

TOWN OF MANSFIELD
FINANCE COMMITTEE MEETING

Monday, April 8, 2013

Audrey P. Beck Building
Conference Room B
6:30pm

A G E N D A

1. Call to order
2. Approval of minutes for March 11, 2012 Meeting
3. Opportunity for Public Comment
4. School Building – Infrastructure & Technology Needs Funding
5. June 30, 2012 CIP Deficit Balances
6. Other Business/Future Agenda Items
7. Adjournment

TOWN OF MANSFIELD
FINANCE COMMITTEE MEETING
MINUTES OF MARCH 11, 2013

Members Present: C. Schaefer (Acting Chair), D. Freudmann

Other Council Members Present: E. Paterson (ex-officio), P. Shapiro

Staff Present: M. Hart, C. Trahan, L. Hultgren, K. Rowley

1. Meeting called to order at 5:30pm.
2. Minutes from 01/14/13 meeting approved as amended.
3. Opportunity for Public Comment – Betty Wassmundt, Old Turnpike Road, expressed her concerns regarding the Agreement Between the Town of Mansfield and Regional School District #19 for Parking Lot and Grounds Maintenance Services. Attached is a copy of B. Wassmundt's communication to the Finance Committee.
4. Cherie Trahan provided an overview of the Quarterly Financial Statements Dated December 31, 2012 and answered questions from the Finance Committee.
5. Cherie provided an explanation of the proposed capital improvement program adjustments as outlined in her memo dated March 6, 2013 to Matt Hart. No additional General Fund funding is being requested at this time. All adjustments will flow through the Capital and Nonrecurring Fund.
6. Lon Hultgren briefly reviewed the history of the agreement between the Town of Mansfield and Regional School District #19 for parking lot and grounds maintenance services. Lon also reviewed how the fee was arrived at it. It was noted that Region 19 is proposing for the upcoming year to do their own grounds maintenance through their Agricultural Education program. Therefore, in the coming year, an agreement will be negotiated only for parking lot and plowing services.
7. Keri Rowley reviewed the proposed FY 2012/13 UConn and Willimantic water and sewer budgets. Keri and Lon answered various questions from the committee.
8. Adjournment. The meeting adjourned at 6:29pm.

Motions:

Motion to approve the January 14, 2013 minutes as amended by David Freudmann. Seconded by Carl Schaefer. Motion so passed.

Motion to recommend acceptance of the Quarterly Financial Statements dated December 31, 2012 by the Town Council by David Freudmann. Seconded by Carl Schaefer. Motion so passed.

Motion to recommend approval of the Proposed Capital Improvement Program Adjustments per the memo from Cherie Trahan to Matt Hart dated March 6, 2014 by the Town Council - by Carl Schaefer. Seconded by David Freudmann. Motion so passed.

Motion to recommend approval of the Proposed FY 2012/13 Water and Sewer Budgets by the Town Council (acting as WPCA) by David Freudmann. Seconded by Carl Schaefer. Motion so passed.

Motion to adjourn.

Respectfully Submitted,



Cherie Trahan, Director of Finance

DRAFT

March 11, 2013

To: Finance Committee
From: Betty Wassmundt

RE: Region 19 contract

This Region 19 Agreement is of great concern for many reasons.

The biggest problem I see is that Mansfield is solely responsible for vandalism repairs. This is scary. I know a contractor qualified to do this type of work. He estimated 12 cents per square foot to just re-grade and hydroseed; this would not include replacement of any topsoil. So, an acre would cost, for very minimal repairs, \$5227. If 5 acres were damaged – not hard to do – that's a very big bill and it is all the responsibility of Mansfield. What if more extensive damage was done? This is a terrible contract. You are committing the Mansfield taxpayer to a liability which should belong to the three towns in Region 19, not just to Mansfield. Even if town staff did the repair; it has got to be a big expense. This contract is bad; remember, you represent the Mansfield taxpayer.

Next, the scope of services was reduced due to the new Region 19 football field with a reduction of \$10,000 in payment. How is this justified? The contract states there are approximately 23 acres in fields. Google tells me that a football field is a bit over 1 acre. If the football field work results in a reduction of \$10,000, surely the rest of the specified work for 23 acres, grounds work, parking area, snow plowing, striping, etc, has got to cost more than \$69,720.

I own and maintain several fields; I know how much it costs to do that. I spend over \$1000 per acre per year. When I fertilize, I spend much more. I do most of the work myself at no pay. I don't rototill, fertilize, aerate, overseed, etc. I don't do grounds maintenance or parking lots. I don't pay Workers Comp, Medical Insurance, Pensions, etc. I don't see how \$69,000 can possibly pay for the work. You need to know how many man hours are spent on this project. You need payment for gas, maintenance, wear and tear on equipment, the manager's time, wages & benefits, etc.

You need to provide for pensions. How do you do that? If Mansfield requires just one extra employee for this contract, it is Mansfield exclusively responsible for the pension. It should be three towns responsible for this pension. You should not listen to any claim that pensions would have to be referred to an actuary as the Finance Director stated – use some common sense.

What if a worker is injured on Region 19's job? That injury would fall entirely on Mansfield. This is a bad contract.

I'd like you to think about this. The Public Works Director is supposed to explain why \$69,720 is adequate payment for the Region 19 work. The Public Works Director is a manager. The work for Region 19 is part of what he manages. His value as a manager is determined by the number of employees and projects he manages. It's an inherent conflict of interest for him to be asked to assess the value of his own work.

The Mansfield taxpayers need a strong Finance Committee. Please represent all of us.

Technology & School Repairs	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Scenario #1: All cash to capital by year 5; No cash to capital Yr. 1; Total borrowing \$600,000					
Cash to Capital	-	400,000	300,000	300,000	400,000
G.O. Bonds	400,000	-	100,000	100,000	-
Based on 5 Yr. Forecast:					
Estimated Mill Rate	27.85	28.54	29.69	30.87	31.65
Estimated Mill Rate Change	0.69	0.69	1.15	1.18	0.78
Percentage Change	2.52%	2.48%	4.03%	3.97%	2.53%
Median home increase	\$ 117				
Scenario #2: All cash to capital by year 4; Total borrowing \$600,000					
Cash to Capital	100,000	400,000	200,000	300,000	400,000
G.O. Bonds	300,000	-	200,000	100,000	-
Based on 5 Yr. Forecast:					
Estimated Mill Rate	27.95	28.54	29.59	30.87	31.65
Estimated Mill Rate Change	0.80	0.59	1.05	1.28	0.78
Percentage Change	2.93%	2.11%	3.68%	4.33%	2.53%
Median home increase	\$ 136				
Scenario #3: All cash to capital in year 2 & 4; Total borrowing \$500,000					
Cash to Capital	200,000	400,000	250,000	250,000	400,000
G.O. Bonds	200,000	-	150,000	150,000	-
Based on 5 Yr. Forecast:					
Estimated Mill Rate	28.05	28.54	29.64	30.82	31.65
Estimated Mill Rate Change	0.90	0.49	1.1	1.18	0.83
Percentage Change	3.30%	1.75%	3.85%	3.98%	2.69%
Median home increase	\$ 152				
Scenario #4: All cash to capital year 1; No borrowing					
Cash to Capital	400,000	400,000	400,000	400,000	400,000
G.O. Bonds	-	-	-	-	-
Based on 5 Yr. Forecast:					
Estimated Mill Rate	28.25	28.54	29.79	30.97	31.65
Estimated Mill Rate Change	1.10	0.29	1.25	1.18	0.68
Percentage Change	4.03%	1.03%	4.38%	3.96%	2.20%
Median home increase	\$ 186				

Region 19 considerations:

- Enrollment fluctuations are the biggest concern
- Last year for Columbia students "influx" is FY 2014/15
- Debt Service drops off in FY 2017/18
- Two years with approximately \$575,000 increases for Mansfield - FY 2015/16 and FY 2016/17

Recommend a phased in approach to cash to capital:

- Take advantage of the 1.5% projected increase in the Region 19 contribution in FY 2014/15
- Hold the cash to capital fairly flat for FY 2015/16, reduce back down if absolutely necessary
- "Even out" mill rate impacts as much as possible
- Aim for all cash to capital by year 4 or year 5 the latest.

Main question is: How much, if any, do you want to put cash-to-capital in proposed FY 13/14?

- The out years can be phased in a number of ways, with a target of all cash to capital by year 4 or 5.
- Current authorized but unissued bonds = \$1,445,000: \$1,040,000 Open Space
\$ 405,000 Dump Trucks, Ambulance

Each \$100,000 = .10 mills = \$17



Town of Mansfield Department of Finance

To: Finance Committee
From: Cherie Trahan, Director *CT*
CC: Matt Hart, Town Manager
Date: April 4, 2013
Re: June 30, 2012 Capital Projects Deficit Balances

At the January 14, 2013 Finance Committee meeting, the Committee discussed the recommendations from the auditors on our FY 11/12 audit. One of the recommendations was that the Finance Committee review any Capital Improvement projects that are over expended at yearend. As agreed, the following is a list of those projects including the balance and any explanation, suggested funding, or action required.

<i>Project</i>	<i>Approp.</i>	<i>Cumm. Expenditures</i>	<i>Balance (Overspent)</i>	<i>Explanation/Suggested funding/Action</i>
Financial Software	\$ 205,800	\$ 214,415	(\$ 8,615)	This is a multi-year program to upgrade all financial systems. Additional funding is provided in the current year.
Vehicle Key Boxes	\$ 7,500	\$ 65,553	(\$ 58,053)	This is a prior year coding error and will be corrected. No additional funding is needed.
Town Walkways	\$ 568,000	\$ 642,742	(\$ 74,742)	This is a multi-year ongoing program to for the design, construction, inspection and maintenance of bus stops, walkways and bikeways. Additional funding is provided in the current year as well as proposed in the upcoming 5 year plan.
Large Dump Truck	\$ 166,225	\$ 167,192	(\$ 967)	Additional funding was approved by the Town Council in March, 2013.

Parking Garage Transit Hub	\$10,000,000	\$10,519,773	(\$ 519,773)	This has been reviewed with the Town Council and will be funded from future Storrs Center revenues.
Mansfield Tomorrow (HUD)	\$ 0	\$ 8,401	(\$ 8,401)	The HUD Community Challenge Grant has been awarded and appropriated.
WMTC River Greenway	\$ 133,880	\$ 156,874	(\$ 22,994)	Additional State and other funding was approved by the Town Council in March, 2013.
Commonfields Trail Improvmts.	\$ 19,340	\$ 21,022	(\$ 1,682)	Additional State and other funding was approved by the Town Council in March, 2013.
New Wells- Schools	\$ 1,100,000	\$1,172,656	(\$ 72,656)	This project needs to be reviewed and closed out by the State to determine the amount of additional funding necessary.
School Building Project	\$ 160,000	\$ 279,720	(\$ 119,720)	Additional funding will be required to cover the cost of additional contract work requested of the architect. We should review this for funding at yearend to the extent possible.