

MINUTES

ANNUAL MEETING

DOWNTOWN MANCHESTER SPECIAL SERVICES DISTRICT

WEDNESDAY, JANUARY 14, 2015

8 AM

LINCOLN CENTER HEARING ROOM

494 MAIN STREET

MANCHESTER, CT 06040

MEMBERS PRESENT: Donald DuBaldo, Chair
Stephen Carter, Vice Chair
Nicholas DuBaldo, Secretary
George R. Dorin
Edward Firestone
John Tunila, Esq.

EX-OFFICIO MEMBERS: Mark Pellegrini, Dept. of Planning & Neighborhood Services

STAFF PRESENT: Tana Parseliti, Downtown Manager

ALSO PRESENT: Lynn Sottile, Hope Igdalsky, Alan Igdalsky, Donald Janelle

MEMBERS ABSENT: William Bayer, Robert Mahoney

EX OFFICIO MEMBERS
ABSENT: April DiFalco, GMCC

CALL TO ORDER

Mr. D. DuBaldo called the meeting to order at 8:05AM. He asked that comments and questions be held until the appropriate agenda item.

PRESENTATION OF PROPOSED 2015-16 BUDGET

Mr. Carter reviewed the proposed budget stating that the BOC prepared a balanced budget. On the Income side Mr. Carter noted that:

- The property assessments within the District are up \$650,000 prior to appeals.
- The mil rate is projected to stay the same.
- The proposed budget has a slight increase in tax revenue.
- Parking revenue is expected to increase as more people are expected to be purchasing permits.
- Cruisin' revenue is projected to be the same as in past years.
- Banner revenue will stay the same.

On the Expense side Mr. Carter noted that:

- Cruisin' expenses should increase to approximately \$35,000.
- Holiday lights expenses will stay the same.
- Parking costs increase to reflect addition of a second constable to increase enforcement.
- Utility costs stay approximately the same. Although there will be changes to lighting as a part of the Parking Lot Improvements Projects, the new lights will be LED. This should lead to savings.
- Snow plowing costs show an expected increase, as the new lot configurations resulting from the Parking Lot Improvement Projects will be slightly harder to plow. The BOC anticipates re-bidding the contract for the FY 15-16 winter season.
- Repairs and Maintenance show a slight decrease in cost as the BOC expects to make some slight cutbacks in this area.
- We think this may be the last year of the Parking Lot Loan payment.
- Under Administration, our Administrative Asst. resigned. The BOC is looking at alternative ways to carry out her responsibilities to keep costs down.
- Rents and other administrative line items should remain roughly the same.

Mr. Carter concluded by stating that the proposed budget shows a small surplus.

Mr. D. DuBaldo spoke-up to clarify that the \$7,500 expense for Parking Lot Purchase is not shown in the FY 15-16 Proposed Budget as the BOC has requested a waiver of the fee that is paid to the Town.

PRIORITIES FOR THE UPCOMING YEAR

Mr. D. DuBaldo reviewed priorities for FY 15-16 that included:

Economic and Business Development

- Create a big vision for the Downtown District and communicate the vision.
- Fill property vacancies.
- Create capital improvement incentives for private property.
- Work with appropriate parties to attract investment in targeted areas.
Ex. Former Great Harvest site.

Relationship Building and Roles Identification

- Enhance the commission relationships with the Town Board of Directors, Imagine Main Street and Manchester Community College.
- Improve coordination between all parties.
- Confirm roles and responsibilities of each of these groups in regards to the Downtown District.

Operations and Maintenance

- Improve snow plowing.
- Improve parking operations.

Marketing and Special Events

- Conduct special events review and assessment.
- Accomplish the transition of Cruisin' on Main Street to the Town of Manchester.

The commission will take the following actions to achieve these goals:

- Establish more robust committees and charge them with specific jobs.
- Recruit more members for committees. This may include people from outside of the Downtown.
- In the area of Economic and Business Development the commission will:
 - Investigate additional available funding sources.
 - Secure a leads coordinator.
 - Use website/mailings to promote property vacancies.
- Some of the goals established by the commission will require additional funding. In order to secure the necessary revenue the commission will:
 - Streamline processes to achieve cost savings.
 - Identify new funding sources.

HIGHLIGHTS OF ACCOMPLISHMENTS OF THE PAST YEAR

Ms. Parseliti provided a review, noting that a complete list is shown in the FY 2015-2016 Year in Review report provided at the meeting.

She began by noting that 2014 was a year of investment in Downtown Manchester.

- The Downtown Manchester Special Services District (DMSSD) saw significant new investment with the opening of several new businesses and expansion of others.
 - Spaces that had remained vacant over time welcomed new tenants.
 - 13 new businesses joined the Downtown neighborhood in 2014.
 - Two successful business sales resulted in new restaurant tenants for the Downtown.
 - Business expansion and significant new business build out took place in a number of Downtown locations.
- With the approval of bond funding, planning for the *Downtown Parking Lots Improvement Project* took place throughout 2014. This project is intended to provide a more attractive and pedestrian-friendly parking environment for the Purnell Place, Heritage Rear and Birch Street Parking Lots.
- A Loitering and Panhandling Ordinance was passed.
- Numerous special events brought thousands to Main Street and generated positive publicity and exposure for the Downtown.

- Transition planning for Cruisin' on Main Street began with the goal of ensuring a smooth transition from Downtown District management to management by the Town of Manchester.
- The DMSSD worked with the Town to develop a procedure for special event application and review.
- A new *Downtown Street Banner Program* was launched.

COMMENTS AND QUESTIONS

Mr. D. DuBaldo called for comments from the commissioners. Hearing none, Mr. D. DuBaldo called for comments/questions from those in attendance.

Ms. Igdalsky voiced a number of comments and questions, some of which were answered at the meeting. Ms. Parseliti asked Ms. Igdalsky to provide a written list of her questions so that she could work with the BOC to provide answers to those questions that could not be answered at the meeting.

- 1) Mr. Igdalsky noted that meeting materials were received on Jan. 10, 2015, less than one week before the meeting. Information included in the financial exhibit included FY 13-14 actual income and expenses, FY 14-15 anticipated income and expenses and the FY 15-16 proposed budget. Including the FY 13-14 and 14-15 budgets would provide the opportunity for constituents to benchmark actual and anticipated incomes.

Ms. Igdalsky suggested that Budget Detail, which was provided at the meeting, be provided in advance.

- 2) Ms. Igdalsky noted that FY 13-14 operating income includes donations to the Thrall Memorial Fund. The amount received is also reflected as an expense in the marketing category. The net effect on the budget surplus/deficit is – 0 -. She pointed out that donations to the fund were never intended to be used by at the discretion of the Commission. At previous discussion with the Town Finance Director it was determined that the District was holding these funds as an escrow until such time as a desired recipient of these funds was determined. The funds should therefore have been properly accounted for as a balance sheet account.
- 3) First Niagara gave a lump sum distribution of funds to the DMSSD to cover various aspects of operating income over several years. The final piece of this designated balance was \$3,600 for FY 13-14 office rent. The \$3,600 was included in the FY 13-14 adopted budget but was not shown in the FY 13-14 actual budget.
- 4) Solicitation for the Downtown Banner Program began in FY 13-14. Ms. Igdalsky questioned why her banner sponsorship check dated June 14, 2014 was not recognized in FY 13-14 actuals? Ms. Parseliti responded that the decision was made to show all banner income and expenses in the year in which the program actually took place (FY 14-15).

The FY 14-15 budget reflected revenue from the Banner Program of \$14,400 (36 poles). This is different from the Anticipated FY 14-15 revenue that shows \$11,200 (28 poles) and notes this is a maximum number of usable poles. Ms. Igdalsky questioned the difference.

Mr. D. DuBaldo responded that the maximum number of usable poles was sold. Ms. Parseliti responded that the number of usable poles was reduced to 28 due to an agreement RE placement of American flags and tree branches obscuring some banner locations.

Since the poles were lost due to action by the Board of Directors, Ms. Igdalsky asked if the potential loss of \$3,200 in banner revenue was addressed with the Town Board of Directors?

- 5) Ms. Igdalsky noted that Cruisin' on Main Street expenses are anticipated at \$28,000 for FY 14-15, while proposed at \$34,700 for FY 15-16. She questioned the \$6,700 difference. Mr. D. DuBaldo responded that it was felt that the previous commission did not properly expense the income due to donations by Cruisin'. Ms. Igdalsky questioned why those donations are not accounted for in the 2014 budget? Mr. D. DuBaldo replied that we have not expensed those yet but we will.
- 6) Ms. Igdalsky questioned the addition of a second parking constable that increases that expense category by \$11,153 and asked how the DMSSD will financially substantiate such an increase? She requested the following information for FY 13-14 and YTD for FY 14-15:
 - Number of tickets issued?
 - Number of tickets waived for customers, patients and clients of District businesses?
 - Number of tickets actually paid?
 - Number of repeat offenders who have multiple outstanding unpaid tickets.

Ms. Igdalsky further noted that of the proposed increase in permit revenue of \$1,500 for the FY 15-16 does not appear to acknowledge additional revenue resulting from proposed sharing of parking fines with the Town of Manchester and fine increases. Local media reported that the DMSSD went before the Town BOD to request an increase in parking fines and revenue sharing.

Mr. D. DuBaldo responded that the DMSSD Board of Commissioners felt that more parking enforcement coverage is needed. A second constable would allow enforcement to increase to six days a week. In addition, the Police Dept. has begun reporting vehicles that have a certain number of unpaid parking tickets, which has helped enforcement. The DMSSD intends to ask the Town Board of Directors for 100% of the fines issued in the Downtown. If these efforts are successful the BOC hopes to reduce the constable hours over time.

- 7) Ms. Igdalsky asked for clarification of the Parking Lot Purchase line item expense. The Budget Detail stated this is a one-year deferral. Therefore, the expense will still be owed and will need to be reflected in a future budget. Mr. D. DuBaldo confirmed that we are requesting a one-year waiver of the \$7,500 Parking Lot Purchase payment.

- 8) Ms. Igdalsky inquired if there were plans to replace the administrative assistant in FY 14-15 as the anticipated expense still reflects the full year of compensation? Mr. D. DuBaldo responded that although we are not planning to hire a replacement, clerical support might still be needed this year.
- 9) Ms. Igdalsky questioned the \$1,000 expense in office equipment for FY 15-16. Mr. D. DuBaldo responded that the \$1,000 is for the purchase of a new computer for the Downtown Manager.
- 10) Finally, Ms. Igdalsky noted a discrepancy in the undesignated fund balance and requested an explanation. As of June 30, 2013 fund balance was \$122,143.21. As of June 30, 2014 fund balance was \$103,100.53. This is a decrease in fund balance of \$19,042.68. As the FY 13-14 budget deficit is \$27,822.68, there is a difference of \$8,780.00.

Mr. D. DuBaldo agreed that there is an \$8,780.00 discrepancy and that is why the DMSSD BOC has a Finance Committee to find out why.

Mr. Igdalsky expressed several points of concern.

- 1) He expressed discomfort at having \$7,500 taken out of the budget without confirmation from the Town. He questioned the wisdom of budgeting for a second constable without a revenue stream. He noted the importance of not turning-off Downtown customers and the fact that the Town BOD felt that many people do not understand the parking time limits and rules. Mr. D.

DuBaldo responded that the DMSSD was working with the town to improve parking signage as a part of the Downtown Parking Lot Improvement Project, working with the Dept. of Public Works to improve parking signage on Main Street, working with the Parking Constable to provide special notices to accompany parking tickets that provide notice of the Customer Parking Ticket Waiver Program and proposing fine increases to address the issue of repeat offenders. Mr. DuBaldo stated that the goal of the commission is to stop the abusers from taking away customer spots. He noted that there is a fine line between signage clutter and efficacy.

- 2) Mr. Igdalsky suggested that Budget Detail should be sent out with the budget and that people don't know it is available. Mr. DuBaldo responded that it was the decision of the BOC not to send out the Budget Detail with the mailing. Ms. Parseliti noted that the meeting notice stated that budget detail would be provided at the meeting and respectfully noted Mr. Igdalsky's recommendation. Mr. Igdalsky further suggested that the budget with detail could be placed on the DMSSD website.
- 3) Mr. Igdalsky felt there was some insinuation that there were errors by the prior BOC on the budget. He asked if the current commission had come to the prior commissioners with their questions?

Mr. D. DuBaldo noted that they are trying to get to the bottom of the accounting from previous years. Should the BOC feel the need to contact individuals, they will.

Mr. Igdalsky inquired if representative of the current BOC had spoken with the Town Finance Director? Mr. D. DuBaldo stated that we have spoke with the Finance Director. There is no insinuation that monies are missing. This is strictly an accounting issue. He has some concern that SSD income was overstated. The Finance Director does not have control over how we choose to allocate our money. His only concern is that we budget even at the end of the year.

- 4) Mr. Igdalsky asked if DMSSD Committees are open to Downtown District members? Mr. D. DuBaldo replied that yes, Downtown District members may volunteer for committees but the BOC will select committee members based on need for different skill sets.

Ms. Igdalsky noted that the proposed budget seems to have a different way of looking at Cruisin' expenses and income. As there is no contractual obligation to give away donations, donation should not be shown as a line item; rather, they could be shown below the line.

Mr. D. DuBaldo responded that the BOC feels that Cruisin' donations would be shown as an expense.

Mr. Igdalsky asked for confirmation of the time banner sponsors may expect their banners to be displayed? Ms. Parseliti replied that the banners would be displayed for 12 months. The 12 month period begins with the initial install in October of 2014 continue for 12 months.

Ms. Sottile asked if the same level of donations will be made for Cruisin' 2015 as were made for Cruisin' 2014? The Cruisin' Committee is beginning to approach sponsors and they need to know what direction to take.

Mr. DuBaldo noted that the requested donations from Cruisin' 2014 (FY 14-15) were approved. The level of donations for Cruisin' 2015 (FY 15-16) is up for discussion. The BOC may not approve the full amount of donations for Cruisin' 2015. The BOC may ask the Cruisin' Committee to notify charitable beneficiaries that the level of donation may be less for Cruisin' 2015.

OTHER BUSINESS

None.

ADJOURN

Mr. Carter moved to adjourn the meeting at 8:45AM. Mr. Firestone seconded the motion and all voted in favor. 6-0-0.

Respectfully submitted,



Tana Parseliti, Downtown Manager
Recorder