

# BOARD OF FINANCE

Minutes of the Regular Meeting held on June 20th, 2019

Regular Members

Others

Present Y Joe Pryor (CHM)  
 Y Lisa Lansing  
 N David Hubbard  
 Y William Hurlburt  
 Y Janet Sanders  
 Y John LaPorta

Y Gordon M. Ridgway, First Selectman  
 Y Barbara Herbst, BoF Clerk  
 Y Selectmen Bramley

Alternate members

Y K.C. Baird  
 N Darilyn Woods

Call to Order

7:01 p.m.

# 1 - Additions

Approval of meeting minutes from 4/11 and 5/17

# 2 - Minutes

Minutes for the BoF meetings held on 4/11, 4/18, 5/9 and 5/17 were emailed to all members prior to the meeting. Copies of the minutes were also available at the meeting.

Motion

**William Hurlburt** Made a motion to approve all the minutes as presented.  
**John LaPorta** Seconded the motion.

**Motion passed unanimously**

# 3 - Reports

Board of Selectmen

First Selectman Ridgway reported in brief on the following items.

- a) **Bridge Projects:** The bid packages for the culvert over the Hollenbeck River on Lake Road have gone out.
- b) **Bridge Projects:** It is anticipated that there will be enough residual funds after the aforementioned culvert is replaced to accommodate replacing the headwall on the structure on Cream Hill road.
- c) **WC Firehouse:** Jim Terrell has been appointed the Project Manager for the renovations. The estimated cost of the project is \$150,000 which does include removal of the oil tank. Removal of the oil tank will commence in July.
- d) **COST 2019 Legislative Wrap-up 6/12/19:** This meeting was held in Portland CT and is promoted as a seminar for Municipal Administration participants to learn about new state laws and budget issues affecting municipalities. Items discussed at this seminar included but were not limited to funding of the CT Teachers Pension fund, a Hemp Pilot Program, Dairy Agricultural Sustainability, Regional Animal Shelters, Minimum Wage, Family and Medical Leave, Firearm Safety and Fracking.

Finance Director

Barbara Herbst provided and discussed in brief a written report which is appended to these minutes. It was noted that Darilyn Woods has resigned from the Board.

# 4 - WC Wastewater

First Selectman Ridgway reported that there are two meetings on the calendar, one is an informational meeting to provide a forum to disseminate information to the public and to get feedback from the public. The second is a Special Town meeting on 7/26/2019 where the citizens will be asked to vote on a \$10,000 appropriation to further the engineering and consulting work necessary to apply for Grants for a community sewer system in W/C.

Motion

**William Hurlburt** Made a motion to approved an appropriation of \$10,000 from the General Fund and to recommend the appropriation to the taxpayers and citizens for approval.

**John LaPorta** Seconded the motion.

Discussion

Brief discussion ensued and covered but was not limited to the following:

- a) Public Perception
- b) USDA Grant / Loan funding options
- c) The Covered Bridge being considered a State asset for tourism

**Motion passed unanimously**

# 5 - Broad Band

A meeting is scheduled for 7/11/19 that will include three to four different speakers comprised of Regional and State officials. The meeting will be at the Town Hall @ 7:00 and provide a platform for discussion to include the following topics:

- a) The difference between 5G, fiber optics and micro cells.
- b) The health impacts of different technologies.
- c) How different Municipalities are addressing this issue
- d) How topography plays a part in the decision.

# 6 - Hector Prud'homme

Audience member Hector Prud'homme had provided a memo to the Board on 6/11/19, said memo is appended to these minutes. Mr. Prud'homme started his presentation by stating his objectives as follows:

- a) No intention to lecture, criticize or be a general nuisance.
- b) To advocate for a long range Financial Plan.
- c) To start a discussion as an effort to work out a way to proceed.
- d) To address the issues facing the town and the financial implications that are large, unrepresented and urgent.
- e) To encourage planning.

Mr. Prud'homme recommended and discussed six main points.

- 1) Assemble the facts and attempt some long-term projections.
- 2) Consider anticipated effects of climate change. (flooding, clean water, clean air, drought and wild fire)
- 3) List foreseeable projects and estimate cost ranges.
- 4) Calculate the town's financial capacity now and in 10 years and in 15 years.
- 5) See how costs and resources fit together and prioritize concerns.
- 6) Consider hiring a professional Advisor or Financial Planner to help with the process.

Discussion was concurrent with the presentation. It was noted that Anna Timmell has updated the document "Cornwall by the Numbers" and that P/Z has a completed survey that outlines taxpayers priorities. Also the POCAD is in process, the educational costs and services are a large concern, volunteerism in the community is imperative and our Village Centers need to be a focus.

Board reaction was favorable overall and individual member responses included but were not limited to:

- a) Marketing and promotion of CCS has attracted tuition paying students.
- b) Bits and pieces of this request are already happening through work and efforts put forth by the Economic Development Commission and the Board of Selectmen.
- c) The roll of the Board of Finance and how any long-range financial planning is integrally tied to the **Comprehensive Town Plan**. The **Comprehensive Town Plan** provides for the physical development of the entire community in an orderly and predetermined way, a long-range financial plan provides the program for meeting the municipal government's obligation in regard to that development. It was noted that the duties of the BoF are reactionary in nature and that in the absence of the completed **Comprehensive Town Plan** and project approvals by the Board of Selectmen and the taxpayers, a long-range financial plan is difficult at best.

#7 - Public Comment

Selectman Richard Bramley noted that the activity suggested by Mr. Prud'homme has a lot of moving parts, the capacity is vast and to be a worthwhile project collaboration with many commissions and boards will be necessary.

**Lisa Lansing** Made a motion to adjourn the meeting.

**William Hurlburt** Seconded the motion

**Motion passed unanimously**

8:28 PM

*Barbara E. Kerbat, Board Clerk*

Minutes remain "Draft" until accepted at the next regular scheduled meeting, please see subsequent meeting minutes for any corrections to these minutes.

Note:

Adjournment

## Finance Director's Report for BoF meeting 6.20.19

### 1. Treasurer Office Activities in May:

- a. Prepared and submitted *Municipal Budget Database to OPM.*
- b. Prepare and distribute *Proposed Budget documents* for the *Budget Vote.*
- c. Two *BoF meetings* and the *Budget Vote.*
- d. *Auditor* performed *preliminary field work* on May 15 and 16.
- e. Start *YE process* and prepare for *FY changeover.*
- f. Respond to Fol request for *all current employee/staff contact information.*
- g. Provide information to member and issue CVFD Service Incentive *request for Non-hardship withdrawal.*
- h. Work with CVFD treasurer on streamlining their bookkeeping process.
- i. Respond to Fol request for *all vendor activity from September 2018 through present.*
- j. Respond to Fol request for all *CCS union contracts.*
- k. *141 accounts payable* checks totaling **\$299,778**
- l. *120 payroll and payroll liability* checks totaling **\$322,883**

### 2. Actual vs Budget

#### Revenue

**Revenue** is strong, 101.9% of budgeted revenue has been received through 5.31.19

**May tax revenue \$67,674**

**Total Revenue for May = \$89,050**

#### Expense

**Total Expense for May = \$588,627**

**Teacher balloon checks issued totaling \$167,802**

**Reverse side report is a condensed Actual vs Budget through 5.31.19**

**Town of Cornwall**  
**Profit & Loss Budget vs. Actual**  
July 2018 through May 2019

	<u>Jul '18 - May 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Variance</u>
<b>Revenue</b>				
Fees For Services	116,222.18	62,101.00	54,121.18	187.15%
Other Revenues	34,023.80	24,000.00	10,023.80	141.77%
Property Taxes	6,572,591.87	6,387,589.00	185,002.87	102.9%
State Education Grants	7,337.00	0.00	7,337.00	100.0%
State General Grants	316,104.78	124,501.00	191,603.78	253.9%
Transfers/Non-Revenue Receipts	42,198.08	358,000.00	-315,801.92	11.79%
Tuition for After School Progra	2,769.00			
<b>Total Revenue</b>	<u>7,091,246.71</u>	<u>6,956,191.00</u>	<u>135,055.71</u>	<u>101.94%</u>
<b>Expense</b>				
01 · Board of Selectmen Budget	1,768,652.38	2,002,027.00	-233,374.62	88.34%
02 · Board of Education	3,893,827.73	3,998,291.00	-104,463.27	97.39%
03 · Capital Expenditures	595,000.00	595,000.00	0.00	100.0%
04 · Debt Service	360,873.44	360,873.00	0.44	100.0%
<b>Total Expense</b>	<u>6,618,353.55</u>	<u>6,956,191.00</u>	<u>-337,837.45</u>	<u>95.14%</u>
<b>Net Revenue and Expense</b>	472,893.16	0.00	472,893.16	100.0%

Memo for Board of Finance  
From Hector Prud'homme  
Date: June 11, 2019

Subject: Long-range financial planning

As discussed in prior sessions of your Board, I hope to make a short presentation on the above subject at your next meeting on June 20.  
Hopefully discussion will follow.

As background for the meeting, please review my memo to you dated May 8.

Also, it may be helpful to re-read a few portions of the "Handbook for CT Boards of Finance". It can easily be found on the internet under that title.  
This document makes it clear (on page 4) that "the BOF has complete charge of the town government's financial activities", giving you extensive power to shape both the present and future of Cornwall.

The most pertinent sections of the handbook are found in Chapter 7, "Long-Range Financial Planning" and Chapter 8 "Borrowing and Debt Administration". Among many other comments these chapters state (page 38) "When completely developed, a long-range financial plan compliments the annual budget", and (page 42) "Total debt...[may not exceed] 7 times annual tax receipts." Thus you have considerable leeway to formulate a financial plan for the next 10-15 years.  
I hope you will take up this project.

Thanks, and looking forward to the 20th -- Hector

FORWARDED TO ALL BoF MEMBERS ON 6.12.19 CC: BOARD OF SELECTMEN
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RECEIVED BY THE  
FINANCE OFFICE

JUN 12 2019

TOWN OF CORNWALL