



# House of Representatives

General Assembly

**File No. 250**

February Session, 2006

House Bill No. 5706

*House of Representatives, March 30, 2006*

The Committee on Planning and Development reported through REP. WALLACE of the 109th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## ***AN ACT CONCERNING INFORMATION ON MUNICIPAL RESERVE FUNDS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-363 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 The treasurer shall [annually submit a complete and detailed report  
4 of the] make available information and data on the condition of such  
5 fund to the budget-making authority and [such report shall] to the  
6 public and such information and data may be made a part of the  
7 annual report of the municipality.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2006</i>	7-363
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**PD** Joint Favorable

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:**

<b>Municipalities</b>	<b>Effect</b>	<b>FY 07 \$</b>	<b>FY 08 \$</b>
All Municipalities	Savings	Potential Minimal	Potential Minimal

**Explanation**

The bill may result in a minimal administrative cost saving to towns because they will no longer be required to produce a separate report on the condition of the town's reserve fund.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation..

**OLR Bill Analysis  
HB 5706*****AN ACT CONCERNING INFORMATION ON MUNICIPAL RESERVE FUNDS.*****SUMMARY:**

This bill changes the requirement for reporting information about reserve funds towns may create to cover capital and nonrecurring expenditures. Under current law, a town treasurer must submit an annual report to the town's budget-making authority that gives a complete and detailed picture of the fund's condition. The town must include that report in its annual report.

The bill eliminates the annual reporting requirement and instead requires the treasurer to make information and data available to the budget-making authority and the public. It also requires the town to include the information and data the treasurer provides in its annual report.

EFFECTIVE DATE: October 1, 2006

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable

Yea 17 Nay 0 (03/17/2006)