

TOWN OF EAST HADDAM
BOARD OF FINANCE
Regular Meeting
October 21, 2013
Grange Hall

CALL TO ORDER

The regular meeting of the Board of Finance was called to order at 7:00 pm by Chairman Susan Link.

The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members:

Susan Link, Chairman
Robert Bennett
Daniel Alexander
Bruce Dutch
Harvey Thomas
Raymond Willis

Others:

Mark B. Walter, First Selectman
Deb Denette, Town Clerk and Recording Secretary
Denise Dill, Tax Collector
Cindy Varricchio, Finance Director

APPROVAL OF AGENDA

Motion was made by Robert Bennett to approve the agenda. Daniel Alexander seconded the motion and it was unanimously approved. Motion carried.

APPROVAL OF MINUTES

Motion was made by Raymond Willis to approve the minutes of the regular meeting of September 9, 2013 as presented. Robert Bennett seconded the motion and it was unanimously approved. Motion carried.

CORRESPONDENCE

a. From Lisa Conroy Regarding Athletic Fields:

A letter from Lisa Conroy addressed to the Boards of Selectmen and Finance was reviewed. The letter requested an additional question on the upcoming referendum (for the Elementary School and former Middle School) for the construction of athletic fields. First Selectman Mark Walter informed the Board that he has formed a group of stakeholders to discuss the use of the fields, current inventory and the history. The group will consist of representation from the Land Use Department, Park and Recreation, Little League, Soccer Club, and the Director of Facilities and Operations Management.

d. Fund Balance and Reserve Policies:

Chairman Link stated that we will be establishing a policy regarding fund balance, use of reserves and capital funding. A policy will be drafted for Board review.

e. Tri Board Meeting November 18, 2013/Budget Calendar:

November 18th is the regular meeting of the Board of Finance and will be a joint meeting with the Boards of Selectmen and Education. It was noted that this is also the first Board of Finance meeting following the election. It was suggested that a special meeting be held prior for the swearing in of new members and election for Chairman and Secretary, as well as liaison appointments. After brief discussion, it was determined to conduct two meetings on November 18. The first a special meeting at 6:00 pm to welcome new board member(s) and elect officers, the second will include the tri board meeting.

Mr. Thomas stated that it would be his preference to request that the Board of Education bring forward a budget without an increase. Mrs. Varricchio stated that the tri board meeting provides the time and opportunity for such discussion. Secondly, Mr. Thomas stated that he would like to see some type of documentation from the Board of Education that documents the new costs that have been attributable to "core curriculum".

A tentative schedule was developed in connection with the 2014-2015 budget. Per the Chairman's request, dates for a second referendum if necessary were included. A new item on the budget calendar was highlighted with regard to state legislation. The Board of Finance may make spending recommendation to the Board of Education with regard to consolidation of non-educational services and or financial efficiencies." The Board of Finance has ten days in which to make recommendations. The deadline for the 2014-2015 budget process will be March 20, 2014. Mr. Walter stated that shared services report addresses this legislation. Mr. Thomas requested a definition of what would be considered a "non-educational service". It was noted that the legislation provides for recommendations; however, it is not required that the Board of Education implement.

FIRST SELECTMAN'S REPORT

a. Webster Bank Financing Update:

Mr. Walter advised that a \$2,395,000 10-year loan closed with Webster at 2.50%. Mrs. Varricchio advised that costs attributable to the closing of the loan are still being received. She anticipated the costs would be about \$20,000.

Mr. Thomas questioned whether there was a policy that would authorize the First Selectman to make financial decisions for the Town regarding the structuring of debt. Mr. Walter stated that he brought the plan to the Board of Finance. Mr. Thomas stated that the Board did not take action, only offered no objection. Mr. Walter further stated that he consulted with the Town's Financial Advisor, Finance Director and Town Treasurer to determine the appropriate course of action and brought it forward to the Board of Finance. Mrs. Link sought veto power should rates change, prior to closing her approval was granted. Mrs. Varricchio advised that bond counsel must also provide review and approval. She further advised that language in the

month for Shady Brook and for settlement of the Shorthouse matter as agreed to by the Plaintiff, Town and Court.

Mrs. Varricchio reported that the state has submitted its findings and recommendations regarding project 043-0038 N/PS (Nathan Hale Ray Middle School) audit. In summary they have adjusted expenditures \$679,913. Mrs. Varricchio reported that the Town is appealing the findings. She stated findings like this are not uncommon. She also indicated that she has alerted Representative Ziobron and Senator Linares. She stated that she was confident that the Town will some success on the appeal.

LIAISON REPORTS

Nothing noted.

GUESTS AND AUDIENCE COMMENTS

Nothing noted.

OLD BUSINESS

a. Historic Preservation Document Fund Transfer:

Motion was made by Harvey Thomas to transfer \$3,000 from the Technology Fund—Records Preservation (Fund 35) to the Town Clerk's Document Preservation Fund (Fund 14). Daniel Alexander seconded the motion and it was unanimously approved. Motion carried.

OTHER/FOLLOW-UP ITEMS

Agriculture Center

Mr. Thomas distributed his thoughts on the Agriculture Business plan presented in September noting that he had not had the opportunity to review prior to that meeting. He stated that he did not need to take up the Board's time to review the document, however, he wished to summarize that the benefit in the project is for economic benefit to individuals that will not be measurable by the town. Mr. Walter stated that without the State grant this venture would not have ever gone forward.

NEW BUSINESS

Mrs. Link thanked Mr. Alexander for his time and talents devoted to the Board of Finance. She stated that she found him a very valuable addition. She noted that Mr. Alexander's term is ending and that he has chosen not to run for the position.

She also noted that Mr. Bennett and Mr. Willis are on the ballot. She wished them both good luck.

Motion was made by Raymond Willis to thank Daniel Alexander for his service and dedication to the Board of Finance. Harvey Thomas seconded the motion. The motion carried with Mr. Alexander abstaining.