

**TOWN OF CROMWELL
BOARD OF FINANCE
SPECIAL MEETING**

THURSDAY, JANUARY 26, 2006

7:30 p.m.

ROOM 224/5 TOWN HALL

A. CALL TO ORDER

Chairman Michael Gengler called the Meeting to order at 7:36 p.m.

The presence of the following Board members was noted: Chairman Michael Gengler, members Loraine Caruso, Greg Bedell, Edwin Maley. Absent: Julius Neto and Douglas Payne.

Also Present: First Selectman Paul Beaulieu, Tax Collector, Sharon Ramsay, Staff Accountant Marianne Sylvester and two visitors.

B. APPROVAL OF AGENDA

A **motion** was made by Greg Bedell, **seconded** by Loraine Caruso and it was *unanimously* approved to accept the agenda. *Motion passed.*

C. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

1. Regular Meeting, November 17, 2005:

A **motion** was made by Edwin Maley, **seconded** by Greg Bedell and it was *unanimously* approved to approve the minutes. *Motion passed.*

2. Regular Meeting, December 15, 2005. *Cancelled*

D. CITIZENS COMMENTS

Paul Sousa, of 3 Dairy Lane suggested the Board of Finance post agendas and minutes on the Town Website.

E. REPORT OF THE FIRST SELECTMAN

Mr. Beaulieu reported on several items:

1. He outlined the budget timeframe. All town departments must have their requests to the First Selectman by February 1. Board of Selectmen workshop dates will be set in February and they will be finished by March 15 and the budget will be presented to the Board of Finance on March 23.
2. Joe Morin was appointed as alternate to the Board of Finance.
3. Ted Alsup has tentatively scheduled a Budgeting and Financial Report Seminar for new Board members on February 11.
4. The Grand List has shown a return to normal growth, with a 2% increase this year.
5. A request for a transfer of funds will come before the Board of Finance to ensure an appropriation of \$350,000 is in place for the 2007 revaluation.
6. A request for short-term notes to finance Geer Street improvements will be brought to the BOF.

7. The town has locked in at \$2.20 per gallon for gasoline for the current year. The representative from Beacon Financial has advised the town to budget for a 16% increase in the Anthem line item.
8. During the last storm, which had winds up to 60 mph, the Town Hall roof suffered damage to shingles and flashing.

The Chair said he would like a report from the First Selectman on the process used by Town Departments to ensure creative solutions are used to encourage savings.

F. OLD BUSINESS

There was no old business.

G. NEW BUSINESS

1. Report of the Auditor.

Joe Kask, representing Town Auditors Scully and Wolf, LLP discussed the auditors report for fiscal year 04-05. Mr. Kask said the audit resulted in clean, unqualified opinions on each report. He discussed new methods of reporting required under GASB-34. The Town has begun collecting the data for these reports. As of 6/30/05 the undesignated fund balance was \$2,847,000; this is right where the Town should be. He said the trend of the tax collection rate increasing each year for the past few years is very good. Last year the tax collection rate was 99.08%. Mr. Maley inquired about the \$10 million increase in net assets. Mr. Kask said much of that reflects the construction of the new school. The town still needs to capitalize existing infrastructure, so the net asset category will continue to rise as the data is compiled. He noted that the management letter states the audit found no reportable conditions or material weaknesses. The Finance Department has once again received a Certificate of Achievement for Excellence in Financial Reporting. Mr. Kask suggested the Board of Education bring the Educational Grants Fund under general ledger control.

2. 2006 Meeting Dates.

A **motion** was made by Edwin Maley, **seconded** by Loraine Caruso and it was *unanimously* approved to set the meeting dates for 2006. (Meeting dates attached) *Motion passed.*

3. Discussion and action on a recommendation to a Special Town Meeting on the Alternative Financing of the CL&P Energy Savings Program.

Mr. Beaulieu said this is a contractual payment plan and needs approval (per charter) via a Special Town Meeting. CL&P has put up 1/3 of the capital cost and the new fixtures will help reduce energy costs.

A **motion** was made by Greg Bedell, **seconded** by Loraine Caruso and it was *unanimously* approved recommend a Special Town Meeting on the Alternative Financing of the CL&P Energy Savings Plan. *Motion passed.*

H. BUDGET REPORTS

Mr. Beaulieu said due to unexpected replacement of the furnace at the highway garage, the Building Maintenance-Contracted Services line item would have deficit.

I. REPORT OF THE TAX COLLECTOR

Sharon Ramsay, Tax Collector spoke about ongoing collection efforts on 14 Alcap Ridge.

J. BOARD OF EDUCATION- LIASON REPORT

The Chair said he is going to talk with the Superintendent next week about the upcoming budget.

K. CHAIRMAN'S COMMENTS

The Chair said the Board is sending Ted Alsup a "Get Well Soon" card.

L. GOOD AND WELFARE

No discussion.

M. ADJOURNMENT

A **motion** was made by Edwin Maley, seconded by Loraine Caruso and it was unanimously approved to adjourn to executive session at 8:40 p.m. *Motion passed.*

The Board came out of executive session at 9:23 p.m.

A **motion** was made by Greg Bedell, seconded by Loraine Caruso and it was unanimously approved to adjourn at 9:23 p.m. *Motion passed.*

Respectfully Submitted,

Kimberly Spurlin
Clerk
1/30/06