

Town of Cromwell, CT
Board of Finance
Regular Meeting
Thursday, May 7, 2019
Town Hall Room 7:00 P.M. Room 224/225

Minutes and Record of Vote

Present: Vice-Chairman Julius Neto, Amanda Drew, Ed Maley Jr., Steve Wygonowski Alternate Dan Kelly and Alternate Allan Spotts

Also Present: Town Manager Anthony Salvatore, Finance Director Marianne Sylvester and Tax Collector Doug Sienna

Not Present: Chairman Henehan, Bob Milardo and Alternate Jon Dzurka

Called To Order – Vice-Chairman Julius Neto called the Special Meeting dated May 7, 2019 to order at 8:11 p.m.

Seat Alternates – A motion was made by Mr. Maley and seconded by Ms. Drew to seat alternates Dan Kelly and Allan Spotts. *All in Favor – Motion Passed.*

Approval of Agenda – A motion was made by Ms. Drew and seconded by Mr. Maley to approve the agenda dated May 7, 2019. *All in favor – Motion Passed*

New Business –

1. Discussion and decisions on the 2019-20 budgets based upon the results of the budget referendum. Should the budget no be approved, action to recommend a new budget to a subsequent referendum.

- The 2019-2020 Town Budget has passed with 234 votes YES and 77 votes NO.
- Board of Education 2019-2020 Budget passed with 225 votes YES and 87 votes NO.
- Debt Services passed with 249 votes YES and 62 votes NO

2. Discussion and decisions on setting the mill rate for fiscal year 2019-2020 should the entire budget be approved.

a. Approve projected revenue other than taxation – A motion was made by Ms. Drew and seconded by Mr. Wygonowski to approve projected revenue other than taxation of \$7,340,543. *All in Favor – Motion Passed.*

Discussion took place asking about some of the details presented on the worksheet provided. Clarification was given by Ms. Sylvester. Refer to worksheet for specifics.

b. Approve Senior Tax Deferral Amount. A motion was made by Mr. Maley and seconded by Ms Drew to approve Senior Tax Deferral Amount of \$60,000. *All in Favor – Motion Passed*

Discussion took place asking what last year's figure was. Ms. Sylvester noted that it was \$90,000 last year and due to actions taken by the State and amount is lower as a result.

c. Approve amount to be used from Fund Balance. A motion was made by Ms. Drew and seconded by Mr. Spotts to approve \$489,000 to be used from Fund Balance.

Finance Director Marianne Sylvester provided a sheet showing the details how the amount was determined. This sheet shows what funds are available and what is committed. It shows what projects the funds can be used for so money would not need to be borrowed. All still keeping the Town within the 15% which attributes to the Town's AAA rating.

Mr. Maley motioned to change the appropriate fund to \$779,000 and seconded by Mr. Wygonowski. The reason for the motion is to keep the mill rate the same and not use the cash and then tax the residents of Cromwell. This would result in a smaller bonding. Questioned that you want to take money from the fund balance to offset the mill rate. The number was then defined to \$879,000. Ms. Sylvester noted that the Standard and Pores frowns on this practice. Lengthy discussion took place regarding the various members of the Finance Board and their opinions. Most support this motion for this year and acknowledged that this should not be a steady practice in the future.

A vote was taken to approve \$879,000 to be used from Fund Balance – 3 Approved (Mr. Kelly, Mr. Maley and Mr. Wygonowski) and 3 Against (Mr. Neto, Ms. Drew and Mr. Spotts)

Question how much the increase would be. For every \$100,000 your taxes would go up \$27.00. It was asked what the percentage would be and Ms. Sylvester stated that depends how the money is used the percentage can change slightly. There is no history but the town's financial history is in good standing and has good economic growth,

Mr. Neto asked for a verbal commitment from the Board members that this practice is for this year only and verbally agree and be disciplined not to do again. Before another vote is taken it was asked what the Fire District mill rate is and was noted that there is no increase proposed at this time.

A new motion to approve \$879,001 to use from Fund Balance. ***4 Approved (Mr. Neto, Mr. Kelly, Mr. Maley and Mr. Wygonowski and 2 Opposed (Ms. Drew and Mr. Spotts) – Motion Passed.***

d. Approve Collection Factor for property taxes. A motion was made by Ms. Drew and seconded by Mr. Wygonowski to approve 98.75% collection factor for property taxes. ***All in Favor – Motion Passed.***

e. Approve Grand List. No motion or vote necessary. The Grand List stands as is.

f. Approve Mill Rate. A motion was made by Ms. Drew and seconded by Mr. Wygonowski to approve the mill rate at 30.33%. ***4 Approved (Mr. Neto, Mr. Kelly, Mr. Maley and Mr. Wygonowski) and 2 Opposed (Ms. Drew and Mr. Spotts) – Motion Passed.***

Chairman's Comments – Mr. Neto spoke for Chairman Henahan and expressed his apologies for missing this meeting.

Vice-Chairman's Comments – None

Good and Welfare – Goal for Fund Balance should be compared to other towns and maybe look for data from other towns and learn from them.

Adjournment – A motion was made by Mr. Spotts and seconded by Ms. Drew to adjourn the meeting at 9:31 p.m. *All in Favor – Motion Passed*

Respectfully submitted,

Cynthia Hardacker

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Recording Clerk