CANDLEWOOD LAKE AUTHORITY
Member Municipalities: Brookfield • Danbury • New Fairfield • New Milford • Sherman
PO BOX 37 • SHERMAN, CT 06784 • P (860) 354-6928 • F (860) 350-5611

Planning and Development Committee

March 11, 2016

Testimony Submitted by
Laurence J. Marsicano, Executive Director

Raised S.B. 418 - AN ACT REQUIRING LAKE AUTHORITIES TO COMPLY WITH CERTAIN MUNICIPAL BUDGET STANDARDS

Dear Co-Chairs Sen. Olsen and Rep. Miller, Vice Chairs Sen. Cassano and Rep. D'Agostino, Ranking Members Sen. Linares and Rep. Aman, and other members of the Planning and Development Committee:

The Candlewood Lake Authority (CLA) is the largest lake authority in the State of Connecticut under Section 7-151a of the General Statutes. Our work on providing both public safety and environmental management on Connecticut's largest lake has been exemplary and award winning. We perform these services pursuant to the revenue that is provided by our member municipalities ("constituents"). Our budget is submitted and approved by our constituents on an annual basis and an independent audit is provided to our constituents. This has been the accounting and reporting process and procedure since the inception of the CLA.

We have always and continue to support fiscal transparency, accurate reporting, and balanced budgeting. However, we want to express that we are trying to understand the ramifications of such change of accounting and will not have such understanding or direction in time for the hearing on March 11, 2016. We state this for some, but not all, of the following reasons: (i) our auditor is deeply involved with tax preparation business until after April 15th and has not been able to give the CLA guidance on the new reporting requirements; (ii) whether the legislature or supporting committee can provide the CLA with what will be required under the new process and how we get there from where we are today; and (iii) what will be our initial up-front costs to align our accounting systems and reporting to the statute as well as recurring costs to manage the new process. We believe seeking counsel and advice will put the CLA in a better position to successfully discuss these changes with our constituents as any costs will ultimately be borne by them.

We are respectfully requesting clarification and advisement on what aspects of Chapter 106 this bill looks to convey upon the CLA, its board and staff.