

TOWN OF CROMWELL
BOARD OF FINANCE
REGULAR MEETING
THURSDAY, FEBRUARY 22, 2007
CROMWELL TOWN HALL 7:30 P.M.
ROOM 224/225

REVISED AMENDED MINUTES

- A. CALL TO ORDER:
Chairman Michael Gengler called the meeting to order at 7:34 p.m.
- B. ROLL CALL:
Present: Chairman Michael Gengler, Loraine Caruso, Julius Neto, Jack Henehan, John Flanders, Jeremy Shingleton, and Edwin Maley, Jr.
- C. SEATING OF ALTERNATES: Julius Neto made a motion seconded by Jack Henehan and it was unanimously approved to seat Alternate Jeremy Shingleton,
- D. APPROVAL OF AGENDA:
A motion was made by John Flanders to approve the agenda as amended to add item J6 Discussion and Recommendation on the Car Tax Elimination proposal by the Governor, Loraine Caruso seconded and it was unanimously approved. Motion passed.
- E. APPROVAL OF MINUTES OF PREVIOUS MEETINGS:
1. Regular Meeting, December 28, 2006.
A motion was made by Loraine Caruso, seconded by Julius Neto and it was unanimously approved to approve the minutes of December 28, 2006. All were in favor except John Flanders who abstained.
 2. Special Meeting, January 25, 2007.
A motion was made by Loraine Caruso, seconded by Julius Neto, and it was unanimously approved to approve the minutes as amended with the following corrections.
The amendments are as follows:
Under item G.1 the name Ken Scully should read Joe Kask under first and second paragraphs. First paragraph, second sentence should read

that He would like to get an unqualified opinion of the financial statements and have a discussion regarding the town management plan.
Also the second paragraph should read Blum Shapiro not Bloom Shapiro.
Motion Passed.

F. CITIZENS COMMENTS: None.

G. REPORT OF THE FIRST SELECTMAN:

The First Selectman reported on the following issues:

- The fiscal 07/08 budget will be submitted to the Board of Selectman for review. The Board of Finance will receive the budget in March.

The calendar for hearing dates are as follows in Room 224/225
@ 7:00 P.M:

- ❖ Wednesday March 7, 2007 Budget Workshop
- ❖ Thursday, March 8, 2007 Budget Workshop
- ❖ Tuesday, March 13, 2007 Public Hearing on the introduction of the Senior Tax Relief Ordinance followed by a Special Meeting before the Board of Selectman and hopefully an adoption of that ordinance.

- The budget took a few hits due to the snow.

H. BUDGET REPORT: Marianne reported a deficit in the legal area. She specifically is anticipating a \$30,000.00 deficit in the Town Attorney Line. The health insurance operating balance looks good.

I. REPORT OF THE TAX COLLECTOR:

Sharon Ramsay reported that to date the collection rate is 99% to budget.

J. OLD BUSINESS: None

K. NEW BUSINESS:

1. Presentation by the Connecticut Municipal Consortium for Fiscal Responsibility.

A motion was made by Julius Neto for the endorsement to reconsider and modify the agenda for CMCFR , seconded by Loraine Caruso Michael Gengler, Edwin Maley Jr., John Flanders opposed, Loraine Caruso, Julius Neto & Jack Henehan were in favor.
Motion Failed.

2. Presentation by the Connecticut Municipal Consortium for Fiscal Responsibility.

Michael Guarco, Chairman for the Board of Finance of Granby Connecticut and Arthur Johanson Chairman for the Board of Finance of the Town of Burlington Connecticut reported on the Government Services. Employment is declining. An organized debate of the Municipalities should be brought up with the legislature about common participation. They are seeking people to weigh in at the Capitol who locally try to work with some of these issues such as:

1. funding commitments,
2. town college fees,
3. the mission statement,
4. prevailing wages,
5. the threshold,
6. indexing.
7. And debt impact

Chairman Michael Gengler asked about any hearings coming up for the threshold amounts for minimum wage. An informational hearing will be held, not a public hearing where elected officials come first and say their peace. The common issues are cost management.

Connecticut Conference of Municipalities, Connecticut Association of Boards of Education and Council of Small Towns are encouraging the governing authorities in every town and city to join in the endorsement of the Consortium effort and participate in pressing the state lawmakers for change. The unified theme is:

- a. prevailing wage laws,
- b. increased cost of a project
- c. cost and appropriations of unfunded mandates
- d. and arbitration laws.

Mr. Maley stated that the Town problems and the Unions should balance out.

3. Discussion regarding the proposal on the Senior Tax Abatement ordinance.

A motion was made by John Flanders, seconded by Loraine Caruso, and it was unanimously approved that The Board of Finance support the enactment of a program to reduce the property taxes of senior citizens and people with disabilities who are of low income, but would prefer a program of deferral where the money may be recaptured upon transfer of the property to a non-eligible person. All were in favor except Chairman Michael Gengler who opposed. Motion Passed.

The First Selectman stated that the AdHoc committee has drafted an ordinance for the Board of Selectman meeting. A significant discussion took place regarding the ordinance and they decided to give this to Attorney Bradley for the drafting. The tax deferral was not agreed upon with the Board of Selectman. When AdHoc got together the intent was to make it for long term residents over 65 who lived in town for 5 years. Attorney Bradley pointed out that the statute reads 1 year and could be challenged. There are numerous towns that have criteria with less than 15 years that is subject to be challenged.

Mr. Maley did not suggest any changes at this time for a variety of reasons:

- i. He would like a clear definition of how this whole process works with estimates used with the circuit breaker,
- ii. the mill rate,
- iii. revenue loss,
- iv. and other factors taken into account.

4. Appropriate \$250,000 for the Downtown Historic STEAP grant from the General Fund fund balance. These funds will be fully reimbursed by the State of Connecticut as they are expended. Any funds not used for this specific purpose would be returned to the General fund balance.

A motion was made by John Flanders, seconded by Loraine Caruso and it was unanimously approved to appropriate \$250,000 from the General Fund fund balance for the STEAP grant. Motion Passed.

The First Selectman discussed the \$10,000 for consulting fees. There are concerns with site improvements. The architectural consultant has concerns with the grant rider. Craig Stevenson of the Economic Development Commission discussed how the grant would be matched with phased improvements. Phase II project questions were asked about developing the property. Mr. Neto asked about implementing dead lines so that the project does not go on for another 4 years.

5. Set Board of Finance budget for Fiscal Year 2007-2008.
Loraine Caruso made a motion seconded by Jack Henehan.

The First Selectman mentioned that this is the first time that we are going to have town staff work on this report and that the best person for this job is Re Matus.

An amendment was proposed by John Flanders, seconded by Jack Henehan and it was unanimously approved to reduce the annual budget to 21,800. Motion Passed.

6. Set Public Hearing and deliberation dates for 2007-2008 budget.

Chairman Michael Gengler took a concensus and it was decided to hold 1 hearing and deliberate the General Government Budget after the hearing. The hearing dates will be set in April at the Middle School.

7. Discussion and Recommendation on the Car Tax Elimination Proposal by the Government.

A motion was made by Loraine Caruso that the board speaks in opposition of the car tax elimination proposal by the Government. The recommendation fails for lack of second. Motion Failed.

L. BOARD OF EDUCATION – LIASON REPORT: There is an increase of 830,000 for the proposed ECS grant in the upcoming year which equates to a 3.6% increase in the Board of Education Budget.

The Superintendent would like to upgrade the title of Dr. Paula Talty to Assistant Superintendent.

M. CHAIRMAN'S COMMENTS: Regarding the educational grant fund there is a concern for formal software.

N. VICE CHAIRMAN'S COMMENTS: Loraine Caruso is hoping that Loew's has not gone aside. The First Selectman mentioned that the Loew's project is coming before the IWA this month and probably will be on for public hearing the following month.

O. GOOD AND WELFARE: None.

P. ADJOURNMENT: **Loraine Caruso made a motion to adjourn at 9:30, seconded by Jack Henehan. All were in favor. Motion Passed.**

Respectfully Submitted,

Michelle Milardo
Clerk