

TOWN OF EAST HADDAM

Board of Finance

Regular Meeting Minutes

July 9, 2018

Meeting Rooms 1 & 2

Municipal Office Complex

The regular meeting of the Board of Finance was called to order Mr. DiCristofaro at 7:00 pm. The Pledge of Allegiance was recited and recording devices started.

In attendance:

Board of Finance Members

William DiCristofaro, Chairman

Gregory Lauria, Secretary

Bruce Dutch

Todd Gelston (arrived 7:30)

Tracey Gionta

Harvey Thomas

Others

Deb Denette, Town Clerk and Recording Secretary

Denise Dill, Tax Collector

Cindy Varricchio, Finance Director

James Ventres, Land Use Administrator

One citizen was in the audience.

APPROVAL OF AGENDA

Motion was made by Mr. Thomas to approve the Agenda with the addition of New Business Item b—BUILD Grant (as requested by Mr. DiCristofaro). Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.

APPROVAL OF MINUTES

a. Special Meeting, May 8, 2018:

Motion was made by Mr. Lauria to approve the minutes of the May 8, 2018 special meeting as presented. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.

b. Regular Meeting, May 14, 2018:

Motion was made by Mr. Dutch to approve the minutes of the May 14, 2018 regular meeting with the correction of the footer on the minutes to reflect May 14, 2018 (as corrected by Mr. Lauria). Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.

GUESTS AND AUDIENCE COMMENTS

a. Follow-Up to Citizens Questions from May 14, 2008 Meeting:

Mr. DiCristofaro advised that in follow up to audience comments from May 14, 2018 regarding public works he was advised that parts and materials are purchased and minimal outsourcing of maintenance occurs, the maintenance that is outsourced is of a specialty nature and above what can be accomplished in house. He also advised that there is some discretion given to the department head regarding its budget once approved, however, all invoices are reviewed by both the Finance Director and two members of the Board of Selectmen.

b. Guests and Audience Comments:

Terry Dickinson, Daniel Peck Road, noted that she has FOI requests in that reveal 29 invoices in one year period payable to Columbia Ford and Morin Diesel. She noted that she has been told that a John Deere tractor seized up because it never had an oil change, she added that there is no application on file that identifies the qualifications of the mechanic. Mrs. Dickinson inquired whether the bond on this new building had been released yet; she was advised that the Building Committee has yet to vote to turn it over to the town.

Mrs. Dickinson advised that the Fire Department was taking a boot collection this past weekend. She stated that citizens were being told the funding was needed for operating. Responsive to her inquiry, Mr. DiCristofaro stated that there were no budget cuts, and that the collection was supplemental funding efforts.

CORRESPONDENCE

a. Letter from Superintendent of Schools 2017-2018 Budget Results:

Mr. DiCristofaro reviewed a letter from Superintendent Reas advising that the Board of Education had \$16,652.04 from the 2017-2018 budget remaining and requested that the unexpended balance be transferred to the Board of Education Capital Reserve upon completion of the audit.

b. Audit Engagement Letter:

Mrs. Varricchio presented the audit engagement letter delineating the responsibilities of both parties. Responsive to inquiry from Mr. Lauria, Mrs. Varricchio advised that she was comfortable with the deadlines as written.

c. Board of Assessment Appeals, Spring 2018 Final Report:

Mr. DiCristofaro solicited questions and comments on the report. Mr Thomas stated that it would be helpful if future reports showed prior year's adjustments for trends and comparison. Mrs. Varricchio advised that she will speak to the Board of Assessment Appeals Chairman about making the adjustment and attending meetings when reports are presented.

CHAIRMAN'S REPORT

a. Tax Collector's Report:

Mrs. Dill stated that fiscal year 2017-2018 finished with a 99.03% collection rate. She presented a report documenting the uncollected tax from this year and the five prior years for comparison purposes and reviewed protocols for uncollected balances. She stated that she believed the report addressed the concerns raised at the prior meeting by Mr. Gelston. It was noted that a tax sale is held each June. Mr. DiCristofaro inquired if the most recent sale was successful. Mrs. Dill stated that the tax was collected; however, two people lost their homes. Mrs. Varricchio reported that Mrs. Dill collected \$243,000 in late fees and penalties.

b. Board Sub-Committee Reports:

- i. Communications:** Mr. Dutch had nothing to report.
- ii. Increasing Revenues:** Mr. Thomas noted that fee increases for the Building Department have been proposed to the Board of Selectmen. He also noted that the Tax Collector is charging additional fees for reprinting items. Mrs. Dill expanded that the requested items are available on line free of charge or taxpayers can save receipts.
- iii. Long Range Planning:** No report.
- iv. Financial Policies:** Mr. DiCristofaro stated that the current focus is on debt management. He further noted that a book is being compiled that will be a wonderful tool for future Boards. Mr Thomas added that bond agencies will look more favorably on East Haddam for having such policies in place. Mr. DiCristofaro stated that an annual review of the policies is anticipated.

FIRST SELECTMAN'S REPORT

First Selectman Emmett Lyman was not available.

FINANCE DIRECTOR'S REPORT

c. May YTD Budget Report:

Mrs. Varricchio advised that as of June 30 97% of revenue for 2017-2018 had been collected and 81% of expenses had been made. She stated that a second installment of Town Aid Roads in the amount of \$162,691 was received and unanticipated. She also stated that reimbursement attributed to the returned STEAP grant in the amount of \$56,000 had been received Mrs. Varricchio anticipated being \$200,000 to the good in revenue. She noted that legal expenses were tracking over, but all else was in line. Mrs. Varricchio further reported that not funding a position for the Library System, reduction in salary expenses in the Building Department and the Board of Finance's unexpended contingency were major factors in holding the line on expenses.

Mr. DiCristofaro inquired if there was any sense what may happen from the State in FY 2018-2019. Mrs. DiCristofaro stated that since it was an election year, she did not anticipate activity until January.

LIAISON REPORTS

Nothing noted.

OLD BUSINESS

a. Plan of Conservation and Development:

Mr. Thomas suggested that a paragraph should be devoted to communication efforts similar to what was utilized with the budget introduction. He also suggested that increasing revenues and commitment to long range planning should be bullet points. Mr. Ventres stated that he would forward the Board of Finance section to Mrs. Varricchio in a word document for editing. Mr. Ventres noted that there has been a lot of community response to the survey because of the insert in the newspaper. He advised that the residents have been requesting a community pool since the 1980's plan. The Board was in agreement with the direction suggested by Mr. Thomas. All members were asked to edit the document when Mrs. Varricchio sends it and entries will be merged and modified.

NEW BUSINESS

b. BUILD Grant Application:

Mr. Ventres stated that the Town of East Haddam, Haddam and the Lower Connecticut River Valley Council of Governments are requesting \$17.57 million dollars in BUILD Grant funding for approach sidewalks on the Haddam side (\$1.3 million) and the East Haddam side (\$270,000) along with a cantilevered walkway (\$16 million) alongside the East Haddam/Haddam swing bridge. It was noted that the State Department of Transportation will also be a partner to the application.

Brief discussion regarding the economic benefit to a walkable bridge for tourism was held. Mr. Gelston stated that the \$16,000,000 price tag was very steep and he believed more affordable alternatives existed. Mr. Ventres stated that the walking path would be a first phase that would jumpstart growth in the area. It was further noted that the State is gearing up to do some extensive renovations to the bridge and this project could be done simultaneously. Responsive to inquiry from the Board, Mr. Ventres noted that this particular grant program was formerly known as TIGER. \$1.5 billion is available and \$415 million is targeted for rural. The scope of the project meets the intent of the grant. Mr. Ventres stated that determination of grant recipients under this program will be announced in December 2018. The deadline to apply is July 19th.

It was uncertain if Town Meeting would be necessary for acceptance (if the application is approved) as the award would be administered by and awarded to the State of Connecticut. Further discussion was held relative to the disparity in the costs for Haddam vs. East Haddam. It was recognized that the approach to the bridge is much smaller in East Haddam. It was noted that a walkway for the bridge has been a central focus of the Plan of Conservation and Development since 1997.

Motion was made by Mrs. Gionta to authorize the Town of East Haddam (along with the Town of Haddam) to apply for a BUILD grant for funding approach sidewalks to and a cantilevered walkway on the East Haddam/Haddam swing bridge. The total grant amounts are \$270,000 for East Haddam's sidewalks, \$1,300,000 for Haddam's sidewalks and \$16,00,000 for the cantilevered walkway. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.

Further discussion was held relative to ultimate approval of the grant at Town Meeting.

GUESTS AND AUDIENCE COMMENTS

None.

OTHER

Mr. Thomas suggested that the Board of Finance send correspondence to Mr. and Mrs. Lyman expressing well wishes of recovery to their son.

Mr. Thomas sought further clarification refunding reimbursement of funds on the STEAP grant. He noted that at the time the grant failed, all departments were assessed a fee to meet expenditures. Mrs. Varricchio responded that the assessments were two years ago.

Motion was made by Mr. Dutch to adjourn at 8:30 pm. Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,

Debra H. Denette