

## **TOWN OF EAST HADDAM**

### **Board of Finance**

#### **Regular Meeting Minutes**

**October 21, 2019**

**Municipal Office Complex Meeting Rooms 1 and 2**

Mr. DiCristofaro called the Board of Finance meeting to order at 7:00. 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

Tracey Gionta

Harvey Thomas

##### **Others:**

Emmett J. Lyman, First Selectman

Debra Denette, Town Clerk

Cindy Varricchio, Finance Director

### **GUESTS AND AUDIENCE COMMENTS**

No audience was present.

### **APPROVAL OF MINUTES**

**Motion was made by Mr. Gelston to approve the minutes of the September 9, 2019 regular meeting as presented. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.**

### **CORRESPONDENCE**

Nothing noted.

### **CHAIRMAN'S REPORT**

#### **a. Acknowledgements:**

Mr. DiCristofaro thanked Mr. Laura for his service to the Board of Finance, he is not seeking reelection. Mr. DiCristofaro also took a moment to thank Mr. Thomas and Mr. Dutch for their service, both of whom are on the ballot in November.

Mr. DiCristofaro thanked Mr. Lyman for his service to the Board of Finance. It was noted that Mr. Lyman has served the town in various capacities for a lifetime and will be truly missed. He also commended Mrs. Varricchio for going above and beyond and Mrs. Denette for volunteering her time as recording secretary.

b. **Tax Collector's Report:**

It was noted that a healthy collection rate is being maintained.

c. **Board Subcommittee Reports:**

**Communications:** Mr. Gelston advised that the endowment funds article has been updated and will be resubmitted to the town newspaper for publication. Mrs. Varricchio stated that it will be submitted in pdf format so that it cannot be edited. Mr. Gelston stated that quarterly financial summaries and quarterly updates on the major projects should be prepared and published. Mr. DiCristofaro stated that it would be more appropriate for major project updates to come from the Board of Selectmen.

**Financial Needs Roundtable:** The policy was revised following the last meeting to reflect the comments of the Board of Finance. It will be presented on October 29, 2019 at the Financial Needs Roundtable meeting. Mrs. Gionta noted that she is unable to attend the meeting on the 29<sup>th</sup>.

**Financial Policies:** The Capital Policy was discussed to include the Capital Request Form. The process will be implemented for the 2020-2021 budget process. Feedback for improving it would be greatly welcomed. Mr. Lyman stated that the document parallel's what the open space committee does in evaluating parcels. He added it is a great tool.

**FIRST SELECTMAN'S REPORT**

- Mr. Lyman noted that a gate has been ordered for the Transfer Station.
- The Willimantic Waste contract was executed and now reflects that after three years East Haddam will receive additional funding for recyclables if the market warrants it.
- The attorneys are working on the deed to convey the East Haddam Free Public Library to the Town as approved at the October 1, 2019 Town Meeting.
- Eric Smith resigned as a Public Works employee. The position has been posted and a replacement is being sought. Responsive to inquiry from the Board, it was noted that staffing levels at Public Works are not adequate.

## **FINANCE DIRECTOR'S REPORT**

### **a. FY 2020-2021 First Quarter YTD Budget Report:**

Mrs. Varricchio presented a revised format of a First Quarter summary and analysis and the 2019-2020 expenditures summary, which is also in a revised format. She noted that the intent of the revised document is to show when expenditures are made, which for many lines happens all at once. Board feedback was positive. It was noted that the yellow numbers are corrected numbers from what was emailed, as a formula was incorrect. Mrs. Varricchio noted that the staff transitions at Public Works may have a financial impact that was not budgeted. In particular, she noted that the mechanic is leaving. This may necessitate sending repairs out for service rather than handling in house. She also highlighted that \$61,000 was budgeted for teachers retirement and that will not need to be expended. Mrs. Gionta suggested several footnotes to clarify items. Mrs. Gionta encouraged better delineation of transfers regarding multi-year funds. Additional feedback was solicited as it is a new reporting method and should be easier to utilize, the report will be generated monthly.

Mrs. Varricchio advised that the first debt service payment for the Municipal Office Complex has been made. She also noted that there were issues with the Foxtown Bridge project, that may result in penalties and fees being collected.

Mr. Gelston stated that he heard that electricity for this building was abnormally high. Mrs. Varricchio reported that actual billing was higher than assumptions. She noted that the Building Committee is working through the process that have several systems competing with each other. Mr. DiCristofaro summarized that the issue has been identified and that it is being worked on, all in effort to reduce costs.

Mr. Gelston noted that he had questions of either Mrs. Varricchio or Mrs. Dill, but added that he will ask them directly and not take up the Committee's time.

Mrs. Varricchio noted that a meeting occurred with FEMA a couple of weeks ago. FEMA is categorizing work into three areas: Emergency Work, Neptune Avenue and Everything Else. She noted that there may be a cash flow issue as they are not funding until all work is complete. In anticipation of cash flow issues, she is working with the Treasurer and if necessary, are looking to borrow to carry through as the amount of work totals \$3,000,000. Additional modifications to the reports were suggested. It was noted that the Board did not wish to see the font size decrease, so some additions may not be feasible.

## **LIAISON REPORTS**

Mr. Lauria noted that the Board of Education is working on evaluating several capital projects. Restroom facilities for the backfields are needed. Discussion of a track and irrigation systems is also underway. The high school roof was replaced over the summer and the parking lot was repaved.

## **Old Business**

In follow-up to the September meeting, it was noted that a facilities document prepared by the Library Trustees was provided to the Board. Mr. Gelston stated that the document should have a date on it.

Mr. Gelston noted that the Board of Finance at the September meeting requested a study committee be put together to evaluate library needs. Mr. Lyman stated that the next administration would need to assemble that committee.

## **NEW BUSINESS**

### **a. 2020-2021 DRAFT BUDGET CALENDAR/2020 DRAFT BOARD OF FINANCE MEETING CALENDAR**

The budget season will kick off with a Tri-Board meeting on December 9<sup>th</sup>. A proposed budget schedule is being prepared, days of unavailability were solicited. A draft 2020 Board of Finance Meeting Calendar was provided.

### **b. Public Works Major Projects Update:**

Mrs. Varricchio noted that she and Public Works Director Beth Lunt had back-to-back vacation weeks and were not able to complete the update. A report will be prepared for the Board..

## **GUESTS AND AUDIENCE COMMENTS**

No audience was present.

## **OTHER**

Mr. DiCristofaro encouraged attendance at the annual CCM conference at Foxwoods. He noted that it is a very worthwhile day of networking and workshops.

## **ADJOURNMENT**

**Motion was made by Mr. Lauria to adjourn at 8:07 pm. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.**

Respectfully submitted,

Debra H. Denette  
Recording Secretary