

Town of Cromwell, CT
Board of Finance
Regular Meeting
Thursday, February 22, 2018
Town Hall Room 7:02 P.M. Room 224/225

Minutes and Record of Vote

Present: Chairman John Henehan, Amanda Drew, Steve Wygonowski, Alternate Jon Dzurka and Ed Maley Jr. (came at approximately 7:15 p.m.)

Not Present: Vice-Chairman Julius Neto, Bob Milardo and Alternate Dan Kelly

Also Present: Town Manager Anthony Salvatore, Finance Director Marianne Sylvester, Superintendent John Maloney Jr., Assistant Superintendent Dr. Krista Karch and Steve Rose (Facilities Manager)

Called To Order – Chairman John Henehan called the Regular Meeting dated February 22, 2018 to order at 7:02 p.m.

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

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

Approval of Agenda – A motion was made by Ms. Drew and seconded by Mr. Wygonowski to approve the agenda February 22, 2018. *All in favor – Motion Passed.*

Approval of Minutes of Previous Meetings –

Regular Meeting of November 16, 2017 – A motion was made by Ms. Drew and seconded by Mr. Wygonowski to approve the corrected minutes of the Regular Meeting dated November 16, 2017. *All in favor – Motion Passed*

Grammatical errors corrected.

Citizens Report – None

Report of the Town Manager – Town Manager Anthony Salvatore reported that the refunds were done, and the Finance Director will be giving more details on it. He also noted that they were in the finishing stages of putting the budget together and will be presenting it to the Town Council by the middle of next week.

The Renter's Rebate and the Senior Circuit Breaker was pushed off onto the towns by the State. Cromwell was hit hard with \$70,000 for Renter's Rebate and \$65,000 for the Senior Circuit Breaker. Mandated by Statue the town is obligated to pay approximately \$130,000-\$140,000. Mr. Salvatore also noted that over the last 18 months or, so the State passed on approximately \$1.2 million in various cuts.

He is now concerned that the \$30,000 in road work construction improvements which the Governor neglected to in his bond package. This would raise the cuts to approximately \$170,000 to the Town of Cromwell. There was further discussion as to how the \$1.2 million amount was based on (noting the biggest cut to ECS. Ms. Sylvester broke down the number for the Board). She also noted that some of the cuts were absorbed in the conservative numbers budgeted.

Town Manager has concerns that there will be additional cuts (maybe not this year since it is an election year but for the future). Concerns about the teacher's pension and car tax. It was asked if the \$1.2 was off this year's or last year's budget and was stated that it was for last year's actual budget. Ms. Sylvester noted that approximately \$400,000 was in this fiscal budget. She noted that when budgeting, they use the lowest numbers given by the State and it usually work out.

Report of the Finance Director – Finance Director Marianne Sylvester reported that they took the advance refunding in December 2017. A savings of approximately \$375,000 in the term of the refunded bonds. Period of the bonds are about 10 years (maybe less). Town Manager also mentioned that we did very well they were impressed with the way Cromwell conducts business. Ms. Sylvester explained the process for the refunding (phone interview, questions asked, etc.). It was asked what the Fund Balance percentage was, and she answered that it was 18%. Cromwell has a strong Fund Balance due to holding back expenditures for 2016-2017 due to not knowing what the State was going to be doing.

Current budget expenditures are on target. Snow removal is at \$78,000 in OT not including the last storm. Last year thru March \$97,000 was spent and the year before that \$64,000 on OT. Years before that were very high (over \$100,000). These are for hours worked over the normal business hours.

Legal expenses have been lower than in past years. Labor attorney fees have been an average and the town attorney has been less. It was asked if there is an anticipation for additional legal activity and was noted that negotiations for white collar union will begin in March and a couple of cases pending in front of the labor board. Land wise received a lawsuit from affordable housing. With all this said and done Mr. Salvatore stated that they should finish within the budget.

A RFQ has been submitted for banking services. It has been 5 years since this was done and due to rate going up slightly thought it was a good time to seek other options. Three banks will be interviewed to see who has the best options and then a determination will be made.

Further discussion took place as to how the budget is doing. Ms. Sylvester responded that all areas are on target and that there is nothing significant at this time. Expenditures doing well (some expenses hit early in the budgeted year and items such as snow removal hit late in the budgeted year). Revenue is expecting one more payment for ECS. This should hit by the end of April.

Report of The Tax Collector – Finance Director Marianne Sylvester reported for the Tax Collector. She referred to the Cash Collections Report provided. It lists all the collection received thru the end of January 2018. 97.49% collected as of the end of January.

Old Business – None

New Business –

1. **Update on Public Act 13-60, pertaining to non-educational expenditures within the Board of Education budget.**

Superintendent John T. Maloney presented the Public Act 13-60. It details an itemized list of cost for the maintenance of the public schools for the upcoming fiscal year. This report breaks it out by school by type of expenditure (facility maintenance, grounds maintenance, utilities, etc.).

There was some discussion as to where savings can take place by consolidating expenses with the Board of Ed and the Town. Field maintenance is an example of this. It was also asked how the Board of Ed budget was doing this year and Mr. Maloney responded that it was on target. Some areas such as utilities is being watched (depending on the weather and the heating/cooling needs). There was also discussion on the technology being used in the school. Mr. Dzurka mention that he had heard that iPad have been having a lot of repairs and becoming costly. Mr. Maloney responded that the iPad are being replaced with the Chrome Books. Mr. Dzurka also mentioned that he has heard the Chrome Books having reliability issues. This will be looked into by the Mr. Maloney's staff. The last two pages of the report shows areas consolidation is being considered (some achieved and others not with reasons why).

Mr. Dzurka questions the waster disposal and suggested selling the grease residue instead of paying for someone to remove it. Even if someone came to pick up for free would be a savings. This will be looked into by Mr. Rose.

IT is another area being looked at but not sure how they can make it work.

2. Set Hearing and Deliberation dates for 2018-19 budget.

Chairman Henehan started by stating that it has been a challenge to set dates due to various commitments from Board members. The referendum is set for May 1, 2018 and the budget must be done by April 11; therefore, the following was being discussed.

Set the Public Hearing for March 28 (which means a notice would have to be put in the paper by March 21). This date is all determined whether it is legally to put the notice in the papers with the members physically having the documentation in hand. Mr. Salvatore will verify with the attorney).

A motion was made by Ms. Drew and seconded by Mr. Wygonowski to meet potentially 3 of the 4 days listed (3/28/18, 4/2/18, 4/3/18 and/or 4/4/18 providing the attorney states 3/28 it is acceptable). ***All in favor – Motion Passed***

Board of Education-Liaison Report – Ms. Drew reported that the Board of Education met on 1/29/18 and voted to approve \$47,000 for air conditioning for ECS and estimated a yearly cost of \$7,200 thereafter. The approved to continue the grant application for the school update for a cost of \$35,000 for ECS and \$25,000-\$35,000 for architects.

On 2/13/18 Superintendent presented his budget. The out placement for special ed has gone down. The high school realizes that actual books are needed for Math; therefore, Algebra I and II books will be purchased instead of using the Chrome Books. Also, six positions will be eliminated, and it was a bad year for claims making the insurance rate to go up 19.5% or \$520,000. This year's budget will increase by \$567,000 or 1.93%. It has not been approved by the Board of Ed – it is just the Superintendent's proposed budget.

Some discussion took place regarding the increases taking place and Ms. Drew mentioned that she had received an email from Mr. Malone stating that Medical is not self-funding.

Chairman's Comments – Chairman Henehan stated that word will be announced as far as the dates for the meeting(s). He was also surprised going into tonight's meeting. Last minutes no shows for this meeting and asked that notice (1 -2 day) be given.

Vice-Chairman's Comments – None

Good and Welfare – Mr. Wygonowski asked about the feeling for the State budget. Mr. Salvatore noted that if we don't receive additional cuts, the town budget will be in a good place.

Adjournment – A motion was made by Mr. Maley and seconded by Ms. Drew to adjourn the meeting at 8:24 p.m. *All in Favor – Motion Passed*

Respectfully submitted,

Cynthia Hardacker

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Recording Clerk