

Finance and Budget Committee Minutes

June 7, 2007 8:00 A.M. Room 312

Councilors in attendance: Cantor, Slifka, Sinatro, Verrengia, Carpenter

Energy Program Update

The contract with Celtic Energy has been executed and they are beginning to take inventory of the Town and BOE's utility accounts and checking to see if the billing is being done accurately. In addition, they are developing a MIS to track all of our energy use and monitor changes. The contract with Celtic Energy is on a fixed price basis and not on a contingency basis.

Tychon Energy Systems submitted a progress report on the energy efficiency lighting upgrade program. Lighting upgrades have been done in all the elementary schools and only the middle schools and Veterans Memorial Skating Rink remain to be retrofitted. Annual energy savings are projected at a minimum of \$60,000 per year representing a reduction of approximately 454,000 kilo-watt hours per year.

Moody's Outlook for Ct Municipalities Report

A May, 2007 report from Moody's was distributed which is an analysis of the credit rating factors as applied to Connecticut municipalities. The report identifies several strengths such as a commitment to long-range planning and budgetary controls, below average debt burdens, and wealthy tax bases. The report also points out several challenges: slowing rates of tax base growth, rising fixed costs associated with energy, health care costs, and increased voter resistance to increased taxes.

Auditor Services

The follow up with Blum Shapiro was conducted and this item is on the Town Council's agenda of June 12th. Blum Shapiro has also been contracted to do the audit of the expenses associated with building the south parking garage prior to our purchasing it.

FY07 Projections

Financial results through May, 2007 were reviewed as well as year-end projections (attached). The Committee asked that alternative uses of any surplus funds be brought back to them.

Blue Back Square Financials

The financial report for Blue Back Square through May, 2007 was presented (attached). Expenses are less than planned and interest income is more than planned. The revenue from the parking garages has not started yet, nor has there been a Special Services District payment. Actual property taxes for FY08 are estimated to be \$300,000 over the projected tax payment.

Other Business

The Committee was informed that the closing on the Gemini building would take place today, June 7th.

The Committee was informed that the letter to homeowners regarding their property taxes for next year has been delayed to due problems with the printer. Alternative means are being used to issue the letter today (June 7th).

The next meeting was scheduled for June 18th at 8AM in room 312.