

TOWN OF BERLIN
REGULAR BOARD OF FINANCE MEETING
FEBRUARY 13, 2024
“Doc” McIntosh Conference Room or Remote Meeting
7:00 P.M.

[https://berlinct-
gov.zoom.us/j/4148724481?pwd=SkpBQmd1U0NoNTF5U0dWTXZGVUhUT09&omn=82838632807](https://berlinct.gov.zoom.us/j/4148724481?pwd=SkpBQmd1U0NoNTF5U0dWTXZGVUhUT09&omn=82838632807)

Call-in Option:	1 929 205 6099 United States Toll
Meeting ID:	414 872 4481
Passcode:	539615

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. PUBLIC COMMENTS

E. APPROVAL OF PRIOR MINUTES January 9, 2024, Regular Meeting

F. NEW BUSINESS

1. Move to appropriate the State Early Voting Grant in the amount of \$10,500.00 to the Early Voting Grant account in the Special Revenue Fund.
2. Move to appropriate \$6,860.00 from the Sale of Land, Labor, & Materials Revenue Account to the Sage Improvement Account in the Capitol Nonrecurring Fund.
3. Move to approve a transfer of \$16,200 from the Development Services Clerical Personnel account to the Development Services Contractual Services account, both in the General Fund.
4. Move to approve the transfer of \$6,600 from the Assessor’s Contractual Services account to the Assessor’s Supplies account, both in the General Fund, for the purchase of office furniture.
5. Discuss revised tax abatement policy.
6. Move to transfer \$33,333 from the Police Department Grant Overtime Account to the RAISE grant account to provide Berlin’s projected share of the grant match.

7. Move to approve a non-budgeted appropriation of \$150,000 from the FY24 General Fund Unassigned Fund Balance to the DEEP Silver Lake (\$25,000), Community Connectivity Grant (\$75,000) and Farmington Ave Non-Grant (\$50,000) accounts for the purposes of providing matching funding and funds for preparation of grant applications.
8. Discuss Chairman's email to the BOE on 1/12/2024.
9. Update on VNA organizational change.
10. Finance Director update.

G. ADJOURNMENT

TOWN OF BERLIN
REGULAR BOARD OF FINANCE MEETING
JANUARY 9, 2024
“Doc” McIntosh Conference Room or Remote Meeting
7:00 P.M.

<https://berlinc-t-gov.zoom.us/j/4148724481?pwd=SkpBQmd1U0NoNTF5U0dWTXZGVUhIUT09&omn=82022737436>

Call-in Option: 1 929 205 6099 United States Toll
Meeting ID: 414 872 4481
Passcode: 539615

A. CALL TO ORDER

Chairman Bordonaro called the meeting to order at 7:00 p.m.

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

Members Present: Sal Bordonaro, Raul Fernandes, Tim Grady, Denise McNair, George Millerd, Gerald Paradis

Members Absent: None

Staff Present:

Kevin Delaney – Finance Director

Jim Simons – Fleet Manager/Fire Administrator

D. PUBLIC COMMENTS

None

E. APPROVAL OF PRIOR MINUTES

December 12, 2023, Regular Meeting

Ms. McNair moved to approve the December 12, 2023 Regular Meeting minutes.

Seconded by Mr. Grady.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Ms. McNair, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

F. NEW BUSINESS

1. Move to appropriate a \$6,623 Supporting Arts Grant to the Supporting Arts Grant Account.

Mr. Paradis moved to appropriate a \$6,623 Supporting Arts Grant to the Supporting Arts Grant Account.

Seconded by Mr. Grady.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Ms. McNair, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Mr. Fernandes asked if we will put that into the General Fund? Finance Director Delaney said it is the Economic Development Fund. The money has to be spent by September 2024. Feedback will be obtained from the community on how to spend the money.

1. Discuss FY23 Annual Comprehensive Financial Report.

Chairman Bordonaro said we have a financially sound report. We increased our fund balance and did a great job with reducing debt. The pension liability is almost eliminated. Mr. Paradis agreed with Chairman Bordonaro that it was a very good report.

2. Discuss Police Station renovation funding.

Finance Director Delaney said at the last Town Council meeting there was reference to possibly using fund balance or some alternative funding rather than bonding. The notice to proceed was sent out and the project will begin on January 16. Now is the time to start thinking about the debt plan in the budget and if we want to appropriate fund balance. The intent is that the closed pension plan will be funded from fund balance. The grant match is also being discussed at the next Town Council meeting. They plan to call a town meeting to discuss appropriating fund balance. Updating the police radios would also potentially require appropriating fund balance, bonding that and then putting it into next year's budget.

The Police Department is still actively interviewing to get to 46 officers. The \$274k will come from contingency if needed and not actually appropriating fund balance. The other piece is a \$150k transfer from debt service to the police station. If you did all of those things the fund balance would be down to 11.4%. Assuming there would be a 3% growth rate in the FY24 adopted budget. Then the fund balance would be applied to next year's budget and it will put you at 11%.

Chairman Bordonaro asked if the police department is underspending their budget? Finance Director Delaney said they are close to budget, but a little under to-date. Chairman Bordonaro asked if the Board of Finance needs to make a decision now. Finance Director Delaney said I'm looking for some guidance. The radio piece will need to either be put into the budget or bonded. It is a bit of stretch to bond radios, but you could as part of a larger project. There is intent to move forward with the radios, but funding is not firm. Mr. Paradis asked how long would it be before we have to do this again? Mr. Millerd said it's probably not the radio's, but the infrastructure. Mr. Grady added that it is a very fluid number right now. Mr. Paradis said it sounds like an item that should be in our regular operating budget. Mr. Grady said more details are needed.

Chairman Bordonaro said we already have \$2M in surplus and there will be more in this fiscal year. I'm not in favor of putting it in the budget when we have surplus. Mr. Grady agreed. Mr. Paradis said 11% is the minimum that our policy calls for. Fund balance is there for stability and to help maintain our bond rating. The 11% minimum policy was done 30 years ago and has no

relevance today. We already had the bond ordinance and the rates now are pretty competitive for our bond rating. We have been talking for a couple years now about bonding part of it and funding part of it. Chairman Bordonaro said we were willing to put \$2M towards the HVAC projects from fund balance, but that has changed. Mr. Paradis said those projects are subject to change. Mr. Fernandes said why can't we bond the police station project and do more capital projects? Mr. Millerd said it would help to know what our guiding principle is now. We should move it to 13% over the next couple of years. Finance Director Delaney said the policy was formalized in 2017 to become something more rigid and 11% is the baseline. You want to be at least at 13% and aiming for 15% to 17%. Mr. Millerd said that bonding is in conflict with trying to get our debt down. Chairman Bordonaro said we should look at a 3 year bonding forecast to get a better look at our debt.

Mr. Millerd asked if interest rates are going down? Finance Director Delaney said yes, there is an opportunity to see them come down, but there is conflicting information. I can reach out to the banks to see if they have interest in doing private placement with us. Chairman Bordonaro said I can't see taxing our taxpayers more when we are applying that surplus towards capital. Mr. Fernandes said that our job is to maintain that everyone is as happy as possible with what we can do. Mr. Grady said the biggest problem over the past 20 years has been how to control debt. Our debt is still too high for our budget size.

Chairman Bordonaro asked for everyone's opinion on the \$1M for the police station renovation. Mr. Grady and Mr. Millerd said they would use fund balance. Mr. Paradis, Mr. Fernandes and Ms. McNair said to bond. Chairman Bordonaro added that he would use fund balance.

Chairman Bordonaro asked about the timing. Finance Director Delaney said it will be done in the March time frame.

3. Move to approve a non-budgeted appropriation of \$509,000 from the Municipal Revenue Sharing account to the Vehicle Reserve account, both in the General Fund.

Mr. Paradis moved to approve a non-budgeted appropriation of \$509,000 from the Municipal Revenue Sharing account to the Vehicle Reserve account, both in the General Fund.

Seconded by Mr. Grady.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Ms. McNair, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Fleet Manager/Fire Administrator Simons said vehicle rot remains an issue. We are at a point where we can obtain vehicles more readily. The order banks are not being filled. I have put the vehicle priorities into tiers that we need to concentrate on and provided exact prices. There might be a little bit left over for contingency. Chairman Bordonaro asked about the project that was supposed to replace the truck bodies. Fleet Manager/Fire Administrator Simons said two of the truck bodies have been replaced and were used in the last snow storm. We are holding off on the third one until the end of February.

1. Finance Director update.

Finance Director Delaney said we are behind on receipts and the largest driver of that is taxes. The health and general insurance funds continue to be strong. The closed pension plan is in solid shape. Our projects continue to move along and are doing very well. The police department is seeing success with attracting new people. There may be some transfer items as we get to year end that we will need to move money for such as uniforms. Chairman Bordonaro asked how health insurance benefits are recorded? Finance Director Delaney said at the beginning of the year we transfer the full employer amount. Then the employee cost sharing contribution amount is moved over.

G. ADJOURNMENT

Mr. Millerd moved to adjourn at 8:10 p.m.

Seconded by Mr. Fernandes.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Ms. McNair, Mr. Millerd, Mr. Paradis

Vote being 6-0

Submitted by,
Alina Brown

Agenda Item No. F-1
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: December 04, 2023

SUBJECT: Grant Application

Summary of Agenda Item:

Grant funding is available to help with the cost of early voting. The Registrars of Voters would like to apply for a State grant that will assist in funding costs related to early voting, including labor costs, printing costs, equipment and supplies. Funds to be fully expended by December 31, 2024.

Funding:

Account # 100.05.0510.2.44501.00000 Misc State Grants (Revenue account)
Account #100.05.0510.0.53313.00000 Early Voting Grant (Expenditure account)
Ten thousand and five hundred dollars.

Action Needed:

Move to appropriate the State Early Voting Grant in the amount of \$10,500.00 to the Early Voting Grant account in the Special Revenue Fund.

Attachments:

None

Prepared By:

Registrars Christy Miano and Joan Veley

Agenda Item No. F-2
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: January 4, 2024

SUBJECT: Appropriation of funds from Land, Labor & Materials to Public Grounds Sage Improvement Account.

Summary of Agenda Item:

The Town of Berlin has been selling surplus items utilizing the online auction site, Public Surplus, with the proceeds of the sold items deposited to account 500.00.0000.8.45301.00000, Sale of Land, Labor & Materials in the Capital Projects Fund. During Fiscal year 23/24, The Parks and Grounds Department has sold various objects, including a tractor and a case roller equaling a net of \$6,860.00. In an effort to assist funding for projects and repairs, we are requesting an appropriation of these proceeds from the Sale of Land, Labor and Materials Revenue Account 500.00.0000.8.45301.00000 to the Sage Improvement Account 110.00.0000.1.42401.00000.

Funding:

No Funding Needed

Action Needed:

Move to appropriate \$6,860.00 from the Sale of Land, Labor, & Materials Revenue Account to the Sage Improvement Account in the Capitol Nonrecurring Fund.

Attachments:

None

Prepared By:

Steven T. Wood, Superintendent of Parks and Grounds

Agenda Item No. F-3
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: January 30, 2024

SUBJECT: Transfer funds for consultant services and waive Town purchasing guidelines.

Summary of Agenda Item:

The Planning and Zoning Commission has pending litigation regarding denial of the application of Little House Living LLC for a multi-family development at 1676 Berlin Turnpike. Affordable Housing applications were submitted pursuant to CGS §8-30g after the denial. The Planning and Zoning Commission engaged a planning consultant, at the applicant's expense, for third party technical assistance for review of the 8-30g applications. During the course of the review the applications, the Commission, along with staff and corporation counsel simultaneously has worked on a settlement relating to the pending litigation. The professional services provided by the consultant, Planimetrics, evolved to analysis and assistance with a settlement plan. The consultant settlement services are separate from the third-party review and are not subject to payment by the applicant. Therefore, consultant services fees of \$16,200 are due to Planimetrics for PZC assistance relating to the settlement plan of Little House Living LLC. The settlement plan was approved by the Planning and Zoning Commission at its December 20, 2023 special meeting and is currently subject to court review.

This agenda item is requesting approval of a \$16,200 transfer from the Development Services Clerical Personnel account (001.10.1014.0.51130.00000) to the Development Services Contractual Services account (001.10.1014.0.53814.00000), both in the General Fund, and to waive the Town of Berlin purchasing policy and authorize using Planimetrics.

Funding:

001.10.1014.0.53814.00000 Contractual Services

Action Needed:

Move to approve a transfer of \$16,200 from the Development Services Clerical Personnel account to the Development Services Contractual Services account, both in the General Fund.

Attachments:

None

Prepared By: Maureen Giusti, Town Planner

Agenda Item No. F-4
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: January 16, 2024

SUBJECT: Assessor transfer from contractual services to supplies

SUMMARY:

The Town Clerk/Assessor are undertaking a modified office reconfiguration to free up needed space for public records in the Town Clerk's office. The changes are a scaled down version of the project proposed in the FY24 capital plan. As part of the reconfiguration, the Assessor's office is purchasing new furniture from Transfer Enterprises (a local vendor on State contract).

The current furniture in the Assessor's office is more than 30 years old and several pieces are broken. The price is below the \$25,000 threshold requiring Town Council approval, but the attached transfer exceeds the Town Manager's approval authority. This agenda item is to approve the transfer of \$6,600 from the contractual services account (001.05.0509.0.53814.00000) to the supplies account (001.05.0509.0.53201.00000) to fund the purchase of the new office furniture.

FUNDING:

Funding will be provided from the Assessor's Supplies account (001.05.0509.0.53201.00000) in the General Fund.

ACTION NEEDED:

Move to approve the transfer of \$6,600 from the Assessor's Contractual Services account to the Assessor's Supplies account, both in the General Fund, for the purchase of office furniture.

ATTACHMENTS:

None

PREPARED BY:

Joe Ferraro, Assessor

Agenda Item No. F-5
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: January 9, 2024

SUBJECT: Authorization to Approve Changes to The Town of Berlin Tax Abatement Policy

Summary of Agenda Item:

On October 1, 2013, the Town Council authorized the Town of Berlin's Tax Abatement Policy. At that time, the State of Connecticut limited most municipalities to providing a 3-year tax abatement through Connecticut General Statute 12-65b. Since that time, the statute has been modified including taking out any language pertaining to investment thresholds and changing the abatement time period to "for a period not longer than 10 years". This has made the tax abatements more open and competitive as developers bargain for more aggressive abatements and towns are competing to provide more attractive incentives for development.

This agenda item will add a new level of tax abatement if a firm or developer spends a minimum of \$25,000,000 on an eligible project. This new level of tax abatement includes a 10-year tax abatement on both the commercial and residential portions of the project. In addition, it adds back in mixed use as an eligible activity.

Due to the size of any project of this size, the 10 years for each makes sense for the project to be viable with due to the cost of building materials and rising interest rates.

Any and all tax abatements are on new investment only. The Town Council will still have the final approval for each Tax Abatement application.

Action:

None

Attachments:

Tax Abatement Policy – approved January 2024

Prepared By:

Chris Edge, Economic Development Director

Town of Berlin Tax Abatement Program Effective February 16, 2021

The Town of Berlin, Connecticut recognizes the importance of continued economic growth in our community and has adopted the following tax abatement framework. Projects must be consistent with State Statutes. The Town policy is that projects must involve real property improvements for at least one of the following: (1) for office use; (2) for manufacturing use; (3) for warehouse, storage or distribution use; (4) for information technology; or (5) for restaurants, (6) new retail developments or redevelopment of existing retail properties that involve substantial renovations or restoration of the exterior of the building and improvements to landscaping including automotive dealerships selling new vehicles or (7) recreation facilities, as defined in Section 8-13 of the Connecticut General Statutes. The following abatement schedule will be used by the Town Council as a guideline based upon factors including the investment made and other considerations concerning the quality of the project and its consistency with the Town's Plan of Conservation and Development. The Town Council must act to approve each project and its specific abatement schedule.

For real property improvements of greater than \$150,000 if the project is for office use, for manufacturing use, for warehouse, storage or distribution use, recreation facilities, newly developed for restaurants, retail use or information technology the Town may offer:

<u>Abatement Schedule:</u>		
Year 1 50%	Year 2 40%	Year 3 30%

For real property improvements of greater than \$50,000 if the project is for redevelopment of existing retail properties that involve substantial renovations or restoration of the exterior of the building and improvements to landscaping the Town may offer:

<u>Abatement Schedule:</u>		
Year 1 50%	Year 2 40%	Year 3 30%

For real property improvements of greater than \$1,000,000 (One Million Dollars) for any type of eligible use above, the Town may offer:

<u>Abatement Schedule:</u>					
Year 1 50%	Year 2 40%	Year 3 30%	Year 4 20%	Year 5 10%	

For real property improvements of greater than \$3,000,000 (Three Million Dollars) for any type of eligible use above, the Town Council may offer:

<u>Abatement Schedule:</u>						
Year 1 50%	Year 2 50%	Year 3 40%	Year 4 40%	Year 5 30%	Year 6 20%	Year 7 10%

For real property improvements of greater than \$12,500,000 (Twelve Million Five-Hundred Thousand Dollars) for any type of eligible use above, the Town Council may offer:

<u>Abatement Schedule:</u>									
Commercial									
Year 1 70%	Year 2 70%	Year 3 60%	Year 4 60%	Year 5 50%	Year 6 50%	Year 7			
		50%	Year 8 40%	Year 9 30%	Year 10 20%				

Application Procedure

The tax abatement program application should be submitted to the Economic Development Director for consideration for a recommendation by the Economic Development Commission to the Town Council. If approved by the Economic Development Commission, then property owners within 500 feet of the proposed development site will be notified 7 days in advance of the meeting where the Town Council will consider a tax partnership application.

Applications will be accepted and considered under the tax abatement policy pertaining to mixed use projects in effect prior to the effective date of this amendment provided that any such projects will be required to have submitted an application for

project approval to the Berlin Planning and Zoning Commission prior to the effective date of the amendment. To be eligible, a minimum of at least 10% of the total new building square footage of the project must be for commercial use, the project must obtain and maintain all required Building Permits within 1 year of the effective date of this amendment, begin construction of the structure i.e.: footings, foundation and or physical structure of both the commercial and residential portions of the project prior to two years from the effective date of this amendment, submit an application for tax abatement within 60 days of securing Planning and Zoning Commission approval for the project and complete construction of the commercial portion of the project within three years of the effective date of this amendment.

Town of Berlin Tax Abatement Program Proposed January 9, 2024

The Town of Berlin, Connecticut recognizes the importance of continued economic growth in our community and has adopted the following tax abatement framework. Projects must be consistent with State Statutes. The Town policy is that projects must involve real property improvements for at least one of the following: (1) for office use; (2) for manufacturing use; (3) for warehouse, storage or distribution use; (4) for information technology; or (5) for restaurants, (6) new retail developments or redevelopment of existing retail properties that involve substantial renovations or restoration of the exterior of the building and improvements to landscaping including automotive dealerships selling new vehicles or (7) recreation facilities, and (8) mixed use, as defined in Section 8-13 of the Connecticut General Statutes. The following abatement schedule will be used by the Town Council as a guideline based upon factors including the investment made and other considerations concerning the quality of the project and its consistency with the Town's Plan of Conservation and Development. The Town Council must act to approve each project and its specific abatement schedule.

For real property improvements of greater than \$150,000 if the project is for office use, for manufacturing use, for warehouse, storage or distribution use, recreation facilities, newly developed for restaurants, retail use or information technology the Town may offer:

<u>Abatement Schedule:</u>		
Year 1	50%	Year 2 40%
		Year 3 30%

For real property improvements of greater than \$50,000 if the project is for redevelopment of existing retail properties that involve substantial renovations or restoration of the exterior of the building and improvements to landscaping the Town may offer:

<u>Abatement Schedule:</u>		
Year 1	50%	Year 2 40%
		Year 3 30%

For real property improvements of greater than \$1,000,000 (One Million Dollars) for any type of eligible use above, the Town may offer:

<u>Abatement Schedule:</u>					
Year 1	50%	Year 2	40%	Year 3	30%
		Year 4	20%	Year 5	10%

For real property improvements of greater than \$3,000,000 (Three Million Dollars) for any type of eligible use above, the Town Council may offer:

<u>Abatement Schedule:</u>						
Year 1	50%	Year 2	50%	Year 3	40%	Year 4 40%
		Year 5	30%	Year 6	20%	Year 7 10%

For real property improvements of greater than \$12,500,000 (Twelve Million Five-Hundred Thousand Dollars) for any type of eligible use above, the Town Council may offer:

<u>Abatement Schedule:</u>										
Commercial										
Year 1	70%	Year 2	70%	Year 3	60%	Year 4	60%	Year 5	50%	Year 6 50%
			50%	Year 8	40%	Year 9	30%	Year 10	20%	Year 7

For real property improvements of greater than \$25,000,000 (Twenty-Five Million Five-Hundred Thousand Dollars) for any type of eligible use above, the Town Council may offer:

<u>Abatement Schedule:</u>										
Apartments										
Year 1	80%	Year 2	70%	Year 3	60%	Year 4	50%	Year 5	40%	Year 6 40%
			30%	Year 8	30%	Year 9	20%	Year 10	20%	Year 7
Commercial										
Year 1	70%	Year 2	70%	Year 3	60%	Year 4	60%	Year 5	50%	Year 6 50%
			40%	Year 8	40%	Year 9	30%	Year 10	20%	Year 7

Application Procedure

The tax abatement program application should be submitted to the Economic Development Director for consideration for a recommendation by the Economic Development Commission to the Town Council. If approved by the Economic Development

Commission, then property owners within 500 feet of the proposed development site will be notified 7 days in advance of the meeting where the Town Council will consider a tax partnership application.

Applications will be accepted and considered under the tax abatement policy pertaining to mixed use projects in effect prior to the effective date of this amendment provided that any such projects will be required to have submitted an application for project approval to the Berlin Planning and Zoning Commission prior to the effective date of the amendment. To be eligible, a minimum of at least 10% of the total new building square footage of the mixed-use project must be for commercial use.

The Town Council has the discretion to request a minimum of 10% of all apartments be affordable (under 8-30g) for any mixed-use project which applies for the \$25,000,000 tax abatement.

Amendment effective date: TBD

Agenda Item No. F-6
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: January 11, 2024

SUBJECT: Authorization to apply for a Rebuilding American Infrastructure with Sustainability and Equity Grant

Summary of Agenda Item:

At its January 9, 2024, the Town Council discussed about appropriating funds from the Unappropriated Fund Balance for use as grant matching funds, or to prepare plans and costs estimates needed for grant applications. One of the grants discussed was a grant to study pedestrian safety and mobility improvements along the Berlin Turnpike corridor in the Towns of Wethersfield, Newington, and Berlin from the U.S. Department of Transportation Rebuilding American Infrastructure with Sustainability and Equity Grant Program (RAISE). After the January 9 meeting, it was identified that the Police Department has funds available in its grant match account and it has agreed to commit to this project. CRCOG (Capitol Region Council of Governments) will take the lead in preparing the grant application that is due February 28. The initial project cost estimate is \$2 million dollars, and a 20% local match (\$300,000) is required. CRCOG will ask CTDOT for half of the matching funds (\$200,000) and CRCOG will ask its Board to provide 25% of the match (\$100,000) leaving 25% of the match (\$100,000) to be covered by the 3 Towns. It is proposed that the match be split equally between the 3 Towns (\$33,333 each). Based on this approach to determining the match, Berlin's contribution would be \$33,333. After the January 9 meeting, it was identified that the Police Department has funds available in its grant match account that it has agreed to commit to this project. To accomplish this purpose, a transfer will be required from the Police Department Grant Overtime account # 001.15.1532.0.51420.00000 to the RAISE grant account #001.15.1532.0.54000.00373.

The actions required are to authorize the Town Manager to take actions necessary for the Town to collaborate with CRCOG and the Towns of Newington and Wethersfield to submit a RAISE Program grant application to the U. S. Department of Transportation to study pedestrian safety and mobility improvements along the Berlin Turnpike corridor and to transfer \$33,333 from the Police Department Grant Overtime Account (account # 001.15.1532.0.51420.00000) to the RAISE grant account (#001.15.1532.0.54000.00373) to provide Berlin's projected share of the grant match.

Funding:

This action requires a transfer of \$33,333 from the Police Department Grant Overtime Account (account #001.15.1532.0.51420.00000) to the RAISE grant account (#001.15.1532.0.54000.00373) to provide Berlin's projected share of the grant match.

Action Needed:

Move to transfer \$33,333 from the Police Department Grant Overtime Account to the RAISE grant account to provide Berlin's projected share of the grant match.

Attachments:

None

Prepared By:

Jim Mahoney, Economic Development Coordinator
Chris Edge, Economic Development Director

Agenda Item No. F-7
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: January 11, 2024

SUBJECT: Approve a non-budgeted appropriation of \$150,000 from the Unappropriated Fund Balance to the account to the Grant Match account

Summary of Agenda Item:

At the January 9, 2024, Town Council meeting, the Town Council discussed about appropriating funds from the Unappropriated Fund Balance for use as grant matching funds, or to prepare plans and costs estimates needed for grant applications and set a special meeting of the electors and citizens qualified to vote in town meetings of the Town of Berlin, at the Berlin Town Hall, Council Chambers, 240 Kensington Road, Berlin, CT on Tuesday, January 23, 2024, at 6:45 p.m. to approve a non-budgeted appropriation of 183,333 from the FY24 General Fund Unassigned to the Grant Match accounts listed below for these purposes and to refer this action to the Board of Finance. An alternate source was identified for one project, reducing the amount of funds now being requested to \$150,000. If the non-budgeted appropriation of 150,000 from the Unappropriated Fund Balance to the account to the Grant Match account was approved at the special meeting of electors, the Town Council needs to approve said appropriation and refer this matter to the Board of Finance.

Following are updated details on the intended use of the appropriated Grant Match account funds.

- A \$25,000 grant match for an Aquatic Invasive Species Grant application concerning invasive weeds at Silver Lake (504.10.1017.0.53467.00000 DEEP Silver Lake).
- \$75,000 for preparation of sidewalk design plans in preparation for a Connectivity Grant application to be submitted in 2025 (504.10.1017.0.53470.00000 Community Connectivity Grant).
- It was identified that the Police Department has funds available in its grant match account that it has agreed to provide matching funds for a Round 3 of the U.S. Department of Transportation Rebuilding American Infrastructure with Sustainability and Equity Grant Program (RAISE) program grant.
- \$50,000 in additional funding for the 55 Steele Boulevard remediation. This funding will be proposed as matching funds for a Connecticut Department of Economic and Community Development Municipal Brownfields grant. Additional funding is needed for this project due to project design changes to address unsuitable soils encountered in the excavation of foundations on the site (504.10.1017.0.54000.01624 Farmington Ave Non-Grant).

Funding:

General Fund Unassigned Fund Balance non-budgeted appropriation.

Action Needed:

Move to approve a non-budgeted appropriation of \$150,000 from the FY24 General Fund Unassigned Fund Balance to the DEEP Silver Lake (\$25,000), Community Connectivity Grant (\$75,000) and Farmington Ave Non-Grant (\$50,000) accounts for the purposes of providing matching funding and funds for preparation of grant applications.

Attachments:

None

Prepared By:

Jim Mahoney, Economic Development Coordinator
Chris Edge, Economic Development Director

Budget Questions on the BOE December 31, 2023 Monthly Budget Report

Sal Bordonaro <sbordonaro@berlinct.gov>

Fri 1/12/2024 9:40 AM

To:julia.dennis@berlinschools.org <julia.dennis@berlinschools.org>

Cc:Brian Benigni <bbenigni@berlinschools.org>;Ashley Dorsey <adorsey@berlinschools.org>;Kevin Delaney <kdelaney@berlinct.gov>;Raul Fernandes <rfernandes@berlinct.gov>;Timothy Grady <tgrady@berlinct.gov>;Denise McNair <dmcnair@berlinct.gov>;George Millerd <gmillerd@berlinct.gov>;Gerald Paradis <gparadis@berlinct.gov>;tracy.sisti@berlinschools.org <tracy.sisti@berlinschools.org>;jaymee.miller@berlinschools.org <jaymee.miller@berlinschools.org>;Peter Zaraboza <peter.zaraboza@berlinschools.org>;adam.salina@berlinschools.org <adam.salina@berlinschools.org>;melissa.gibbons@berlinschools.org <melissa.gibbons@berlinschools.org>;Jennifer Jurgen <jjurgan@wesleyan.edu>;gina.nappi@berlinschools.org <gina.nappi@berlinschools.org>;brian.delude@berlinschools.org <brian.delude@berlinschools.org>

 1 attachments (748 KB)

FYTD December FY24 BOE Financial Report.pdf;

Good morning, Julia.

After review of the December 31, 2023 Monthly Budget Report that you provide the Board of Finance, there are some questions. If you could provide responses a few days prior to our next Board of Finance meeting of February 13th, that would be appreciated. I can also have a board of finance member meet with Ashley to go through the responses. I've attached the December 31, 2023 report.

Thank you, Sal

Non-Certified Salaries Category

Are you fully staffed and have you encumbered 100% of the costs?

If you are not fully staffed, what portion of the \$519,832.17 uncommitted budget balance will be expended in non-certified salaries category. If there is a remaining amount, explain why?

Benefits Category

What portion, if any, of the uncommitted budget balance of \$532,822.69 will not be expended in the benefits category and why?

Utilities Category

Have you encumbered the full year's utilities cost through December 31, 2023.

What portion, if any, of the uncommitted budget balance of \$66,627.99 will not be expended in the utilities category and why?

Transportation Category

The uncommitted balance of \$618, 745.19 is higher than the reported \$448,815.87 in the November 30, 2023 report. Please explain why.

Tuition Category

What portion, if any, of the \$595, 192.20 uncommitted budget balance is expected to still be expended in the tuition category?

**Town of Berlin
Financial Status Report**

Board of Finance Meeting of February 13, 2024

F-10

GENERAL FUND

(budgeted amount excludes assigned fund balance)

Receipts

Actual Receipts	\$92,393,403	\$91,259,349
Budgeted Receipts	\$98,779,146	\$95,771,346
% to Budget	93.5%	95.3%

Current Year Tax Receipts	\$82,688,652	\$81,295,127
Current Tax Budget	\$84,507,963	\$83,068,727
Current Tax Levy (99.3%/99.3% collection rates)	\$85,103,689	\$83,654,307

% to Current Budget	97.8%	97.9%
% to Current Levy	97.2%	97.2%
Adopted budget target %	99.3%	99.3%

Expenditures (excludes capital expenditures)

Actual Expenditures	\$58,641,737	\$56,413,497
Budgeted Expenditures	\$100,612,696	\$97,740,498
% to Budget	58.3%	57.7%

	Actual	Encumbered	Budget	Var to Budget
Storm-related Overtime (51445)	\$46,315	\$0	\$143,435	\$97,120
Electricity (53102)	\$677,431	\$691,576	\$1,526,245	\$157,238
Refuse Disposal (53823)	\$1,052,228	\$868,839	\$1,922,120	\$1,053
Legal (53828)	\$158,812	\$196,188	\$355,000	\$0
Tax Refunds (53924)	\$76,986	\$0	\$215,000	\$138,014

Target Floor Fd Bal. Actual Fund Bal.

INSURANCE FUNDS

Health Insurance Fund

\$2,327,226	\$2,712,505	The Health Insurance Fund balance is 25.4% of full year projected expenses - target floor reserve is 25%.
-------------	-------------	---

General Insurance Fund

\$1,000,000	\$2,500,907	The fund is used to pay Liability & Worker's Compensation insurance premiums for both the Town and BOE, on-going heart & hypertension claims from police officers, widow/widower heart & hypertension claims, "fronting" reimbursable environmental remediation costs, small equipment claims where Town elects to self-insure and deductibles. Town policy is a \$1 million floor and ceiling at 5% of General Fund budget (or \$4,980,635 for FY24). Displayed fund balance is net of H&H reserve and encumbrances for self-insured claims.
-------------	-------------	---

TOTAL INSURANCE FUNDS

\$3,327,226	\$5,213,411
-------------	-------------

Notes

Town of Berlin
Financial Status Report
Board of Finance Meeting of February 13, 2024

F-10

PENSION FUND

Notes

Total Liability (as of 7/1/2023)

\$4,726,976

Cash Balances:

Prudential

\$2,154,657

ICMA Plus

\$2,126,516

\$4,281,173

The Town of Berlin Retirement Income (Defined Benefit) Plan was amended for the last time effective July 1, 2000. As a result of this final amendment no new Town employees (excludes BOE employees covered by the Teacher's Retirement Fund) were eligible to participate in the plan. As part of the amendment, participants in the DB Plan have the option to be paid out with an annuity or a lump sum. In recent years, all retiring participants have elected the lump sum payout.

Currently, the Town is executing a pay-as-you-go program to manage new retirements. The plan includes 3 active participants and 14 annuitants.

Funding % - Total

90.6%

Funding % - DB

45.6%

Unfunded Liability

(\$445,803)

Anticipated retirements:

FY24: 3 active participants remain and all are eligible to retire.
Annual annuity payments & total monthly fees: \$172,000

ACTIVE CAPITAL PROJECTS

	<u>% Complete*</u>	<u>Project Balance**</u>	<u>PBC Managed</u>	<u>Department</u>	<u>Notes</u>
4-Bridge Rehabilitation	91%	\$0		Public Works	Current Phase: close out with the State of CT
Highway Wash Bay	49%	\$926		Facilities	Current Phase: construction
55 Steele Boulevard	8%	\$0		Economic Dev.	Building 3 of 3 from Newport's original Farmington Ave plans
Sidewalk Upgrades	87%	\$0		Public Works	Current Phase: construction/finalize
3-Road Project (CRCOG Pre-Funded Construction)	78%	\$0		Public Works	Current Phase: construction/finalize
Kensington Road Bridge - Design Phase	41%	\$0		Public Works	Current Phase: design (local funded); once project is approved by DOT, CRCOG grant will pre-funded for bid amount + contingency & incidentals
Percival Soccer Field	91%	\$77,350		Public Grounds	Current Phase: construction
Biscoglio Field Turf (DEEP Grant)	87%	\$0		Public Grounds	Current Phase: construction
Willard HVAC Upgrades (ARPA Funds)	48%	\$0	PBC	Facilities	Current Phase: construction
Willard HVAC Upgrades (Local Funds)	6%	\$0	PBC	Facilities	Current Phase: construction
Police Station Renovation	0%	\$0	PBC	Facilities	Current Phase: construction

* % complete represents invoices received versus total expected project cost - this metric will lag actual construction completion

** Capital projects fund balance includes encumbrances.

Risks

Description	Projected - Low	Projected - High	Probability
RECEIPTS			
VNA	(\$150,000)	(\$300,000)	Medium/High

TOTAL

Total excluding Pension payouts

(\$150,000)
(\$150,000)

(\$300,000)
(\$300,000)

Opportunities

Description	Projected - Low	Projected - High	Probability
RECEIPTS			
Interest	\$250,000	\$750,000	Medium/High
EXPENDITURES			
Vacant positions (net of new, non-budgeted Police Officers)	\$600,000	\$1,200,000	Medium/High

TOTAL

\$850,000
\$1,950,000

NET RISKS/OPPORTUNITIES

\$700,000
\$1,650,000

6/30/2023 General Fund Unassigned Fund Balance (audited)

\$16,436,763
\$16,436,763

Non-Budgeted Appropriation of FY24 General Fund Unassigned Fund Balance:

Large dump truck body replacement (in lieu of vehicle replacements)

Vans (3 school vans)

Camera Upgrades (districtwide)

Timberlin on-course bridges

Pickup Truck (Highway)

Police Modems (and related hardware) (IT/Police)

Police Vehicles

Replace equipment at Little People's Playground

Track Snow Machine (Grounds)

Police Station

Resurface Basketball/Tennis Courts (assume yr 7) (BHS)

Proposed February 2024 BOF meeting

(\$275,000)
(\$125,000)
(\$195,000)
(\$10,000)
(\$65,000)
(\$50,000)
(\$200,000)
(\$200,000)
(\$80,000)
(\$1,000,000)
(\$75,000)
(\$150,000)
(\$150,000)

FY25 Budgeted Appropriation of General Fund Unassigned Fund Balance:

ADEC of closed defined benefit pension plan

(\$652,688)
(\$652,688)

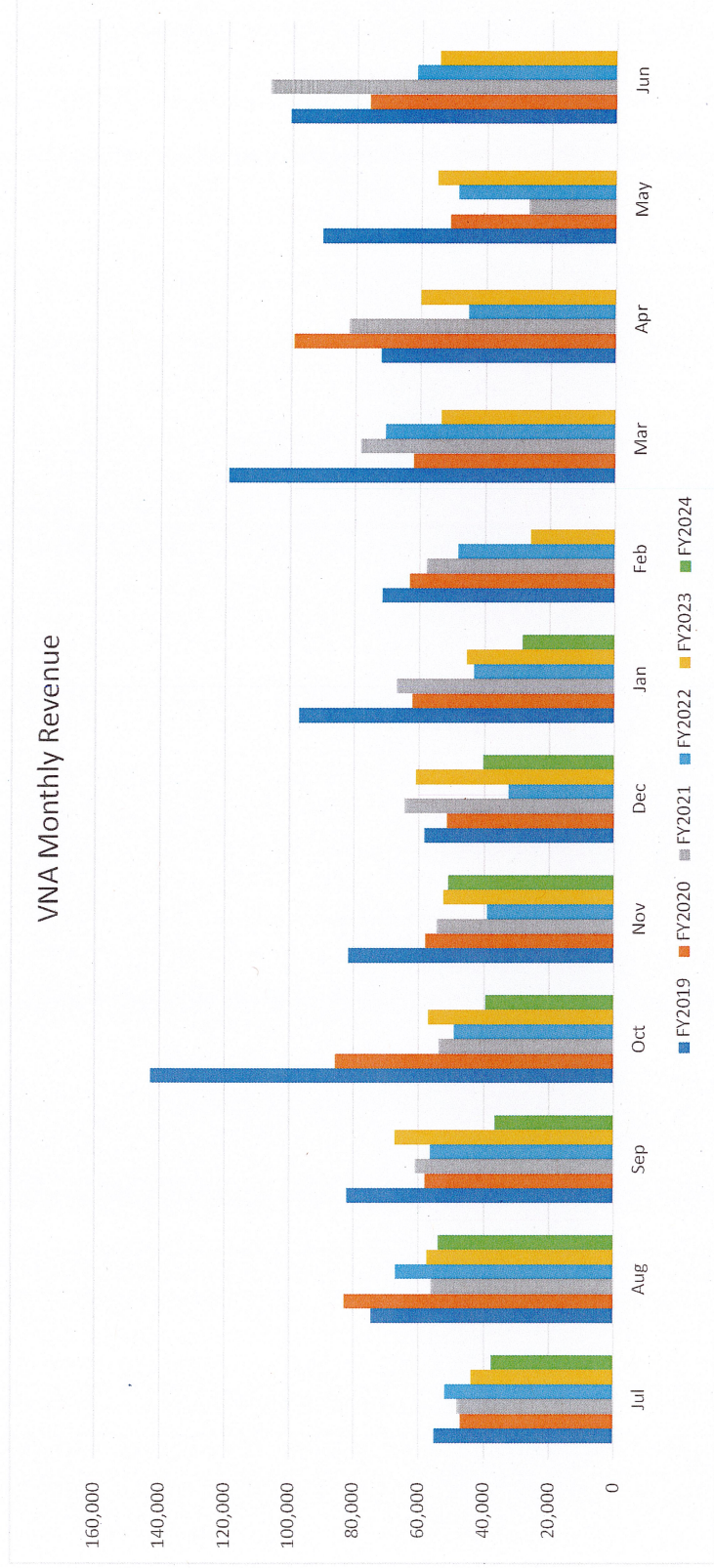
Projected 6/30/2024 General Fund Unassigned Fund Balance

\$14,059,075
\$15,009,075

Projected 6/30/2024 GF Unassigned FB as a % of amended FY24 GF Budget

14.0%
14.9%

	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>TOTAL</u>	<u>YTD</u>
FY2019	55,212	74,521	82,025	142,845	81,705	58,331	97,213	71,442	119,187	72,239	90,498	100,562	1,045,780	591,852
FY2020	47,155	82,851	58,019	85,737	58,047	51,550	62,354	63,243	62,270	99,186	51,272	76,057	797,741	445,713
FY2021	48,132	56,105	61,099	53,775	54,553	64,397	66,910	57,967	78,281	82,029	27,123	107,013	757,385	404,971
FY2022	51,814	67,134	56,464	49,192	39,038	32,530	43,379	48,339	70,744	45,424	48,569	61,528	614,156	339,551
FY2023	43,842	57,446	67,243	57,167	52,526	61,072	45,590	26,033	53,655	60,131	55,054	54,550	634,309	384,886
FY2024	37,692	53,924	36,570	39,543	51,115	40,460	28,414						287,717	287,717
CY vs. PY	(6,150)	(3,522)	(30,673)	(17,624)	(1,411)	(20,612)	(17,176)	(26,033)	(53,655)	(60,131)	(55,054)	(54,550)		



**VNA Financial Results
YTD JANUARY
FY 2023-24**

	FY 2024			FY 2023			FY24 to FY23
	Budget	YTD Act	% of Budget	Budget	YTD Act	% of Budget	Var to Budget
Revenue:							
Public Health Nursing	\$700,000	\$287,717	41.1%	\$900,000	\$384,886	42.8%	-1.7pp
Summer/Field Trips	\$12,000	\$15,333	127.8%	\$6,000	\$13,195	219.9%	-92.1pp
	\$712,000	\$303,049	42.6%	\$906,000	\$398,081	43.9%	-1.4pp
Expenditure:							
Wages/Salaries	\$850,780	\$476,164	56.0%	\$950,453	\$518,389	54.5%	-1.4pp
Fringe Benefits	\$355,761	\$266,002	74.8%	\$370,816	\$264,609	71.4%	-3.4pp
53201 - Supplies	\$7,700	\$2,367	30.7%	\$7,700	\$1,534	19.9%	-10.8pp
53208 - Equipment (New)	\$0	\$0	N/A	\$12,000	\$0	0.0%	N/A
53276 - Medical Supplies	\$6,510	\$1,336	20.5%	\$7,360	\$2,695	36.6%	16.1pp
53440 - Public Education	\$3,000	\$637	21.2%	\$3,000	\$624	20.8%	-0.5pp
53606 - Telemonitor Lease	\$6,000	\$1,440	24.0%	\$6,000	\$1,680	28.0%	4.0pp
53810 - Background checks	\$1,000	\$213	21.3%	\$1,000	\$319	31.9%	10.6pp
53813 - Computer Support	\$42,640	\$35,102	82.3%	\$42,640	\$36,369	85.3%	3.0pp
53819 - Medical Services	\$102,000	\$17,694	17.3%	\$97,550	\$22,754	23.3%	6.0pp
53902 - Telephone	\$9,000	\$2,875	31.9%	\$9,000	\$3,542	39.4%	7.4pp
53903 - Copiers	\$3,650	\$943	25.8%	\$3,650	\$886	24.3%	-1.6pp
53916 - Professional Development	\$2,850	\$199	7.0%	\$2,850	\$0	0.0%	-7.0pp
53920 - Professional Services	\$21,300	\$10,551	49.5%	\$21,300	\$14,574	68.4%	18.9pp
53940 - Advertising	\$6,000	\$2,735	45.6%	\$9,600	\$1,455	15.2%	-30.4pp
53943 - Mileage	\$6,000	\$886	14.8%	\$6,000	\$737	12.3%	-2.5pp
53944 - Organizational Fees	\$18,170	\$12,706	69.9%	\$18,170	\$15,578	85.7%	15.8pp
53945 - Training	\$10,000	\$3,510	35.1%	\$10,000	\$1,637	16.4%	-18.7pp
	\$1,452,361	\$835,359	57.5%	\$1,579,089	\$887,380	56.2%	-1.3pp
NET INCOME	(\$740,361)	(\$532,309)	71.9%	(\$673,089)	(\$489,300)	72.7%	-0.8pp