and other items in terms of prioritization.

Mr. Bush said that all expenses should be in the general fund, with the exception of the golf course; Mr. Askham concurred. Ms. Schofield said she is not comfortable with that. She said that the pool, rink, and camps should cover their own operating expenses. Mr. Peterson expressed his concern that if the golf course stands on its own, we may be put in a position where we are defending its existence. Mr. Wetjen said that the golf course does not lose money, despite the years when it operated at a loss due to the weather.

Mr. Askham said that due to the variability of the activity in the fund, we will never solve the problem if everything remains in the special revenue fund. He said he believes the two best options are to have everything in the general fund, or everything in the general fund with the exception of the golf course.

3) Update on Parks and Open Space Master Plan

Mr. Askham made a motion to table agenda item #3. Mr. Bush seconded the motion. All were in favor and the motion passed unanimously.

4) Next Steps

Mr. Askham said that the group should philosophically decide what direction to go in as it pertains to accounting prior to moving forward on any other recommendations. He proposed that the members of the work group spend some time considering the options prior to the next meeting. There was consensus around this approach.

Adjourn

Mr. Peterson made a motion to adjourn the meeting at 5:50pm. Mr. Bush seconded the motion. All were in favor and the motion passed unanimously.

Respectfully Submitted,
Melissa Appleby
Deputy Town Manager