

**TOWN OF EAST HADDAM  
BOARD OF FINANCE**

August 9, 2010  
7:00 pm  
Grange Hall

**Call to Order**

The regular meeting of the East Haddam Board of Finance was called to order by Paul Maxwell on Monday, August 9, 2010 at 7:00 pm at the Grange Hall.

The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members:

Paul Maxwell, Chairman  
Bob Bennett  
Matthew Budzik  
Bruce Dutch  
Susan Link

Others:

Mark B. Walter, First Selectman  
Denise Dill, Tax Collector  
Cindy Varricchio, Finance Administrator

**Approval of Minutes**

**Mr. Bennett motioned, seconded by Mrs. Link to approve the minutes of the June 14, 2010 meeting as presented. The motion carried, with Maxwell and Budzik abstaining.**

**Correspondence**

Nothing noted.

**Chairman's Report**

a. **Bond Rating:**

Mr. Maxwell reported to the Board that the Town's bond rating with Standard and Poor's had improved from AA to AA+. Members of the Board were provided with the correspondence from Standard and Poor's notifying East Haddam of the improved bond rating as well as with a copy of the Official Statement for the issuance of bonds for the Middle School and Open Space and a BAN for the Middle School.

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

Denise Dill distributed the monthly Tax Collector's report. She reported that the tax collection rate as of the end of July was 51%.

**First Selectman's Report**

Mark Walter reported that the Route 151 bridge over the Moodus River was scheduled to be finished this month and was open for traffic in the evening now.

## **Finance Administrator's Report**

### **a. Technology Update:**

Mrs. Varricchio advised that the new server is installed and we are moving forward with technology upgrades and protocols.

### **b. Preliminary 2009-2010 Year End Budget Reports:**

Mrs. Varricchio reviewed the preliminary unaudited year-end budget results with the Board. She highlighted that for Revenue the year end results show a shortfall of \$637,652 which is largely attributed to the Board of Education receiving \$530,460 in ARRA funds directly and conversely for Expenses the year end results show that we've underspent by \$1,507,391 which is largely attributed to the Board of Education at \$581,834 and prior year encumbrances at \$595,687.

### **c. Year End Encumbrances:**

Mrs. Varricchio presented to the Board the requests for Encumbrances/Continued Appropriations as follows:

| <b>2009-2010 REQUESTED CONTINUED APPROPRIATIONS</b>              | <b>ENCUMBER</b> |
|--|-----------------|
| 702 560240 TOWN CLERK RECORD LAND RECORDS                        | 2,200           |
| 707 560000 TOWN OFFICE - OFFICE SUPPLIES                         | 310             |
| 707 561000 TOWN OFFICE - OTHER SUPPLIES                          | 655             |
| 707 563000 TOWN OFFICE - HEATING                                 | 510             |
| 707 565310 TOWN OFFICE - MACHINE EQUIPMENT & REPAIR              | 137             |
| 707 566000 TOWN OFFICE - BUILDING MAINTENANCE                    | 922             |
| 725 563000 OLD MIDDLE SCHOOL OPERATING - HEATING                 | 14,020          |
| 735 561000 TOWN HALL - OFFICE SUPPLIES                           | 60              |
| 735 566000 TOWN HALL - BUILDING MAINTENANCE                      | 490             |
| 736 566300 RIVER HOUSE AND ANNEX - HEATING                       | 295             |
| 735 566000 RIVER HOUSE AND ANNEX - BUILDING MAINTENANCE          | 690             |
| 737 566300 GRANGE HALL - HEATING                                 | 550             |
| 735 566000 GRANGE HALL - BUILDING MAINTENANCE                    | 420             |
| 741 566300 FIRE DEPARTMENT - HEATING                             | 1,647           |
| 744 520000 POLICE OFFICERS - UNIFORMS                            | 240             |
| 744 564410 POLICE OFFICERS - EQUIPMENT                           | 4,860           |
| 746 574601 EMERGENCY MANAGEMENT - EQUIPMENT AND SUPPLIES         | 2,250           |
| 756 566000 TRANSFER STATION - BUILDING MAINTENANCE               | 1,835           |
| 756 585670 TRANSFER STATION - LANDFILL MONITORING                | 4,320           |
| 763 566100 CEMETERIES - MOWING                                   | 2,315           |
| 789 542101 VILLAGE DISTRICT REVITALIZATION - CONTRACTED SERVICES | 7,500           |
| 850 575001 50137 GENERAL HIGHWAYS - ROAD PROGRAM                 | 16,566          |
| 850 575001 50142 GENERAL HIGHWAYS - TOWN ROAD                    | 60,000          |
| 850 575001 50199 GENERAL HIGHWAYS - MISC ROAD AND DRAINAGE       | 36,515          |
| <b>TOTAL 2009-2010 CONTINUED APPROPRIATIONS</b>                  | <b>159,307</b>  |

| <b>2008-2009 CONTINUED APPROPRIATIONS – REQUEST TO CONTINUE</b> | <b>ENCUMBER</b>  |
|---|------------------|
| 907 570702 TOWN OFFICE - SITE PREPARATION                       | 13,278           |
| 907 570703 TOWN OFFICE - BUILDING MAINTENANCE                   | 661              |
| 907 570706 TOWN OFFICE - GENERAL CODE CODIFICATION              | 12,000           |
| 935 573501 TOWN HALL - PAINTING                                 | 4,000            |
| 936 573601 RIVER HOUSE - INTERIOR PAINTING                      | 2,050            |
| 937 573701 GRANGE HALL - IMPROVEMENTS                           | 18,860           |
| 937 573702 GRANGE HALL - BUILDING MAINTENANCE                   | 500              |
| 950 575001 50121 PUBLIC WORKS - SUNSET ACRES                    | 49,200           |
| 950 575001 50128 PUBLIC WORKS - O'CONNELL ROAD EXTENSION        | 75,000           |
| 950 575001 50137 PUBLIC WORKS - ROAD PROGRAM                    | 5,800            |
| 950 575005 50550 PUBLIC WORKS - CHIP SEAL                       | 7,815            |
| 956 568000 SANITATION - EQUIPMENT MAINTENANCE                   | 1,817            |
| 971 577102 RECREATION - NICHOLS FIELD                           | 2,289            |
| 990 589001 BOARD OF EDUCATION                                   | 393,689          |
| <b>2008-2009 CONTINUED APPROPRIATIONS – REQUEST TO CONTINUE</b> | <b>586,959</b>   |
|   |                  |
| <b>TOTAL REQUEST FOR CONTINUED APPROPRIATIONS</b>               | <b>\$746,266</b> |

**Mr. Bennett motioned, seconded by Mr. Dutch to encumber \$746,266 from fiscal year 2009-2010. The motion carried unanimously.**

d. **Accounts Receivable Write Off:**

Mrs. Varricchio reported to the Board that as we continue to review the Town's financial records, we have identified receivables to the General Fund that are two to four years old. Mrs. Varricchio indicated we cannot attribute their source or cause for these entries and in most instances probably received the funds. The entire amount is \$20,601.96 and is detail as follows:

| <b>Date</b> | <b>Description in MUNIS</b> | <b>Amount</b> |
|-------------|-----------------------------|---------------|
| 6/30/2006   | RST Grants                  | (19,949.75)   |
| 6/30/2008   | EM Grant Stipend            | (1,500.00)    |
| 6/30/2008   | Adjust                      | 2,147.79      |
| 8/18/2008   | Anthem Receivable           | 2,500.00      |
| 6/30/2008   | Little League Grant         | (3,800.00)    |
|             |                             | \$(20,601.96) |

**Motion by Mrs. Link seconded by Mr. Bennett to appropriate from the Contingency Fund (704-588701) \$20,601.96 to write off General Fund accounts receivable and to ask that the Board of Selectmen schedule a Town Meeting for approval. The motion carried unanimously.**

e. **Audit Update:**

Mrs. Varricchio reported that we are working diligently to be prepared for the auditors for the 2009-2010 fiscal year. The auditors are scheduled to arrive for two weeks beginning August 23<sup>rd</sup>. Mrs. Varricchio will continue to keep the Board informed.

## **Guests and Audience Comments**

Nothing noted.

## **Unfinished Business**

### **a. Firefighter Pension:**

Mr. Bennett reported to the Board that the Pension Committee has been working on the Firefighters Pension for several years. The Committee has approved a new defined contribution plan for those not vested as well as the trust plan that corresponds. The Committee is recommending that the conversion be brought to Town Meeting for full endorsement. Mr. Bennett outlined that those members presently vested would remain in the defined benefit plan and those who are not vested would be entered into the defined contribution plan.

**Motion was made by Mr. Bennett and seconded by Mr. Budzik to recommend to the Board of Selectmen for Town Meeting the approval of the Town of East Haddam Length of Service Award Plan for Volunteer Members of the East Haddam Volunteer Fire Department and Trust Under the Town of East Haddam Length of Service Award Plan for Volunteer Members of the East Haddam Volunteer Fire Department. The motion carried unanimously.**

## **New Business**

### **a. Historic Document Preservation Grant:**

**Motion by Mr. Maxwell seconded by Mrs. Link to request that the Board of Selectmen schedule a Town Meeting for the acceptance of the State of Connecticut, State Library, Historic Documents Preservation Grant in the amount of \$3,000 and to appropriate said funds to Fund 14—Document Preservation Fund. The motion carried unanimously.**

**Mr. Dutch motioned to adjourn at 7:40 pm. Mrs. Link seconded the motion. The motion carried unanimously.**

Respectfully submitted,

Cindy Varricchio