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Meeting ID: **824 4934 0364**

Passcode: **053300**

Phone: +1 929 205 6099 US (New York)

Community / Senior Center Advisory Committee

Thursday, February 3, 2022 @ 6:00 PM

Board of Education Conference Room

Regular Meeting

1. Call to Order
2. Roll Call
3. Audience of Citizens
4. Approval of Minutes, January 20, 2022
5. Presentation and Discussion with Tom Salimeno, Public Building Commission
6. Presentation and Discussion with Kevin Delaney, Town of Berlin, Finance Director
7. Discussion regarding rescheduling of John Benigni, CEO Meriden-New Britain-Berlin YMCAs
8. Open Discussion
9. Adjournment

Join Zoom Meeting

<https://berlinct-gov.zoom.us/j/86402791875?pwd=WmNIUEINSWRXRUXnZmFqZFF5cVdPZz09>

Meeting ID: 864 0279 1875

Passcode: 358997

Phone: +1 929 205 6099 US (New York)

Community / Senior Center Advisory Committee  
Thursday, January 20, 2022 @ 6:00 PM  
Board of Education Conference Room  
Regular Meeting

1. Call to Order

Chairman Luddy called the meeting to order at 6:01 p.m.

2. Roll Call

Attendance:

Members Present: Donna Bovee, Dave Cyr, Barbara Gombotz, Chairman Luddy, Tim Grady, Mike Urrunaga (arrived at 6:08 p.m.)

Members Absent: None.

Staff Present: Director of Community, Recreation and Park Services Jennifer Ochoa

3. Audience of Citizens

Tim Thurston, 100 Saw Mill Drive

Mr. Thurston said not having a community/senior center is a disadvantage because some of the high school teams must travel to the Meriden YMCA for practice.

Dan Thurston, 16 Conlin Way

Mr. Thurston is the swim and dive coach at Berlin High School and added that transportation to those out-of-town YMCA facilities is an issue on snow days and thanked the committee for all of their work. Mr. Cyr asked if there was a reason why we did not add a pool when the high school renovation took place. Ms. Zagorski added that it was a Renovate as New (RNV) project because we could not get to the point of building a new facility. Nothing can be added on to this type of project, it must be done using the existing square footage. Mr. Luddy said the reimbursement rate is probably better, lower rate.

Jan Zagorski, 63 Grandview Drive

Ms. Zagorski said the Berlin High School swim team travels to Meriden or Plainville YMCA to practice and the town is paying for transportation to those facilities. Also, other towns have pools that run successful all day programs. Mr. Cyr asked about the diving boards at Percival Pool, but Ms. Zagorski said it is a liability and the pool is not open for that long.

Approval of Minutes, December 2, 2021

Ms. Gombotz requested a revision to the December 2, 2021 minutes to add that she asked if the committee could use grant money to hire a consultant to research funding.

Ms. Bovee moved to approve the December 2, 2021 minutes.

Seconded by Mr. Grady.

Those voting in favor: Ms. Bovee, Mr. Cyr, Ms. Gombotz, Mr. Grady, Mr. Urrunaga

Chairman. Luddy abstained as he was not at the December 2, 2021 meeting.

Vote being 5-0-1 (MOTION CARRIED).

4. Discussion of site visit:

a. Windham Community Center – Ms. Bovee shared notes from the tour and provided the aquatic membership fees schedule. See attached below. Mr. Urrunaga added that Windham's set-up is smaller than what the Town of Berlin would want and the pool is not competition size. They were able to add a wrestling gym for the wrestling team. Also, there is a clear divide between the senior center and community center and not sure that we would want that in our design. Also, they did a nice job of taking advantage of the area around them, the way the doors opened up in the senior center and they could hear the nearby concert. Mr. Grady asked how big the pool is. Mr. Urrunaga said it is not competition size, a smaller pool. Mr. Luddy asked if they had separate facilities, or new concept. Ms. Bovee said she thinks their community center was relatively small and they had a separate senior center. Ms. Bovee added that tall handicap toilets are also needed in our design.

b. Rocky Hill Community/Senior Center – see attached notes below. Chairman Luddy added that furniture fixtures and equipment are an issue at all of the places. The Rocky Hill facility is not what the Town of Berlin is looking for, but it is nice. Director of Community, Recreation and Park Services Jennifer Ochoa said the offices are all together in one place which is good, but the weight/exercise room was too small and only open to seniors during the day and not open in the evenings to the general public. Superintendent of Recreation Dennis's notes said flooring was scratched up from chairs, good front entrance and they had TV displays on the wall with activities listed.

c. Meriden YMCA – see attached notes below. Mr. Luddy added that the facility is older, but in good shape. Mr. Grady said it is very well run, they are sharp and know what they are doing. Mr. Benigni, CEO of the Meriden YMCA will be at the February 3, 2022 Community Senior Center Advisory Committee Meeting to discuss further.

5. Confirmation of future site visit:

a. Putnam YMCA – Tour will be held on January 28 at 9 a.m. with Amanda Kelly, Executive Director and possibly a facilities staff member. Mr. Cyr, Mr. Grady and Mr. Urrunaga will attend.

6. Discuss future meeting attendees and prepare questions

b. John Benigni, Meriden/New Britain/Berlin YMCA (February) – The committee was asked to prepare questions for Mr. Benigni in advance and Ms. Bovee handed out a draft document.

Since there are a few other YMCA's already nearby – Southington-Cheshire YMCA, Wheeler YMCA serving Plainville/Burlington/Farmington/Bristol/Plymouth area and Meriden YMCA, does the Town of Berlin need a YMCA. Question # 1.e asks if the YMCA would do a feasibility study and Ms. Bovee can add in what is the saturation point. Mr. Benigni might already have done a study on that.

Mr. Urrunaga asked if the YMCA hires a professional fundraising company. The project needs the support of the town and hasn't gone on to that step yet. Chairman Luddy asked about the timeframe from beginning to end. How many years of fundraising before shovel to ground stage and construction. Ms. Bovee added that would be a good question to ask the Putnam YMCA during the site visit. Also, the older Meriden YMCA facility was \$7M twenty years ago and they were short on funding and had to borrow \$1M from the town and the amount was later paid back.

Mr. Urrunaga asked to re-word question # 4 and Director of Community, Recreation and Park Services Ochoa asked to re-word Question # 3.d to how do you see collaboration with the Park and Recreation department going.

A formal set of questions will be provided ahead of time to Mr. Benigni. Also, Ms. Bovee would like to include the Statement of Need questions and ask how they are doing those things. The goal is to compare the difference in Town of Berlin vs. YMCA and understand the two approaches. Chairman Luddy added that question # 1.d discusses the different phases, going out to bid, etc.

Ms. Gombotz said that outside memberships are a concern, for example if other schools wanted use the facility. Is it not considered strictly a Berlin facility. Also, what would a senior YMCA membership cost. Chairman Luddy said it is \$456 per year and \$38 per month. There is a membership cost, including outside membership costs. Also, who would handle the schedule and programming, because someone like Senior Center Director Doyle is needed. That is a concern for seniors and Ms. Gombotz will gather any additional feedback from the senior groups.

Director of Community, Recreation and Park Services Ochoa will take any additional questions via email from the committee members and have Chairman Luddy review them prior to sending them out to Mr. Benigni and will include the Statement of Needs.

- c. Tom Arcari, QA&M – Mr. Grady said more information is needed before speaking with Mr. Arcari. Ms. Bovee added that any public forums should take place before the end of the school year. Director of Community, Recreation and Park Services Ochoa said that until the committee has a defined project to recommend to the Town Council, public forums should not take place. Tom Arcari should ideally come in after a project is decided and Economic Development Coordinator Mahoney suggested doing a three phase design, as that would work better financially. Also, after having looked at a few different town facilities, the committee has a better sense now of what the Town of Berlin's needs are and can make adjustments to the Statement of Needs. Mr. Grady said the committee is missing cost and needs Finance Director Delaney to come in and discuss what effects it has on the mill rate, bonding, and is it wise to bond. Plus, there are operating costs involved. Ms. Bovee said the committee has the conceptual design to present to the public and would say this is the cost and these are the changes. The committee would need to determine what to change from that, plus or minus and the impact of it. Reaching out to the public is needed because it provides their input and helps them better understand what you are recommending to the Town Council. Mr. Grady said the committee could present the numbers to the Town Council and review project costs and receive feedback. Also, discuss the conceptual design, lessons learned and YMCA option. Mr. Grady said he would like to however avoid putting in all the time and research and ending up with nothing because the taxpayers disagree. Mr. Cyr said Finance Director Delaney could explain what the costs are and how long to get funds. Before making any adjustments it is best to understand the financial impact. Also, changing the Statement of Needs must go through respective Commissions and Town Council.

Mr. Grady said the committee would provide Finance Director Delaney with the basic framework. The goal is to avoid making irresponsible financial decisions. Where will this put the Town of Berlin by building a 70k sq. ft. facility. Ms. Bovee added that Newtown was \$600k in operating cost overrun annually with local fundraising of \$50k to offset fees. Mr. Cyr said to include someone from the Public Building Commission to discuss what is the cost of this project today. Ms. Bovee asked to also include Finance Director Delaney and Tom Arcari at the February 3 meeting. Mr. Grady added that building material has increased, the \$37M was from August 2020, now it might cost \$50M for example and the committee needs real numbers. Ms. Bovee added to look at what to change with the conceptual design. Look at the numbers, make changes and reductions and start a running list of them. Mr. Grady said the Town of Berlin is looking to build a center twice the size of other ones the committee had looked at. Ms. Bovee said reducing the number of rooms is something that could be easily done to minimize size. Mr. Cyr said to find out what \$37M a year ago costs today, or a year from now. Ms. Gombotz said don't skip on things and keep in mind that as the town grows, we don't want to add on later. Build something that the whole town will use and enjoy and look at that from a 20 – 30 years down the road perspective.

Ms. Bovee said to let the Public Building Commission decide if they want to bring Mr. Arari. The Community Senior Center Advisory Committee will advise what we are looking for and discuss the conceptual design and the need for a cost estimate now based on current inflation rates. The goal is to have a November referendum.

8. Funding

- a. Opportunities? - The committee will start looking and identify areas to go get funding. Ms. Gombotz said a yearly golf tournament could be held to help raise funds to maintain it. Ms. Bovee said the local utility company, Eversource, could be a possible funding resource and that local fundraising is needed.
- b. Consultant? - Ms. Bovee said to recommend now to Town Council the need to hire someone to focus on fundraising for the proposed facility. Mr. Cyr added that we don't know yet if we are building this. There is a concern about telling a consultant who raises funds that we want \$100k, but don't know what to tell them yet. Ms. Bovee said that Saint Paul's church had used a fundraising company. Mr. Cyr said it was clear there is nothing available until you pass referendum to apply for grants. Then you go out and might get a couple million. The fundraising companies will come in and provide a pitch to the town. Ms. Bovee would include companies that know state and federal funding.

9. Public Outreach – Chairman Luddy said the Public Building Commission hired an architect for conceptual design. Also, Chairman Luddy wrote a letter introducing what the committee is doing that could get printed in local newspapers. Ms. Gombotz wrote a letter too, but agreed to use Chairman Luddy's version and the committee could change or add on to the informational letter. Mr. Cyr said it should be approved by the Town Council and Mr. Grady added to keep it somewhat general. Chairman Luddy said the committee will write the letter and create an agenda item to vote for it as a committee on February 3. Ms. Bovee added that the next Town Council meeting is on February 1. Chairman Luddy and Mr. Urrunaga could present the revised letter to the Town Council on that date.

Ms. Bovee moved to approve allowing Chairman Luddy to revise his initial press release letter to the editor and take that to Town Council for approval on February 1.

Seconded by Mr. Grady.

Those voting in favor: Ms. Bovee, Mr. Cyr, Ms. Gombotz, Mr. Grady, Chairman Luddy, Mr. Urrunaga

Vote being 6-0 (MOTION CARRIED).

10. Discuss timeline/strategy of committee - The committee voted on next meeting dates, March 3, April 7, May 5, June 2, July 7 and August 4.

The committee will have Finance Director Delaney, someone from the Public Building Commission and Mr. Benigni at the February 3 meeting. Mr. Benigni will be speaking first.

Ms. Bovee moved to approve the following as next meeting dates, March 3, April 7, May 5, June 2, July 7 and August 4.

Seconded by Ms. Gombotz.

Those voting in favor: Ms. Bovee, Mr. Cyr, Ms. Gombotz, Mr. Grady, Chairman Luddy, Mr. Urrunaga

Vote being 6-0 (MOTION CARRIED).

11. Open Discussion – Ms. Gombotz thanked the committee for all of their time doing site visits and reports and would like to see this move forward. Ms. Bovee asked if the committee members could put together likes and dislikes for ideas to change the conceptual design. Future questions for Finance Director Delaney include what are the costs and what happens to the current pool and senior center if we build this.

12. Adjournment

Mr. Urrunaga moved to adjourn at 8:17 p.m.

Seconded by Mr. Grady.

Vote being 6-0. MOTION CARRIED

Submitted by,  
Alina Brown

## Brandford Community House and Canoe Brook Center

Visit – 12/1/21

### Bovee notes

#### Background

- Population 28,000 and 8,000 seniors (28.5%) – Berlin 20,000 and 6,000 seniors (30%)
- Town has competitive pool at middle school which is open at times to public and Y (2 locations) has a pool.
- Original building 22K sq ft; addition 11k sq ft. – total 33k sq ft
- Addition completed in 2018 at a cost of \$12.125 million
- Downstairs is Community House (Parks & Rec) and upstairs is Canoe Brook Ctr (senior center)
- Gym downstairs and used by both – pickleball popular
- More of a separation of recreation and the senior center
- Follow up – Senior Ctr Director's office seems to be a good size (check sq footage for consideration of our offices) – NOTE : storage important so offices do not need to store

#### Positives

- Dance room for seniors – very popular – seniors like mirrors; floor has padding underneath for give
- Multipurpose rooms – one on 1<sup>st</sup> floor; one on 2<sup>nd</sup> floor – divides into 3
- Large monitors around with programs listed for day or upcoming; senior ctr has not installed them yet
- Security system connected to police dept
- Bottle fill stations
- Lower counter area at receptionist for wheelchair as well as higher counter (senior director said its required for ADA)
- Bathrooms and conference room for each staff office areas
- Fully stocked kitchen off senior multipurpose rooms
- Cabinets and sinks in most meeting rooms
- Furniture in senior ctr – very nice and local, washable chairs and Director indicated cheaper than other places (paid from endowment)
- Waverly Lounge – bar type set up with TV- allowed to serve beer and wine; provide transportation
- Senior Billard room – 2 pool tables with table top shuffleboard

#### Lessons learned

- Elevator in back entrance which goes up into a lounge area; cannot close off lounge area because elevator is there
- Make sure toilets are high ones! Installed lower ones and needed to replace
- Mens' urinals – do not locate near door opening!
- Automatic swipes for doors – they cut it due to budget reasons but to keep track of keys...
- No fitness area (fitness equipment) and seniors want, but no room

Branford Community House

Debbie Dennis

- Two scoreboards in the gym, on the wall, beneficial when the gym is split in half and two games are running at the same time. Just not sure about whistle and horn noises, if it is a distraction.
- I liked the electric dividers between the rooms upstairs. They folded up nicely, to the ceiling and the doorways folded towards the wall. They are sound proof and it gives the room lots of flexibility.
- I liked that many of the rooms had windows for outside views. It brightens things up and opens up the feel of the room.
- Lockdown area available in case of emergency

## Branford Community Center

### Tina Doyle Comments

- Front entrance for Senior Center section is not senior friendly. On a hill, with lots of stairs and long handicap ramps.
- Liked that both sets of offices P & R and Senior Center are behind receptionist/front desk.
- Liked that they had conference room
- Liked that they had a type of employee break room.
- I thought some of the space could of been better used in both sections. Seem like there was wasted space.
- Liked that they had at least one shower in rest rooms in P & R section
- Liked the cafe area in Senior Center section
- Liked that Kitchen was fully equipped with necessary appliances and equipment.
- Liked Divider in big room in Sr Ctr section and the way it folded up
- Liked the equipment (AV) in the multipurpose room for town meetings
- Thought it was very forward thinking to consider colors of floors/walls and lighting for seniors that might be visually impaired.
- Also liked that they had installed equipment for those hearing impaired.
- Liked that they had a separate exit for staff(both sections) in case they needed to get out quickly.
- Liked seating in sr center section that overlooked gym. Nice for grandparents to watch kids play without the noise. ☺
- They were not happy of placement of elevator and the heating system that was chosen.

### Thoughts on Rocky Hill Senior/Community Center

Debbie Dennis

I liked that all of the offices were together. The meeting rooms were nice and their multi-function room was nice. Note – the flooring they had scratched easily. Their fitness room, where the class was going on, was nice but could be a little bigger. The weight room, where the treadmills and other cardio equipment was, was too small. I like the front entrance and the coffee bar they had but I wouldn't recommend all the furniture, maybe just a few pieces, unless there was a separate entrance for the Community Center part. I liked that they had the televisions with the activities listed.

Jen Ochoa

- Loved the offices being together as your focal point as you entered – can help with directing people and even help with coverage
- Felt like lobby area was too large, would have liked to see some of that space added to rooms
- Liked the dividing of rooms
- Weight room, way too small and don't like how it is only open to seniors during the day
- Liked that it was connected to Town Hall and walkway to Library

Received on 1/27/2022  
at 1:38:02 PM by Town Clerk  
Kathryn J Wall



These attachments are the correct items that should have been attached to minutes. Added 1/31/2022.

#### **Windham Community and Senior Center**

December 9 Tour with Charlie Olbrias, Asst. Director

Tina Doyle, Mike Urranga and Donna Bovee – Berlin

In construction, was to open in February but seemed like a lot to do to get there

Encountered delays in materials and construction due to covid issues

Checked website as of 1/20/22 and no indication on timing but they indicate opening soon

Q, A & M architect; Nutmeg General Contractor

Passed referendum due to community involvement from seniors and wrestling programs

Y not considered because left Windham in '90's due to lack of funding

Cost \$18.5-\$20 mil.; need to confirm once done, 33k square feet; received 4-\$6 million from State and taxpayer funded \$15 mil.

All on one floor except for "wrestling room" and laundry area upstairs off gym

Front and back entrances to Senior section and separate front and back entrances to Recreation section with connecting hallway in between

#### **Senior section:**

Nice lobby area two good side rooms on left (from front entrance) – library/cards/senior functions.

Receptionist area on right leading to back offices which are small but not as small as recreation offices.

No staff conf area.

Sliding door between receptionist and offices

Small hallway entrance around receptionist area into dining/activity room with stage.

Dining/activity room outside wall – all glass with doors to patio area – facing town Shaboo concert area – great idea for listening to concerts, etc.

Kitchen off dining room in back with separate delivery entrance (nicely done) to back leading to walk in freezer and pantry area off kitchen

Lobby area – canteen, small gathering area and hallway leading to recreation.

Off hallway is multipurpose room for seniors during day and community at night. Multipurpose room can be split into 2 areas with folding doors into side – power, not manual

Medical room, but no shower

#### **Recreation section:**

Back area will be fitness room

Rec receptionist – longer open area than senior area; offices in back – very small; no separate conference rooms for staff and no expansion areas

Once building complete plan to allow staff one month to move in and get ready

To right side are locker rooms – doors missing locks to entrance on pools

2 handicap showers and 3 regular showers in each mens and women

2 family bathrooms and showers

4 lane pool – not competitive

Entrance from locker rooms extremely narrow – if younger child, within a couple feet be in pool

84-86 degrees

Shower in pool area – but if considered should be on opposite side – very narrow and congested entrance

Wheel chair and walker ramp into pool

Has child standing deck so younger children can use area – pool is 4ft in shallow end and 5 feet in deeper end

EV light for chemicals

See attached for current pool memberships

Gym – smaller in length than ones seen elsewhere

Using old bleachers but difficult to fit without encroaching on floor

Storage very small area off gym

Stairs leading to 2<sup>nd</sup> floor gym which will be used mainly for wrestling and to lesser extent other programs. Elevator to be installed

Laundry room off back hallway

Some reductions in spacing due to cost

***Bovee Impression:***

Hallways and pool deck very narrow

Gym smaller and storage very limited

Nice entrance area with lower ceilings

Good one to follow and see final project

Cost and state funding need to be confirmed

# Example

## Recreation Aquatic Schedule

Swim Lessons	Day	Time	Winter	Early Spring	Cost/Pr	Cost/Pr	No Class
Parent & Child	Sat.	8:00-8:40 am	TBA	TBA	\$80.00	\$90.00	None
Beginner Pre School	Sat.	8:45-9:25 am	TBA	TBA	\$80.00	\$90.00	None
Advance Pre School	Sat.	9:30-10:10 am	TBA	TBA	\$80.00	\$90.00	None
Beginner 1	Sat.	10:15-10:55 am	TBA	TBA	\$80.00	\$90.00	None
Beginner 2	Sat.	11:00-11:40 am	TBA	TBA	\$80.00	\$90.00	None
Advance Beginner	Sat.	11:45-12:25 pm	TBA	TBA	\$80.00	\$90.00	None
Intermediate	Sat.	12:30-1:10 pm	TBA	TBA	\$80.00	\$90.00	None
Program	Days	Winter	Early Spring	Cost/Pr	No Class	Instructor	
Aqua Aquatics	M, W, F	9-9:50 am	TBA	\$40.00		No instructor, self-guided	
Senior Aquatics	T & TH	10-10:50 am	TBA	\$25.00		P. Sherman	
Aqua Aerobics	T, W, TH	5-6:00 pm	TBA	\$90.00		E. Emmons	
Program	Days	Time	Winter	Early Spring	Cost/Pr	No Class	
Adult Lap swim	M, W, F	10 am-12 pm	Lifeguard on duty	Facility Pass Required	Passes may be purchased at the Windham Recreation Office		
Adult Lap swim	Tu, Th	11 am-12pm	Lifeguard on duty	Facility Pass Required	Passes may be purchased at the Windham Recreation Office		
Adult Lap swim	Tu, Th	6 pm-7pm	Lifeguard on duty	Facility Pass Required	Passes may be purchased at the Windham Recreation Office		
Family swim	Sat.	1:15pm-2:15pm	Lifeguard on duty	Facility Pass Required	Passes may be purchased at the Windham Recreation Office		
Family swim	M & W	6:00pm-7:30pm	Lifeguard on duty	Facility Pass Required	Passes may be purchased at the Windham Recreation Office		

Non Residents, please add \$10.00 to the above cost.

Facility Pass NOW includes: Family swim, lap swim, adult open gym & fitness room: \$10.00 per month or \$50.00 per 6 months

## Rocky Hill Senior/Community Center

December 16, 2021 Tour

Craig Bowman, Director Parks & Recreation (Berlin resident) & Gina Marino Senior Services Director

Brenden Luddy, Donna Bovee, Jennifer Ochoa, Debbie Dennis, Tina Doyle – Berlin

- Completed 8/16/21 – open to public 10/3/21; however, renovated areas toward town hall require repair, reconstruction work in hallway...
- Referendum passed in 2018, but close; \$10.5 million for 9,650 sq ft addition – 16,500 sq ft total (9,650 sq ft from press release)
- One level; some renovation with new addition to town hall complex with library within complex near community center
- Very welcoming lobby – straight ahead is café with tv; manned by senior volunteers; to left is open sitting area with fireplace – theme is “nautical” given town access to CT river
- To right is a thrift store area – not used currently
- Right side of lobby is reception area with combined senior and parks and recreation offices in back; office area is small – would recommend having a conference room if built again and staff should have say in final design; they mentioned need additional space
- Behind coffee and area is full kitchen opening to multi-purpose room
- Multi-purpose splits in to 3 separate rooms – used for community and senior lunches, etc. – fits 250 people
- Kitchen just used to reheat; use private business to provide meals (full service kitchen)
- Audio and streaming in 3<sup>rd</sup> portion of multi-purpose room
- Game room, activity room, arts & craft room, exercise/dance studio room with mirrors and remote access to class (great idea for seniors or someone who cannot physically get there)
- Fitness room off exercise room – very small for equipment
- Hallway past offices lead to town hall but at end down left hallway is a gym with stage (was there originally) – do not recommend having stage – wasted space
- Left side is new renovation with large child care (pre-k) room going to outside with playground; has divider that is manual (automatic cut from budget)
- Noted that for facility/custodial staff – able to change week hours so staffing available on Sat so no OT (Tues-Sat week, for some)
- No pool – pool at high school and cooperative tri-town approach for Rocky Hill, Newington and Wethersfield

### Lessons learned:

- Bathrooms – senior bathrooms – very tight, limited room and hard to fit wheelchair access; low toilets
- Smaller tables needed for game room and activity rooms (can view on you tube video)
- Arts & Crafts room has two sinks – have sinks in each room, which they don’t have but would want
- Think about sound with any high ceilings – can be very loud

- Fitness and exercise/dance rooms -- missing storage, so purchased racks to store
  - Positive -- expose ceilings where you can -- (exercise and fitness rooms etc)
  - Furniture -- make sure purchase with floors in mind -- they had to repurchase legs with bottoms that will not scratch floors for dining area
  - Security system, police monitor
  - Library pays for licenses for movies shown in multi purpose rooms
  - Bathrooms -- make sure install high toilets, roomy for wheel chair and ensure doors are motorized and not heavy
-

## Thoughts on Rocky Hill Senior/Community Center

Debbie Dennis

I liked that all of the offices were together. The meeting rooms were nice and their multi-function room was nice. Note – the flooring they had scratched easily. Their fitness room, where the class was going on, was nice but could be a little bigger. The weight room, where the treadmills and other cardio equipment was, was too small. I like the front entrance and the coffee bar they had but I wouldn't recommend all the furniture, maybe just a few pieces, unless there was a separate entrance for the Community Center part. I liked that they had the televisions with the activities listed.

Jen Ochoa

- Loved the offices being together as your focal point as you entered – can help with directing people and even help with coverage
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- Liked the dividing of rooms
- Weight room, way too small and don't like how it is only open to seniors during the day
- Liked that it was connected to Town Hall and walkway to Library

## Meriden Y Tour

January 14, 2022

John Benigni, Ex. Director (15 yrs) and Steve Markoja, Branch Ex. Director (22 yrs)

Brenden Luddy, Tim Grady, Donna Bovee, Jennifer Ochoa, Debbie Dennis – Berlin

30,000 sq ft. ; approx. 22 years (1996) ; Program and Fitness Center with other locations around Meriden (child care, Crossfit, etc.)

Off lobby – look into pool and community room (can be used by anyone not just members) . Reception desk and offices in back

J. Benigni mentioned that his initial thoughts are that Berlin size Y would be around 30k sq ft. which includes gym and pool (visual) with a bigger lobby area than Meriden. No one is turned away if they cannot afford. Y accepts silver sneakers which he believes 50% of seniors have silver sneakers.

Facility is older so cinder block walls which makes difficult to expand, etc.

Pool may be down for 5 days a year for maintenance – has very good maintenance programs

Small meeting area on left of lobby near elevator with giving tree for donations or those that provided initial funding

Across the hallway is child watch area – which John would reduce size (Y child care is in another location). Recommend having a small child watch area for parents to use facility with bathroom for toddler ages

Gym at end of lobby hallway – good size with various lines for various sports; above gym on second floor is walking/running track. 16 laps = mile. Track oversees gym but the way built does minimize some space utilization for gym on sides. Good storage off back and has turned initial storage area into golf simulator and pro hired provides golf lessons

Headed back on same side of gym are two racquetball courts which get used, but limited to 4 people to pay but use two story space; not recommended for new facility

Across hall are locker and bathrooms with combination for use; 21 and over; lead to pool

Womens bathroom has a wall dryer to dry bathing suit

One handicap shower and changing area; lots of lockers

Aquatic director office not in pool area – concern over computer...

Pool is not a competitive pool with deep end at 7 ft. and maintained warmer – rent out for bday parties, schools for practice, etc.

Second floor:

Teen game room, Aerobics studio, Spinning and pilates, large fitness room with Fitness Manager office outside fitness room

Post Tour Discussion:

New Britain Y runs full kitchen with 1500 meals served daily for child care, so familiar with meal service (Senior lunches provided in Berlin)

Given 30k sq ft Berlin may need more with kitchen, dining area and a competitive pool and therapy pool

Funding – all local for Y's for building and operations. Membership driven ; first thing would be national Y feasibility study.

Ex. Director John B mentioned what scares him in building a Y in Berlin is our population size (20k)

Y's make money in child care to offset other programs; pools do not make money

Y already runs after school programs in Berlin and if making money funds support Meriden and New Britain – so Berlin Y if built would not have those "profits" to offset

Need to hire Professional Fundraiser Company who direct those involved where to go, how much to expect in fundraising

New Britain/Meriden/Berlin Y is now \$16 million in revenue and operates in black even in covid

He will find out more about NJ Y (s) that have combined with towns

Although they coordinate with Meriden Parks & Rec and Senior Center they do not have city Senior vans bringing seniors to use pools. Per Ex. Director two types of seniors – those that use City Senior Center and its activities and those that use Y



FOR YOUTH DEVELOPMENT  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY

### 2021 Meriden YMCA Membership Prices

Membership Type	Fee	Joiner's fee
<b>Adult*</b> 18 years and older	\$47 per month	\$36
<b>Household*</b> Two adults and dependents up to age 18, and full time college students up to age 23	\$69 per month	\$36
<b>One Adult Household*</b> One adult and dependents up to age 18 and full time college students up to age 23	\$57 per month	\$36
<b>Senior Adult*</b> One adult, 62 years and older	\$38 per month	\$36
<b>Senior Household*</b> Two adults, 62 years and older	\$54 per month	\$36
<b>Youth Full Member **</b> Pre-K to Grade 8	\$13 per month	\$16
<b>Student**</b> High School, or College Student with 12 credits/semester with valid college Id	\$25 per month	\$16
<b>Youth Program Member</b> This is a basic membership which allows you to register for programs at the program membership rates.	\$50 per year	\$0
<b>Adult Program Member</b> This is a Basic membership which allows you to register for programs at the program membership rates.	\$80 per year	\$0
<b>Military Active Duty</b>	See Carmen	\$0
<b>Military Reserves and Veterans Individual</b>	\$21 per month	\$0
<b>Military Reserves and Veterans Family</b>	\$41 per month	\$0
<b>CrossFit Meriden Adult (Includes CrossFit and Y)</b>	\$122 per month	\$0
<b>CrossFit Meriden Military/Veteran/First Responder (Includes CrossFit and Y)</b>	\$100 per month	\$0
<b>Family + 1 CrossFit (Includes CrossFit and Y)</b>	\$144 per month	\$0
<b>Family + 2 CrossFit (Includes CrossFit and Y)</b>	\$222 per month	\$0
<b>College Student CrossFit (Includes CrossFit + Y)</b>	\$80 per month	\$0
<b>High School CrossFit (Includes CrossFit + Y)</b>	\$45 per month	\$0

- A photo Id is required to open a gym membership. Monthly memberships will be auto drafted out of a credit or debit card account.
- Guest passes are \$15 per person. Guests must come with a Meriden YMCA member. One guest per Meriden YMCA member. The Meriden YMCA reserves the right to limit guest pass sales.
- Try CrossFit! Call Carrie at 203.440.1925 for more information.

MERIDEN-NEW BRITAIN-BERLIN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.

**MERIDEN YMCA**  
110 West Main Street  
Meriden, CT 06451  
P 203 235 6386  
www.meridenymca.org  
facebook.com/YMCA.Meriden

**NEW BRITAIN YMCA**  
50 High Street  
New Britain CT 06051  
P 860 729 3787  
www.nbbymca.org  
facebook.com/NBBYMCA

**BERLIN YMOA**  
362 Main Street  
Berlin CT 06037  
P 860 357 2717  
www.nbbymca.org  
facebook.com/BerlinYMCA



FOR YOUTH DEVELOPMENT®  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY

# Meriden YMCA Hours

Effective September 7, 2021

Monday – Thursday 5:00 a.m. – 9:00 p.m.

Friday 5:00 a.m. – 6:00 p.m.

Saturday 7:00 a.m. – 4:00 p.m.

Sunday 8:00 a.m. – 2:00 p.m.

Closed Thanksgiving and Christmas Day.

Close at 2:00 p.m. Christmas Eve and New Year's Eve.

Please see our website or call us at  
203.235.6386 for group exercise, basketball  
gym and pool schedules.

MERIDEN-NEW BRITAIN-BERLIN YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.

MERIDEN YMCA  
110 West Main Street  
Meriden CT 06451  
P 203 235 6386 F 203 634 6517  
[www.meridenymca.org](http://www.meridenymca.org)  
[facebook.com/YMCA.Meriden](https://facebook.com/YMCA.Meriden)

NEW BRITAIN YMCA  
50 High Street  
New Britain CT 06051  
P 860 229 3787 F 860 225 8063  
[www.nbbymca.org](http://www.nbbymca.org)  
[facebook.com/NBBYMCA](https://facebook.com/NBBYMCA)

BERLIN YMCA  
362 Main Street  
Berlin CT 06037  
P 860 357 2717 F 860 828 7830  
[www.nbbymca.org](http://www.nbbymca.org)  
[facebook.com/BerlinYMCA](https://facebook.com/BerlinYMCA)

**Town of Berlin**

**Debt Review with Community/Senior Center Advisory Committee**

**February 2022**

**Requested Topics**

1. Impact of \$36,000,000 project to the Town's mil rate?
2. Impact of \$36,000,000 bonding to the Town's bond rating?
3. How to determine operating costs & how will that cost affect the mil rate?
4. Cost saving ideas?
5. Process to hire a consultant?

**Town of Berlin**  
**Projected Mil Rate Impact of Community/Senior Center**  
**February 2022**

**KEY ASSUMPTIONS**

Projected total cost	\$36,000,000
Value of mil	2,370,085
Starting Mil Rate	33.93

**10-YEAR DEBT SCHEDULE**

<b>10</b>			<b>Total</b>	<b>Mil Rate</b>	<b>Projected</b>
<b>4.0%</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Impact</b>	<b>Mil Rate*</b>
0		\$1,440,000	\$1,440,000	0.61	34.54
1	\$3,600,000	\$1,296,000	\$4,896,000	2.07	36.00
2	\$3,600,000	\$1,152,000	\$4,752,000	2.00	35.93
3	\$3,600,000	\$1,008,000	\$4,608,000	1.94	35.87
4	\$3,600,000	\$864,000	\$4,464,000	1.88	35.81
5	\$3,600,000	\$720,000	\$4,320,000	1.82	35.75
6	\$3,600,000	\$576,000	\$4,176,000	1.76	35.69
7	\$3,600,000	\$432,000	\$4,032,000	1.70	35.63
8	\$3,600,000	\$288,000	\$3,888,000	1.64	35.57
9	\$3,600,000	\$144,000	\$3,744,000	1.58	35.51
10	\$3,600,000	\$0	\$3,600,000	1.52	35.45
	<b>\$36,000,000</b>	<b>\$7,920,000</b>	<b>\$43,920,000</b>		

**15-YEAR DEBT SCHEDULE**

<b>15</b>			<b>Total</b>	<b>Mil Rate</b>	<b>Projected</b>
<b>5.0%</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Impact</b>	<b>Mil Rate*</b>
0		\$1,800,000	\$1,800,000	0.76	34.69
1	\$2,400,000	\$1,680,000	\$4,080,000	1.72	35.65
2	\$2,400,000	\$1,680,000	\$4,080,000	1.72	35.65
3	\$2,400,000	\$1,560,000	\$3,960,000	1.67	35.60
4	\$2,400,000	\$1,440,000	\$3,840,000	1.62	35.55
5	\$2,400,000	\$1,320,000	\$3,720,000	1.57	35.50
6	\$2,400,000	\$1,200,000	\$3,600,000	1.52	35.45
7	\$2,400,000	\$1,080,000	\$3,480,000	1.47	35.40
8	\$2,400,000	\$960,000	\$3,360,000	1.42	35.35
9	\$2,400,000	\$840,000	\$3,240,000	1.37	35.30
10	\$2,400,000	\$720,000	\$3,120,000	1.32	35.25
11	\$2,400,000	\$600,000	\$3,000,000	1.27	35.20
12	\$2,400,000	\$480,000	\$2,880,000	1.22	35.15
13	\$2,400,000	\$360,000	\$2,760,000	1.16	35.09
14	\$2,400,000	\$240,000	\$2,640,000	1.11	35.04
15	\$2,400,000	\$0	\$2,400,000	1.01	34.94
	<b>\$36,000,000</b>	<b>\$15,960,000</b>	<b>\$51,960,000</b>		

**20-YEAR DEBT SCHEDULE**

<b>20</b>			<b>Total</b>	<b>Mil Rate</b>	<b>Projected</b>
<b>6.0%</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Impact</b>	<b>Mil Rate*</b>
0		\$1,800,000	\$1,800,000	0.76	34.69
1	\$1,800,000	\$2,052,000	\$3,852,000	1.63	35.56
2	\$1,800,000	\$1,944,000	\$3,744,000	1.58	35.51
3	\$1,800,000	\$1,836,000	\$3,636,000	1.53	35.46
4	\$1,800,000	\$1,728,000	\$3,528,000	1.49	35.42
5	\$1,800,000	\$1,620,000	\$3,420,000	1.44	35.37
6	\$1,800,000	\$1,512,000	\$3,312,000	1.40	35.33
7	\$1,800,000	\$1,404,000	\$3,204,000	1.35	35.28
8	\$1,800,000	\$1,296,000	\$3,096,000	1.31	35.24
9	\$1,800,000	\$1,188,000	\$2,988,000	1.26	35.19
10	\$1,800,000	\$1,080,000	\$2,880,000	1.22	35.15
11	\$1,800,000	\$972,000	\$2,772,000	1.17	35.10
12	\$1,800,000	\$864,000	\$2,664,000	1.12	35.05
13	\$1,800,000	\$756,000	\$2,556,000	1.08	35.01
14	\$1,800,000	\$648,000	\$2,448,000	1.03	34.96
15	\$1,800,000	\$540,000	\$2,340,000	0.99	34.92
16	\$1,800,000	\$432,000	\$2,232,000	0.94	34.87
17	\$1,800,000	\$324,000	\$2,124,000	0.90	34.83
18	\$1,800,000	\$216,000	\$2,016,000	0.85	34.78
19	\$1,800,000	\$108,000	\$1,908,000	0.81	34.74
20	\$1,800,000	\$0	\$1,800,000	0.76	34.69
	<b>\$36,000,000</b>	<b>\$22,320,000</b>	<b>\$58,320,000</b>		

\* Projected mil rate displayed only considers additional debt service from the Community/Senior Center project. Any other debt service payments and operational changes are not included in the mil rate displayed.

**Town of Berlin**  
**Other Proposed Bonding - Next 10 years**  
**February 2022**

	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28+</u>
<b><u>Existing</u></b>					
Town Hall Roof		\$1,200,000			
Library Roof	\$1,200,000				
Library/CC Chiller Replacement			\$2,100,000		
Fire Vehicles	\$850,000				\$3,200,000
Rescue Trucks					\$1,000,000
Paper Goods Pond Dam			\$450,000		
Pool Building - Percival			\$750,000		
Pool Building - East Berlin				\$750,000	
Replace Turf @ Scalise					\$1,000,000
Senior Center Roof				\$750,000	
HVAC - Griswold/Hubbard	\$5,000,000				
HVAC - Griswold/Hubbard		\$5,000,000			
Boiler - Hubbard			\$500,000	\$500,000	
Boiler - Willard			\$500,000	\$500,000	
Boiler - Griswold			\$500,000	\$500,000	
Window Replacement - McGee				\$2,100,000	
Window Replacement - Willard					\$1,500,000
Window Replacement - Hubbard					\$1,200,000
Window Replacement - Griswold					\$1,300,000
<b>TOTAL EXISTING</b>	<b>\$7,050,000</b>	<b>\$6,200,000</b>	<b>\$4,800,000</b>	<b>\$5,100,000</b>	<b>\$9,200,000</b>
Existing bond principal payments	\$6,360,000	\$6,385,000	\$6,110,000	\$4,445,000	
Comply with borrowing strategy?	N	Y	Y	N	
<b><u>Potential New</u></b>					
Police Station Renovations	\$5,000,000				
Community/Senior Center	\$18,000,000	\$18,000,000			
Clubhouse @ Timberlin					
<b>TOTAL POTENTIAL NEW</b>	<b>\$23,000,000</b>	<b>\$18,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>GRAND TOTAL</b>	<b>\$30,050,000</b>	<b>\$24,200,000</b>	<b>\$4,800,000</b>	<b>\$5,100,000</b>	<b>\$9,200,000</b>

# Town of Berlin

## Operating Cost Considerations

### February 2022

Value of mil 2,370,085  
 Starting Mil Rate 33.93

FISCAL YEAR 2022 GENERAL FUND BUDGET							Mil Rate Impact
	Revenue	Wages	Fringes	Operations		Total	
				DIRECT	INDIRECT		
Senior Center	\$6,360	\$276,569	\$120,931	\$9,209	\$23,400	\$430,109	0.18
Parks & Recreation/Community Center	\$145,000	\$448,565	\$100,412	\$75,599	\$25,567	\$650,143	0.21
TOTAL BASELINE	\$151,360	\$725,134	\$221,343	\$84,808	\$48,967	\$1,080,252	0.39

#### Considerations with new building

Family/Individual membership fees							↓
League fees							↓
Swimming (other) lessons							↓
Advertising							↓
Tournaments							↓
Food sales							↓
Management							↑
Security (open earlier/later, weekends)							↑
Programs							↑
Lifeguards							↑
Custodial (more space, activities & locker rooms)							↑
Insurance							↑
Equipment (increase amounts of smaller equipment)							↑
Utilities (electricity, gas, water)							↑
Facilities maintenance (structure & mechanical)							↑
Public Works/Grounds maintenance							↑

Board of Education cost offsets - must realize savings in budget, not applied to other costs - to affect the mil rate

Capital - parts will require health inspection & repairs must be made to open/operate

# RatingsDirect®

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## Summary:

# Berlin, Connecticut; General Obligation

### Primary Credit Analyst:

Nora G Wittstruck, New York (1) 212-438-8589; nora.wittstruck@spglobal.com

### Secondary Contact:

Christian Richards, Boston (1) 617-530-8325; christian.richards@spglobal.com

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## Summary:

# Berlin, Connecticut; General Obligation

### Credit Profile

US\$4.5 mil GO bnds ser 2020 due 12/01/2030

*Long Term Rating*

AAA/Stable

New

Berlin GO

*Long Term Rating*

AAA/Stable

Affirmed

## Rating Action

S&P Global Ratings assigned its 'AAA' long-term rating to Berlin, Conn.'s general obligation (GO) bonds, issue of 2020. At the same time, we affirmed our 'AAA' long-term rating on the town's GO debt outstanding. The outlook is stable.

The town's full faith and credit secures the bonds. Proceeds from the bonds will fund various authorized capital projects throughout the town.

### Credit overview

Berlin recorded another surplus in fiscal 2019 (ended June 30), bolstering reserves to nearly \$16.6 million, or about 18% of operating expenditures. We believe the flexibility, coupled with reliance primarily on property taxes to fund the budget, somewhat insulates the town from a material deterioration in credit quality as a result of the economic effects of the pandemic and recession. However, as uncertainty remains over the ultimate economic fallout from recession, the stable outlook reflects our view of management's entrenched strong financial management policies and practices, which we believe will continue to result in positive financial results. Furthermore, the town's low fixed costs equal to 10.7% of total governmental expenditures limits debt service, pension, and other postemployment benefits from crowding out other operating costs.

We rate the town above the sovereign because we believe it can maintain better credit characteristics than the U.S. in a stress scenario, based on its predominantly locally derived revenue base and our view that pledged revenue supporting debt service on the bonds is at limited risk of negative sovereign intervention. The rating above the sovereign is based on our criteria "Ratings Above The Sovereign: Corporate And Government Ratings--Methodology And Assumptions," published Nov. 19, 2013, on RatingsDirect.

The rating reflects our view of the town's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area;
- Very strong management, with strong financial policies and practices under our financial management assessment methodology;
- Adequate budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2019;

- Very strong budgetary flexibility, with an available fund balance in fiscal 2019 of 18% of operating expenditures;
- Very strong liquidity, with total government available cash at 23.4% of total governmental fund expenditures and 2.6x governmental debt service, and access to external liquidity we consider strong;
- Strong debt and contingent liability position, with debt service carrying charges at 9.1% of expenditures and net direct debt that is 76.9% of total governmental fund revenue, as well as low overall net debt at less than 3.0% of market value and rapid amortization, with 71.8% of debt scheduled to be retired in 10 years; and
- Strong institutional framework score.

### **Environmental, social, and governance factors**

We analyzed the town's environmental, social, and governance factors relative to its economy, management, budgetary and financial measures, and debt and long-term liability profile, and consider them in line with the sector.

## **Stable Outlook**

### **Downside scenario**

While unlikely, if the town's finances become imbalanced, leading to a draw on reserves, with no plan to correct in a timely manner, we could lower the rating.

## **Credit Opinion**

### **Very strong economy**

We consider Berlin's economy very strong. The town, with an estimated population of 20,569, is located in Hartford County in the Hartford-West Hartford-East Hartford metropolitan statistical area, which we consider broad and diverse. The town has a projected per capita effective buying income of 142% of the national level and per capita market value of \$153,714. Overall, the town's market value grew by 0.8% over the past year to \$3.2 billion in 2020.

Berlin is a primarily residential community that over the past several years has experienced diversification through development in the nonresidential sectors, including an Eversource training facility and relocation of an aerospace component manufacturer. Perhaps most significant is the Town Center Project, which is in the final stage of permitting and will contain residential as well as commercial space. Various recent public infrastructure projects, including upgrades to the town's train station and tracks as part of the New Haven-Hartford-Springfield regional rail service expansion project, have increased interest in development in Berlin. Consequently, a new proposed transit-oriented development project around the train station could result in appreciable mixed-use development, which would add to the tax base.

Several initiatives are underway to support the business community's recovery following the sudden stop stemming from the governor's stay-at-home order to control the community spread of COVID-19. These include various marketing campaigns to encourage residents to buy locally. The management team has regularly engaged in conversations with business owners and reports that only one local restaurant does not expect to reopen. In addition, building permit activity remains steady as a result of video inspections and officials report that no projects underway have delayed or slowed development plans. Although we believe that the town's economy may be poised to remain

stable, the macroeconomic conditions as discussed in S&P Global Economics' report "An Already Historic U.S. Downturn Now Looks Even Worse," published April 16, 2020 on RatingsDirect, may lead to some softening in the near term.

### Very strong management

**We view the town's management as very strong, with strong financial policies and practices under our financial management assessment methodology, indicating our view that financial practices are strong, well embedded, and likely sustainable.**

**Management's use of conservative budgeting assumptions to determine revenue and expenditures demonstrates Berlin's financial policies and practices.** Management uses five years of historical data to identify tax collection and growth trends, and uses the governor's proposed budget as a general guide to determine state aid revenue. On the expenditure side, management plans for year-over-year fixed costs and adjusts for growth in contractual obligations in its assumptions and then prioritizes appropriations based on community needs. The town also monitors budget-to-actual performance, delivering a report to the board of finance monthly to address variances and propose budget amendments when necessary.

**Management's maintenance of a rolling 10-year, long-term capital improvement plan that identifies capital project priorities and internal and external financing sources strengthens policies and practices. Management presents the plan before the board of finance to inform annual budget discussions.** Although state statutes strictly limit investment instruments that the town can utilize, management maintains an investment policy for short-term holdings and interest income, mirroring state law.

The town implemented a formal, five-year financial plan that details assumptions and that feeds into the annual budget. Berlin also adopted formal debt management and reserve policies. The former outlines uses for debt, along with setting debt limits (relative to the grand list and operating budget) and amortization requirements. The reserve policy calls for maintenance of unassigned general fund reserves at no less than 11% of budgeted expenditures and includes the acceptable use of reserves to cover expenditures as well as a replenishment clause. Officials report that it protects its information technology systems from cybersecurity breaches through the use of cloud-based data management, regular backup of servers, and network firewalls to prevent breaches.

### Adequate budgetary performance

Our assessment of the town's adequate budgetary performance reflects uncertainty over potential budget challenges facing the town stemming from the recession. Although the town has historically operated with surpluses, the unknown effect of the economic fallout could create weakness in fiscal 2021. The town had operating surpluses of 1.7% of expenditures in the general fund and of 4.6% across all governmental funds in fiscal 2019. General fund operating results of the town have been stable over the past three years, with a result of 0.8% in 2018 and a result of 0.3% in 2017.

We adjusted audited results to account for recurring transfers from the general fund to the capital projects fund while removing expenditures for capital projects funded with bond proceeds. Following three years of operating surpluses stemming from conservative budgeting and careful in-year monitoring, fiscal 2019 ended with a subsequent surplus resulting from one-time revenue derived from tax sales and personnel savings from unplanned vacancies.

The state has reduced intergovernmental aid to municipalities in prior periods of fiscal stress, and we expect that this could occur again in the face of the current recession. However, the town and school department previously established a working group to address the loss of state aid, and we believe these efforts position the town to undertake budgetary maneuvers to ensure fiscal balance as a result of its forward-looking planning and collaborative budgeting with the school board. Furthermore, the town's long-term financial plan includes ongoing reductions in state aid to offset the upcoming uncertainty.

Management reports that fiscal 2020 will likely end with a small surplus despite an amendment for a pension contribution from the unassigned fund balance to lower the net liability. As the budget is funded 85% with property taxes, a large portion of revenue was collected prior to March, when the stay-at-home order was implemented. Furthermore, with school facilities closed and very limited costs associated with the town's COVID-19 response, management believes that expenditure savings will offset any revenue loss or delay.

The fiscal 2021 adopted budget totals about \$91.5 million, a small decrease from the amended fiscal 2020 budget. The budget appropriates approximately \$425,000 in fund balance as revenue, primarily for debt service and pension funding. This amount is lower than in previous years, when the appropriation generally exceeded \$1 million. Intergovernmental aid is budgeted to decline to about \$13.1 million, or 13.3% of budgeted revenue, consistent with its strategy adopted in 2018. Although state budget conversations over the past several years have included shifting a portion of the teachers' pension system annual costs to local school departments, we do not believe this would materially affect Berlin's finances should it be enacted within the next several years.

Although we anticipate that uncertainty over the effect of the recession on the town's budget will remain a concern, as reflected in our publication "The COVID-19 Outbreak Weakens U.S. State and Local Government Credit Conditions," published April 2, 2020, we believe Berlin's financial management tools will result in at least adequate operating results within the outlook period.

### **Very strong budgetary flexibility**

Berlin's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2019 of 18% of operating expenditures, or \$16.6 million.

The town has maintained what we consider very strong budgetary flexibility through the maintenance of reserves in excess of 15% of expenditures over the past several years. Despite annually appropriating fund balance in the budget, the town has consistently outperformed and contributed to reserves at year end. Management reports that the same will occur in fiscal 2020. Although we believe the town's flexibility will remain very strong, management is pursuing potentially utilizing some reserves in fiscal 2021 to support the school board's fall reopening plan to prepare facilities to ensure students are healthy and safe.

### **Very strong liquidity**

In our opinion, Berlin's liquidity is very strong, with total government available cash at 23.4% of total governmental fund expenditures and 2.6x governmental debt service in 2019. In our view, the town has strong access to external liquidity if necessary given its regular issuance of debt over the past 20 years.

The town has no variable-rate or direct purchase debt, and management has confirmed it has no contingent liquidity

risks from financial instruments with payment provisions that change upon certain events. Investments are subject to strict state guidelines and cash is invested in low-risk assets, including the state's short-term investment fund or short-term certificates of deposit. For these reasons, we expect the liquidity profile to remain very strong over the next two years.

### Strong debt and contingent liability profile

In our view, Berlin's debt and contingent liability profile is strong. Total governmental fund debt service is 9.1% of total governmental fund expenditures, and net direct debt is 76.9% of total governmental fund revenue. Overall net debt is low at 2.8% of market value, and approximately 71.8% of the direct debt is scheduled to be repaid within 10 years, which are, in our view, positive credit factors.

Following this bond issue, Berlin has approximately \$79.3 million of total direct debt with no short-term debt outstanding. This also includes \$8.8 million remaining from a roughly \$10.4 million, 20-year capital lease for a multifaceted energy saving program. We note that the town expects to realize energy savings that it will use to finance the annual lease payments. Longer term, this program will help mitigate future cost increases associated with energy usage and consumption. The town also has approximately \$9.6 million in overlapping and underlying debt, primarily as a result of being a member of the Mattabassett District, which provides water pollution control.

**The town continues with its debt reduction plan and may issue additional debt for ongoing school and infrastructure improvements. However, management expects to issue less than \$5 million annually and may de-authorize a portion of its authorized debt, as projects have come to completion. We do not expect the town's debt position to deteriorate given its long-term strategy to de-leverage and rapid amortization of debt.**

### Pension and other postemployment liabilities

We do not believe the town's pension and other postemployment (OPEB) liabilities present a credit pressure. While the funded ratio of the town's single-employer plan is very low, the plan was closed to all employees in 2000 and the town has made additional contributions to the plan from its unassigned fund balance to reduce the pension exposure. Furthermore, the combined net liabilities for pension and OPEB are approximately \$15 million, which we view as manageable relative to the size of the town's budget.

As of June 30, 2019, Berlin administers pension benefits through a single-employer, defined benefit public employee retirement system.

- The plan is essentially funded on a pay-as-you-go basis with a funded ratio of 17% and a net pension liability of \$7.4 million.
- There were 19 retirees and 13 active employees in the plan.
- Retirees may also opt for a lump-sum payment, which can create some unpredictability in costs, but management reports that it would issue notes if needed for cash flow purposes.
- Teachers and other certified personnel are eligible to participate in the Connecticut State Teachers' Retirement, a cost-sharing, multiple-employer system. The state makes contributions to the plan.

Despite the low funded ratio of the single-employer pension plan, the town contributed more than 200% of its

minimum funding and 400% of its static funding, indicating of the low costs associated with the plan. Furthermore, with the plan closed to new members and low discount rate of 3.5%, we believe the cost trajectory is manageable, particularly given the town's budgetary flexibility to absorb higher costs.

Berlin provides single-employer, self-insured OPEBs to certain eligible retirees and their spouses. Eligible retirees are required to contribute 100% to the cost of receiving OPEB medical benefits, so the town's OPEB liability is an implicit rate subsidy. As of June 30, 2019, the net OPEB obligation was \$7.7 million.

### **Strong institutional framework**

The institutional framework score for Connecticut municipalities is strong.

## **Related Research**

### 2019 Update Of Institutional Framework For U.S. Local Governments

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Town of Berlin

Total Debt Schedule - Existing Debt ONLY

FY2023 Budget

Targeted total debt ceiling of \$40,000,000 is projected to be attained by June 30, 2026 with no new borrowing in FY22-26

June 30,	Outstanding GO Bonds			Outstanding BANS	CDA Loan <sup>1</sup>	Capital Leases <sup>2,3</sup>		GO (P&I)		BAN Change	CDA Loan		Capital Leases		Total Debt Change
	Principal	Interest	Total			Principal	Interest	Change	Change		Change	Change	Change	Change	
2010	\$13,260,000	\$2,122,379	\$15,382,379	\$9,970,000	\$532,477	\$0	\$0	\$21,228,884	(\$3,653,000)		(\$40,054)		\$396,213		\$17,932,043
2011	\$28,835,000	\$7,776,263	\$36,611,263	\$6,317,000	\$492,423	\$388,800	\$7,413	(\$2,632,100)	\$3,109,000		(\$42,257)		(\$13,312)		\$421,331
2012	\$27,215,000	\$6,764,163	\$33,979,163	\$9,426,000	\$450,166	\$368,238	\$14,663	\$8,352,022	(\$8,101,000)		(\$44,582)		\$98,778		\$295,218
2013	\$34,020,000	\$8,311,185	\$42,331,185	\$1,325,000	\$405,584	\$457,141	\$14,538	\$20,029,492	(\$66,000)		(\$47,034)		\$14,668		\$19,931,126
2014	\$49,450,000	\$12,910,677	\$62,360,677	\$1,259,000	\$358,550	\$468,168	\$18,179	\$16,012,853	(\$79,000)		(\$49,620)		(\$21,476)		\$15,862,757
2015	\$60,905,000	\$17,468,530	\$78,373,530	\$1,180,000	\$308,930	\$447,429	\$17,442	\$13,904,217	(\$280,000)		(\$52,350)		\$13,830,538		\$27,402,405
2016	\$73,340,000	\$18,937,747	\$92,277,747	\$900,000	\$256,580	\$10,584,544	\$3,710,865	\$1,366,149	\$555,000		(\$55,228)		(\$755,466)		\$1,621,843
2017	\$73,645,000	\$17,266,598	\$90,911,598	\$1,455,000	\$201,352	\$10,234,306	\$3,305,637	(\$7,812,340)	\$573,000		(\$58,266)		(\$773,416)		(\$8,071,022)
2018	\$68,300,000	\$14,799,258	\$83,099,258	\$2,028,000	\$143,086	\$9,754,432	\$3,012,095	(\$668,315)	(\$1,097,000)		(\$61,471)		(\$586,310)		(\$2,413,096)
2019	\$68,935,000	\$13,495,943	\$82,430,943	\$931,000	\$81,615	\$9,451,657	\$2,728,560	(\$3,575,561)	(\$931,000)		(\$64,852)		(\$602,707)		(\$5,174,120)
2020	\$66,535,000	\$12,320,382	\$78,855,382	\$0	\$16,763	\$9,123,589	\$2,453,921	(\$8,229,175)	\$0				(\$613,597)		(\$8,859,535)
2021	\$60,425,000	\$10,201,207	\$70,626,207	\$0	\$0	\$8,774,978	\$2,188,934		\$0						
Projected (assuming no additional bonding):															
2022	\$54,145,000	\$8,356,819	\$62,501,819	\$0	\$0	\$8,398,463	\$1,934,371	(\$8,124,388)	\$0						(\$8,755,466)
2023	\$47,825,000	\$6,774,869	\$54,599,869	\$0	\$0	\$7,992,653	\$1,601,053	(\$7,901,950)	\$0						(\$8,551,078)
2024	\$41,465,000	\$5,434,944	\$46,899,944	\$0	\$0	\$7,555,701	\$1,459,856	(\$7,699,925)	\$0						(\$8,368,074)
2025	\$35,080,000	\$4,297,082	\$39,377,082	\$0	\$0	\$7,086,452	\$1,241,704	(\$7,522,862)	\$0						(\$8,210,263)
2026	\$28,970,000	\$3,357,016	\$32,327,016	\$0	\$0	\$6,586,138	\$1,037,550	(\$7,050,066)	\$0						(\$7,754,555)
2027	\$24,525,000	\$2,579,413	\$27,104,413	\$0	\$0	\$6,052,948	\$848,279	(\$5,222,603)	\$0						(\$5,945,064)
2028	\$20,090,000	\$1,924,944	\$22,014,944	\$0	\$0	\$5,482,870	\$674,908	(\$5,089,469)	\$0						(\$5,832,919)
2029	\$16,135,000	\$1,385,081	\$17,520,081	\$0	\$0	\$4,874,121	\$518,524	(\$4,494,863)	\$0						(\$5,259,995)
2030	\$12,860,000	\$943,575	\$13,803,575	\$0	\$0	\$4,224,450	\$380,281	(\$3,716,506)	\$0						(\$4,504,420)
2031	\$9,665,000	\$594,475	\$10,259,475	\$0	\$0	\$3,532,279	\$261,392	(\$3,544,100)	\$0						(\$4,355,159)
2032	\$7,005,000	\$332,666	\$7,337,666	\$0	\$0	\$2,795,583	\$163,113	(\$2,921,809)	\$0						(\$3,756,784)
2033	\$4,350,000	\$153,547	\$4,503,547	\$0	\$0	\$2,011,856	\$86,770	(\$2,834,119)	\$0						(\$3,694,189)
2034	\$2,085,000	\$52,719	\$2,137,719	\$0	\$0	\$1,179,259	\$33,756	(\$2,365,828)	\$0						(\$3,251,438)
2035	\$685,000	\$10,275	\$695,275	\$0	\$0	\$376,390	\$5,517	(\$1,442,444)	\$0						(\$2,273,552)
2036	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$695,275)	\$0						(\$1,077,182)

<sup>1</sup> Principal payments only displayed. Proceeds from CDA loan were used to remediate Legions Square property. Final debt payment is due in Fiscal Year 2021.

<sup>2</sup> Balance represents the net present value of future minimum lease payments.

<sup>3</sup> In February 2016, the Town entered into a 20-year energy/lease program. The savings from the program is intended to repay the capital lease obligations. Final payment is due in December 2035.