

TOWN OF CROMWELL - BOARD OF FINANCE
 REGULAR MEETING
 THURSDAY – August 27, 2015
 CROMWELL TOWN HALL (ROOM 224/225) @ 7:00 P.M.

RECEIVED FOR FILING
9/1 2015 at 1:39 P.M.
 TOWN CLERK'S OFFICE
 CROMWELL, CONN.

Gloria Prendergast,
 TOWN CLERK *Asst*

Minutes and Records of Votes

Present: Chairman Jack Henehan, Vice Chairman Julius Neto, Joseph Corlis and Ed Weners

Not Present: Amanda Drew, Alternate Dan Kelly, Alternate Dan Delisle and Bob Milardo (resigned)

Also Present: Town Manager Anthony Salvatore, Director of Finance Marianne Sylvester, and Director of Public Works Lou Spina

CALLED TO ORDER - The meeting was call to order at 7:00 p.m. by Chairman Henehan.

SEATING OF ALTERNATES – *No alternates in attendance.*

APPROVAL OF AGENDA - *A motion was made by Mr. Neto and seconded by Mr. Weners to approve the agenda dated August 27, 2015. All were in favor – Motion Passed.*

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

June 25, 2015 Regular Meeting – *A motion was made by Mr. Neto and seconded by Mr. Corlis to approve the minutes dated June 25, 2015 Regular Meeting. Three in favor/ one abstained – Motion Passed.*

July 23, 2015 Regular Meeting – **Cancelled** *(no action necessary)*

CITIZENS COMMENTS – None

REPORT OF THE TOWN MANAGER – Town Manager Anthony Salvatore reported on the LED lighting project. Director of Public Works Lou Spina, Director of Finance Marianne Sylvester and Town Manager Anthony Salvatore had a meeting exploring the needs for the town and liabilities (such as the purchase of lighting, repair responsibility in case of a disaster and its cost). Mr. Salvatore is not convinced Eversource is prepared to give the town a reduced price as anticipated. The town will benefit switching over to LED lighting but there have been some data that is expressing concerns. Mr. Spina attended a briefing with Eversource and reported back to the Town Manager with the outcome and presented more questions. It appears that Eversource does not want Cromwell to do this. So as a result, we will proceed slowly to assure everything is covered and the town will benefit. Chairman Henehan wanted to make sure he heard correctly that Eversource does not want the town to proceed with the LED lighting and Mr. Salvatore concurred. Mr. Salvatore believes the town will get a return back but is concerned about what would happen in case of a disaster. Who, what and where of the controls is unknown at this

time. Proceeding with caution with this project. A presentation will be given once specifics are decided. Mr. Neto asked for names of municipalities using LED lighting. Torrington and Plainville is acquiring, Southington is in the process. Mr. Neto also asked if there is any way to monitor data from these towns. Eversource will be sending out a fact sheet. Mr. Spina will be reaching out and speaking to the towns whom are also looking to get or already have the LED lighting. An outside vendor is pushing the Cromwell to get the LED lighting but would like to research more before making a final decision.

Town Manager Anthony Salvatore also mentioned that a written explanation has been provided for the fund request from the Historical Society from the June meeting.

BUDGET REPORT – Finance Director Marianne Sylvester reported on the following:

GENERAL FUND – Ms. Sylvester provided a couple of budget packets for fiscal year 2015-16 which we are currently in and as of Mid-August, no surprises yet to report. The other report provided is for fiscal year 2014-15 ending June 30th. Numbers are still being compiled and in the process of closing the year out (finalizing all the bills and revenue). Last year's budget should be finalize in a couple of weeks.

Ms Sylvester reported that expenditures came in lower than anticipated (approximately \$450,000). There were two areas with significant savings (Employee Benefits for health insurance and Police Department for turnover in staff and \$25,000 savings in fuel) of approximately \$100,000 each. The Tax Department had changes in staffing; some areas of Public Works had savings (Solid Waste, Transfer Station, vehicle maintenance and utilities). Other areas of Public Works came in solid except for Building Maintenance. Recreation also showed savings. Revenue came in higher than anticipated. Primarily in tax collection, supplemental motor vehicle and prior year collections. Departmental Revenue came in higher than budgeted (building permits and convenience taxes). Overall operating surplus taking into consideration the reduced expenditures and the increase in revenues we came in the \$1,000,000 range for our surplus. However, the surplus is calculated as part of our Fund Balance and we have to take into consideration that we used over a \$1,000,000 for this year's CNR and Capital projects. The town also has three other large projects in the horizon (revel needs to be budgeted in the next fiscal year 2016-17 potentially \$350,000/street lights if we want to make a contribution from our Fund Balance instead of financing it/the other part of Willowbrook Road project of \$325,00 (town is responsible for 10% of the total project cost of \$3,250,000). The project fund balance for June 30, 2015 basically put us in a good position to maintain our AAA rating, as well as, meet other capital needs. Mr. Neto asked what the revenue was as a result of tax collection and Ms. Sylvester stated that it was approximately \$500,000. Mr. Neto also mentioned that he is ecstatic with the numbers but is also leery we have too much relating to taxes and tax increases. He would like to see the budget be more realistic. Mr. Salvatore stated that he is looking ahead to what will be proposed for next year. Because of what took place last year it is looking favorable for next year's projects. Chairman Henahan questioned the tax evaluation disputes and wanted to know if they were resolved. Mr. Salvatore state one has been resolved. Chairman Henahan asked if the figure would be reduced. Ms. Sylvester responded that there is one that 50% will be reimbursed to the resident that will hit the 2015-16 budget. Town Manager Anthony Salvatore also added there is a few more that need to be resolved and may affect the budget. Ms. Sylvester noted that 98.75% was forecasted and actual is 99.1%. A meeting will be held to discuss how it will affect budget if reimbursements are made. Mr. Neto asked that once an understanding of the new legislature be done, that an explanation as to how it will affect the budget be provided.

CNR FUND: Finance Director Marianne Sylvester provided a report regarding CNR Fund and shows information through June 30, 2015 but does not include the \$785 allocated for 2015-16. It also shows the past projects funded through CNR (many which are closed and it lists those that are still being held open for completion). There is \$101,576 undesignated in Fund Balance.

REPORT OF TAX COLLECTOR – Finance Director Marianne Sylvester provided a report as of June 30, 2015 and it shows the budget revenue and what was collected, the percentage of the budgeted revenue and percentage that was collected. Interest and Liens collected above what was budgeted. The collection of taxes is a variable. Mr. Corlis mentioned that the supplemental motor vehicle taxes are also based on the price of gas. There is a cap, which is depended on legislature. Mr. Wenners inputted that more people are buying electric cars. He noted that Newington has a charging station that can be used free of charge to encourage residents to sales of electric cars. Mr. Wenners suggested that Cromwell should consider getting a charging station.

OLD BUSINESS – None

NEW BUSINESS –

Approve 2014-15 interdepartmental budget transfers, as approved by the Town Council at their regular meeting on August 3, 2015 – *A motion was made by Mr. Neto and seconded by Mr. Corlis to approve 2014-15 interdepartmental budget transfers, as approved by the Town Council at their regular meeting on August 3, 2015. All were in favor – Motion Passed.*

Finance Director Marianne Sylvester provided a memo listing the three interdepartmental transfers (1. Donations & Dues needs \$12.00 to cover unanticipated increase in dues for Capital Region Council of Government from Town Manager's Office. 2. Building Maintenance for \$1,000 to cover overtime and contracted services due to unanticipated emergency repairs to town facilities from Solid Waste/Transfer Station. 3. Legal Expense for \$9,00.000 to cover unanticipated expenditures for town attorney from Town Manager's Office, Tax Collector's Office and Assessor's Office. Chairman Henahan asked why Solid Waste came in lower than budgeted and Ms. Sylvester explained that the tipping fees were not as high as anticipated. **All in favor – Motion Passed.**

Discussion and action to appropriate reallocated STEAP funds, as approved by the State Department of Economic and Community Development, for the enhancement of the River Landing Park. *A motion was made by Mr. Neto and seconded by Mr. Wenners to discuss and action to appropriate reallocated STEAP funds, as approved by the State of Department of Economic and Community Development, for the enhancement of the River Landing Park. All in favor – Motion Passed.*

Town Manager Anthony Salvatore provided a memo with backup noting that the funds will be used to make improvement to the Cromwell Landing Park (improve parking, floating docks, etc). Mr. Wenners questioned if a permit will be required. Mr. Salvatore responded that it is still be review if a permit will be needed. It appears if the work is for repairs, then a permit may not be needed. If it is for new work, then one will be needed.

Discussion and action to appropriate \$30,000 within the CNR Fund for the purchase of a Town Vehicle. *A motion was made by Mr. Neto and seconded by Mr. Wenners to approve \$30,000 within the CNR Fund for the purchase of a town vehicle. All in favor – Motion Passed.*

Mr. Salvatore provided a memo with the explanation for the purchase of the town vehicle.

Discussion and action to appropriate \$10,000 within CNR Fund for the purchase of a lawn mower. *A motion was made by Mr. Neto and seconded by Mr. Wengers to discuss and appropriate \$10,000 within CNR Fund for the purchase of a lawn mower. All in favor – Motion Passed.*

Director of Public Works Lou Spina provided a memo explaining the reason why a purchase of a lawn mower is needed. Mr. Spina noted that the existing lawn mower has been out of service since the last week of May 2015. He was fortunate that he was able to borrow a unit from another community (Bloomfield). This request will increase efficiency by reducing the amount of time it will take staff to mow fields. It will also provide backup in case one mower is out of service. Chairman Henahan expressed his appreciation for the excellent negotiations to reduce the repair costs. Mr. Neto also suggested that we offer the same consideration for a community with equipment that is out of service.

BOARD OF EDUCATION – Liaison Report

Joseph Corlis reported that the Board of Education met on July 14, 2015. Business Manager stated that there are no major changes from last month's report. Approximately \$100,000 left in budget with more bills that still need to be paid. Another meeting was held on August 11, 2015. Business Manager stated that there were no major changes from the previous month's report with \$60,000 remaining with some bill still needing to be paid. Also the superintendent of schools commented that she would be following up with the needs for the Edna C. Stevens School. Mr. Neto asked as to what kind of needs they are looking at. Mr. Corlis responded that it is in regards to the size of the school. They are reviewing the town's increasing population and the size/number of classrooms, etc. The superintendent is reviewing the data and will report once completed. Final budget numbers should be provide by September/October 2015.

CHAIRMAN'S COMMENTS – Chairman Henahan said to get ready for a new season and start the ball rolling for next year. He is also hoping that attendance improves.

VICE CHAIRMAN'S COMMENTS – Vice Chairman Neto hoped everyone had a nice summer and thanked everyone for the month off.

GOOD AND WELFARE – None

ADJOURNMENT - *A motion was made by Mr. Neto and seconded by Mr. Wengers to adjourn the regular meeting of the Finance Board at 7:56 p.m. All were in favor – Motion Passed.*

Respectfully Submitted,



Cynthia Hardacker
Recording Clerk