

Board of Finance
Budget Workshop
April 11, 2018

**BOARD OF FINANCE
TOWN OF EAST WINDSOR
11 RYE STREET
BROAD BROOK, CONNECTICUT, 06016**

MINUTES OF BUDGET WORKSHOP

Wednesday, April 11, 2018, 7:00 p.m.

*****These minutes are not official until approved at a subsequent meeting*****

Regular Members Present: Jerilyn Corso (Chairman), Kathy Pippin, Bill Syme, Sarah Muska, Karen Christensen

Regular Members Absent: All Present

Alternate Members Present: Alan Baker

Alternate Members Absent: Danielle Godeck

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Chairman Corso called the Budget Workshop to Order at 7:01 p.m. Everyone stood and said the Pledge of Allegiance.

2. TIME AND PLACE OF MEETING:

Wednesday, April 11, 2018, at the East Windsor Town Hall Meeting Room (11 Rye Street, Broad Brook, Connecticut, 06016)

3. ATTENDANCE/APPOINTMENT OF ALTERNATES:

All present, no alternates appointed.

4. PUBLIC PARTICIPATION:

Andrew Hoffman, 6 Acorn Drive: Spoke in favor of an Economic Development Professional. He had a handout that outlined, in his opinion, why East Windsor needs one. To see the handout it is hereto attached as Attachment A (3 pages). He would like the Town to fund a full time Economic Development Professional and they should start in January 2019. He thinks when they start they should come in with some sort of goals. He thinks this is an absolute necessity.

Bob Lyke, 80 Rye Street: Stated that he would like to work in unison in supporting the Economic Development Director. He thinks that they need to sell and market the Town. He thinks the Town does not have spiraling costs but decreasing State support and funding. There is

also decreasing revenues because businesses are not coming into the Town. They should creatively write a job description and have a balance of power.

5. APPOINTMENT OF BOF MEMBER TO POLICE NEGOTIATION TEAM:

After some discussion and one of the Regular Members being unable to take this position it was voted to appoint Alan Baker to the position.

MOTION made by (Muska) and **SECONDED** by (Pippin) to appoint Alan Baker to the Police Negotiation Team.

In Favor: All

Opposed: None

Motion: **PASSED**

6. DISCUSS OF RFP FOR TOWN ATTORNEY:

Cindy is concerned that if they have a contract that the Town is breaking that it will cost money. It would be good to know better what is going on and what to budget for. Jerilyn feels that as a Board they have rejected putting it out to a RFP and they feel it is a bad choice. She thinks the Board should make a resolution to state where they stand on this matter and then be done.

MOTION made by (Syme) and **SECONDED** by (Muska) that the Board of Finance make a resolution that we are against the RFP for Town Attorney and we should honor the contract with Pullman & Comley.

In Favor: Pippin, Muska, Syme, Christensen

Opposed: None

Abstain: Herms

Motion: **PASSED**

7. BUDGET WORKSHOP:

a. Discuss Economic Development Position:

Cindy wanted to know the rationale for hiring someone as a employee versus a professional contractor.

Andy Hoffman explained that having a person working as an employee they can be held accountable and they will get to know the Town. A contractor is loosely joined to the Town and can walk away if a better offer comes along. He stated that an Economic Development person may not pay for themselves in the first year or two but will in the long run.

Laurie Whitten stated that an employee would get to know the Town and they would become an integral part of the Town rather than someone that is only there 3-5 hours a week. A lengthy discussion ensued.

b. Discuss Town Planner Budget:

While discussing the Town Planner budget it was brought up by Sarah that they had barely touched their budget this year. Laurie Whitten explained that the reason is that they have not had that many meetings because they can't make a quorum. She stated that they are regrouping and getting new members in and they are also getting revitalized. She is asking to get money to hire an Economic Development person and they can help populate the Town Planner website which is separate from the town. After a lengthy discussion it was moved to add funds to the Professional Services Line.

MOTION made by (Syme) and **SECONDED** by (Herms) to raise the Professional Services line to \$31,500.

In Favor: Syme, Herms, Christensen Opposed: Muska, Pippin Motion: **PASSED**

c. Discuss Building Department Budget:

Rand Stanley came and answered questions that the Board had. He explained that he had received a letter today from David J. Allen, Senior Project Manager for the Calamar Project. The letter asked for the release of the foundation permit for the project. To see the letter it is hereto attached as Attachment B (1 page). Rand explained that there are 122 units to be built. He would like 2 19 hour durational employees. He stated that he is about 4 days out for inspections while other towns are 2-3 weeks out for inspections. A lengthy discussion ensued.

MOTION made by (Syme) and **SECONDED** by (Herms) to raise the Professional Services line to \$25,000.

In Favor: Syme, Herms, Christensen Opposed: Pippin, Muska Motion: **PASSED**

d. Discuss and Finalize budget for 5/8/18 Budget Referendum:

910700 Capital Improvement:

MOTION made by (Herms) and **SECONDED** by (Christensen) to approve the CIP budget for \$883,000.

In Favor: Syme, Christensen, Herms Opposed: Pippin, Muska Motion: **PASSED**

Board of Finance
Budget Workshop
April 11, 2018

510200 Police Department:

MOTION made by (Syme) and **SECONDED** by (Muska) to approve the Police Department's budget at \$\$3,349,054.

In Favor: Syme, Muska, Pippin, Baker Opposed: Christensen Motion: **PASSED**

511000 Broad Brook Fire Department:

MOTION made by (Muska) and **SECONDED** by (Syme) to approve the Broad Brook Fire Department's budget at \$432,000.

In Favor: All Opposed: None Motion: **PASSED**

910300 Insurance and Pension:

MOTION made by (Muska) and **SECONDED** by (Pippin) to approve the Insurance and Pension's budget at \$3,735,419.

In Favor: All Opposed: None Motion: **PASSED**

910700 Capital Improvement:

MOTION made by (Syme) and **SECONDED** by (Baker) to approve the Capital Improvement's budget at \$977,668.

In Favor: Syme, Baker, Christensen Opposed: Muska, Pippin Motion: **PASSED**

910800 Debt Services:

MOTION made by (Baker) and **SECONDED** by (Muska) to approve the Debt Service's budget at \$1,020,028.

In Favor: All Opposed: None Motion: **PASSED**

Board of Education:

MOTION made by (Syme) and **SECONDED** by (Pippin) to approve the Board of Education's budget at \$23,404,300.

In Favor: Pippin, Syme Opposed: Baker, Muska, Christensen Motion: **FAILED**

MOTION made by (Baker) and **SECONDED** by (No One) to approve the Board of Education's budget at \$23,604,290

NO SECOND Motion: **FAILED**

Chairman Corso relinquished the Chair to Bill Syme.

Board of Finance
Budget Workshop
April 11, 2018

MOTION made by (Corso) and **SECONDED** by (Pippin) to approve the Board of Education's budget at \$23,450,000.

In Favor: Corso, Muska, Christensen, Pippin Opposed: Baker Motion: **PASSED**

411100 Town Planner:

MOTION made by (Muska) and **SECONDED** by (Pippin) to change the Town Planner's Professional Services line back to \$26,500.

In Favor: Syme, Muska, Pippin, Christensen Opposed: Baker Motion: **PASSED**

MOTION made by (Muska) and **SECONDED** by (Pippin) to approve the Town Planner's budget at \$277,772.

In Favor: All Opposed: None Motion: **PASSED**

Bill Syme relinquished the Chair back to Chairman Corso

Broad Brook Library:

MOTION made by (Pippin) and **SECONDED** by (No One) to change the Broad Brook Library Line to \$500.

NO SECOND Motion: **FAILED**

411300 Building:

MOTION made by (Muska) and **SECONDED** by (Pippin) to make Professional Services in the Building Department's budget to \$20,000.

In Favor: Syme, Pippin, Muska Opposed: Christensen, Baker Motion: **PASSED**

MOTION made by (Muska) and **SECONDED** by (Pippin) to approve the Building Department's budget at \$173,639.

In Favor: Syme, Pippin, Muska Opposed: Christensen Abstain: Baker Motion: **PASSED**

Final Budget:

MOTION made by (Syme) and **SECONDED** by (Pippin) to approve the budget of \$39,396,958 with a 33.90 mil rate.

In Favor: Pippin, Syme, Christensen Opposed: Baker, Muska Motion: **PASSED**

Board of Finance
Budget Workshop
April 11, 2018

8. ADJOURNMENT:

MOTION made by (Syme) and **SECONDED** by (Muska) to adjourn at 9:37 p.m.

In Favor: All

Opposed: None

Motion: **PASSED**

Respectfully Submitted,

Rebecca D'Amicol, Recording Secretary

Attachment A
 Page 1

Point Paper – Economic Development Professional

Background

The position of Economic Development Director (professional) is a needed addition to the Town of East Windsor's professional staff. East Windsor is in competition with surrounding towns for commercial development. To date East Windsor is not a major player in regional commercial development. Each town needs a mix of commercial and residential properties. The position of economic development director requires a knowledge of regional, state and federal government agencies and organizations that direct private sector companies to locations that fit their needs and will enhance local economies. To be a player in the regional economy it is essential that East Windsor has a fulltime specialist that knows the organizations and people who can influence site selection.

There are parameters that should be understood when giving consideration to what benefits this staff member can bring to a municipality.

- An economic development professional has the unique opportunity to offset his or her wages by securing commercial taxable assets for the town of East Windsor. For each \$1,000,000 taxable assets increase, the town derives \$32,770 of tax revenue (based on current mill rate of 32.7700). Therefore, if the taxable assets increase by \$2,750,000 the economic development professional will have paid his or her annual salary of \$90,000.
- All building projects require a Building Permit Application Fee. That fee is 1.55% of the buildout cost of the construction. For example, the Calamar project has a developer estimated cost of \$8M. At 1.55% this will return \$124K to the town coffers. Projects that can be attributed to the work of the economic development professional should be considered when weighing the benefit and financial burden of that employee. For each \$1M addition to the town's grand list that person will offset his or her salary by \$15,500 (first year revenue). The combined sources revenue gives reason to believe that this position will be revenue neutral over time.
- The following table shows a trend that speaks to the value of an economic development professional. Note that towns with an economic development professionals have larger commercial grand lists.

Town	Commercial Grand List*	% of Grand list	EC Director
East Windsor	\$288.9	32.1	No
Ellington	183.7	14.9	No
Somers	45.6	0.6	No
Vernon	233.4	14.3	No
South Windsor	486.3	19.6	Yes
Windsor	847.9	30.1	Yes
Windsor Locks	316.9	26.9	Yes
Enfield	546.5	20.6	Yes

*Values in above table x 1,000,000

Attachment A page 2

- Towns should strive for the proper mix between residential and commercial properties. Residential growth that includes couples of childbearing age place demands on town financial resources. Commercial development taxes drop to the town's bottom line. The US Census Bureau states that the average family has 2.2 children. The annual cost to educate a child in East Windsor is \$17,837. The cost of educating 2.2 children is \$39,241/year. Therefore, at the current tax rate a residence must have a taxable value of \$1.2M to cover the education expenses.

Other Factors

- Location is an important demographic when considering commercial development. East Windsor has the second or third best location in north central Connecticut. It is located on Route 91 six miles from Bradley International Airport. It has two major state roads, Routes 5 and 140 that have significant frontage in town. There is a substantial amount of developable land on each state road.
- It is likely that a casino will be built on the abandoned Showcase Theater site adjacent to RT 91. This development will add significant taxes and fees to town revenue. It will also bring other commercial development opportunities. These must be managed in a timely and orderly manner to best serve the town. The town's location with easy access to highways and airport makes it a place of interest for developers. East Windsor must be prepared for the economic change that is likely to occur. Good planning and readiness to work with developers is essential.
- The Casino Impact Fund (\$3M annually) should be considered as a source of future funding for the economic development professional when made available by MMCT
- If the casino is not built in East Windsor it is incumbent on the town to become a major player in the development of the north central Connecticut region. Economic growth is essential to the improvement of town resident's quality of life and tax stability.
- Decreased state aid (resulting from growing state financial problems) are likely to shift additional funding responsibility to towns. Commercial economic growth can help alleviate this inevitable problem. It is important to act ASAP to minimize the impact on East Windsor.
- An economic development professional is needed because of his or her understanding of the processes, procedures as well as the people and organizations that influence development opportunities. Without this person the town cannot be a serious competitor in this arena.

Timing

- Town planning and preparation is essential prior to hiring an economic development professional
- Complete all up front work by December 15, 2018
- Place an economic development professional on staff January 1, 2019

Requirements – Preliminary List

- Five years of economic development experience
- Understands north central Connecticut commercial development opportunities
- Proven track record as effective performer
- Define clear and measurable annual goals
- Understands cost effective development processes

Attachment A
Page 3

- Is a team builder
- Can work with other town organizations, use the EDC as a resource
- Knows the regional, state and federal players in the economic development arena
- Willing to take a portion of salary on a performance basis
- Willing to work with MMCT personnel (if casino is built)

Action

- Fund economic development professional in 2018-19 fiscal budget starting 1/1/18
- Develop job description 9/1/18
- Develop year one goals 9/15/18
- Release RFP 10/21/2018
- Interview candidates 11/15 – 12/7/2018
- Hire economic development professional 12/15/18
- Start work 1/2/19

Conclusion

The addition of an economic development professional is an investment in East Windsor's future. The 2018-19 fiscal year budget should make provisions for the hiring of this person.

Recommendation

It is recommended that the Town of East Windsor hire an economic development professional; start work date January 2, 2019.

Andrew Hoffman
6 Acorn Drive
Broed Brook

(860) 623-8305

Board of Finance
Budget Workshop
April 11, 2018



Attachment B
Page 1

April 11, 2018

Attn: Mr. Rand Stanley, Building Code Official
Town of East Windsor Building Department
11 Rye Street
Broad Brook, CT 06016

Re: East Windsor Senior Living - 20 North Road

Dear Mr. Stanley;

Please consider releasing the Foundation Permit as part of a phased permit process pursuant to Section 107.3.3 as amended by the State of Connecticut. This phased permit will ensure the aforementioned project maintains the projected construction schedule anticipated.

Very truly yours,

David J. Allan
Calamar Construction Management, Inc.
Senior Project Manager