

Town of Cromwell, CT
Board of Finance
Regular Meeting
Thursday, November 16, 2017
Town Hall Room 7:00 P.M. Room 224/225

Minutes and Record of Vote

Present: Chairman John Henehan, Vice-Chairman Julius Neto, Amanda Drew, Ed Maley Jr., Steve Wygonowski and Alternate Jon Dzurka

Not Present: Bob Milardo, Alternate Dan Kelly

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

Called To Order – Chairman John Henehan called the Regular Meeting dated November 16, 2017 to order at 7:00 p.m.

Pledge of Allegiance – The Pledge of Allegiance was said by all.

Seat Alternates – Motion made by Mr. Neto and seconded by Ms. Drew to seat Alternate Jon Dzurka. *All in Favor – Motion Passed.*

Approval of Agenda – A motion was made by Ms. Drew and seconded by Mr. Maley to approve the change in the agenda to elect Chairman and Vice Chairman. *All in Favor – Motion Passed*

A motion was made by Mr. Neto and seconded by Ms. Drew to approve the amended agenda of November 16, 2017. *All in favor – Motion Passed.*

Approval of Minutes of Previous Meetings –

Regular Meeting October 26, 2017 – A motion was made by Mr. Neto and seconded by Ms. Drew to approve the minutes of the Regular Meeting dated October 26, 2017. *Four approved and abstained by Mr. Maley, Mr. Wygonowski and Mr. Dzurka – Motion Passed*

Citizens Report – None

Report of the Town Manager – The Town Manager Anthony Salvatore reported that the Governor signed the budget. It is still being reviewed by the Legislature. Town Manager and Finance Director still reviewing the budget to see how it will affect Cromwell and CCM had given some advice. Cromwell did take a \$420,000 lose; however, it was noted that the town would inherit the Renter's Rebate. Not clear what exactly this means or involves. Mr. Salvatore noted that unfunded mandates are not supposed to be imposed on the municipalities, but it appears this may not be the case. Right now, there is \$13,000,000 sitting in Renter's Rebate. Cromwell will not be writing checks until specifics as to how it is going to work (is the Towns writing checks or is the State writing checks and then billing towns). It appears that there is a possibility Cromwell will lose approximately \$57,000 (this is what was paid out last year). This

would make a total lose of approximately \$500,000 to the town. Additional conversation took place as to how Renter's Rebate works now and how it may impact the Town of Cromwell. Cromwell should not have to go to the taxpayers for additional taxes to cover lose due to the Tax Collector exceeding his expectations in collection.

Mr. Salvatore also had additional concerns that another mid-year adjustment to the State Budget may occur. Two weeks after the budge was signed there were predictions that the State will be approximately \$140,000 short.

It was asked if there was any good news and Mr. Salvatore stated that there was, and he was going to let the Finance Director give the news. In conclusion Mr. Salvatore reported that the Town of Cromwell's budget seems to be in good standings.

Report of the Finance Director – Finance Director Marianne Sylvester included reports in the packet provided prior to the meeting. She reported that there is no significant change to report and continue with normal operation of business and continues to monitor the budget and its progress.

Ms. Sylvester reported that the auditors are not longer on site and moving forward with a final draft of their results and then followed by a final report. Ms. Sylvester needs to write a report to go in front of the audit books. The audit went smooth. The Town's staff responded to the auditor's questions and needs. Various tests perform in various departments went well and with no issues.

The good news to reported is over the last 18 months or so Ms. Sylvester has been considering the possibility of refunding the bonds. It is call Advance Refunding. The Federal government decided not to make available Advance Refunding as of January1, 2018. Interest rates are still favorable, and the Town Manager and Finance Director decided to move forward. Approximately \$400,000 - \$450,000 present value in savings with this advance refunding. Proposing to defer savings out a bit, minimize the out years, savings to reduce the debt and open opportunities. They are looking into the library expansion which we need to borrow \$2,000,000. It was asked as to how much is be asked for. Ms. Sylvester responded with \$7,000,000 is being considered and noted that we are authorized for as much as \$9,000,000. Still working on the specific amounts. Rates being turn in at 4 to 5% and we are looking at about 2% interest rate. Ms. Sylvester expressed concern about how the City of Hartford and State financial situation will impact Cromwell's credit rating. Cromwell's is sound and hope this will benefit the town at the time for requesting the funds.

There was conversation regarding the firm we are working with. Also Mr. Wygonowski requested for the possibility to sit down with the Finance Director to familiarize himself with the various reports.

Report of The Tax Collector – Tax Collector Doug Sienna provided a Trend Report showing the progression of collections. He also mentioned that a check for \$20,000 is expected for payment of a 3-year-old delinquent tax. Mr. Sienna also noted that he has been and will continue to aggressively collect back taxes. He detailed some of the ways in which he collects back taxes. He also mentions how he will work with taxpayers to work out a payment plan to pay back delinquent taxes. Additional conversation too place regarding the trend report and what the number represent. It was asked if Mr. Sienna could break out the number from current taxes from the delinquent taxes and Mr. Sienna state that he will provide this information. Mr. Sienna also provided a copy of the Tax Collection Report as of the end of October, 2017.

Old Business – None

New Business –

1. Election of Board of Finance Chairman – moved to the beginning of the meeting.
2. Election of Board of Finance Vice-Chairman – moved to the beginning of the meeting.
3. Set 2018 Regular Board of Finance Meeting Schedule – A motion was made by Ms. Drew and seconded by Mr. Neto to set 2018 regular Board of Finance meeting schedule. There was a new motion by Mr. Maley and seconded by Ms. Drew to accept the amended schedule for 2018 Board of Finance Regular Meetings. ***All in Favor – Motion Passed***

Discussion took place and changes made to the schedule are changing November 29, 2018 to November 15, 2018 and changing December 27, 2018 to December 13, 2018.

4. Discussion and action to appropriate \$23,600 within the Capital/Non-Recurring Fund for the 2017-18 DUI grant, to be fully reimbursed. Motion was made by Mr. Neto and seconded by Ms. Drew to appropriate \$23,600 within the Capital/Non-Recurring Fund for the 2017-18 DUI grant, to be fully reimbursed. ***All in favor – Motion Passed.***

A memo was included in the packet prior to the meeting explaining and detailing the DUI grant.

Board of Education-Liaison Report – None

Chairman's Comments – Chairman Henehan welcomed Mr. Maley and Mr. Wygonowski to the Finance Board and congratulated Ms. Drew for her re-election to the Finance Board. He also thanked everyone for re-electing him to the Chairman position.

Vice-Chairman's Comments – Vice-Chairman Neto also welcome the new members of the Finance Board and congratulated Ms. Drew for her re-election. Also wished everyone a Happy Thanksgiving.

Good and Welfare – Wished Mr. Maley to feel better from his cold and Mr. Dzurka announced that Company & Temp putting on a show and that tickets were still available for those interested. Mr. Wygonowski asked about changes to the agendas and will be addressed as it occurs.

Adjournment – A motion was made by Mr. Mr. Neto and seconded by Mr. Dzurka to adjourn the meeting at 7:49 p.m. ***All in Favor – Motion Passed***

Respectfully submitted,

Cynthia Hardacker

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Recording Clerk