

**Board of Finance
Regular Meetings**

January 22, 2013
(Tuesday)

February 19, 2013
(Tuesday)

March 18, 2013

April 15, 2013

May 20, 2013
7:30

June 17, 2013
7:30

July 15, 2013
7:30

August 19, 2013
7:30

September 16, 2013

October 21, 2013

November 18, 2013

December 16, 2013

**TOWN OF EAST HAMPTON
EAST HAMPTON, CT 06424**

BOARD OF FINANCE

Regular Meeting

Monday, October 21, 2013

7:30 PM

Location: Town Hall Meeting Room

1. Call to Order
2. Pledge of Allegiance
3. Approval of Minutes of Meeting(s) *
 - a) September 16, 2013 – Regular meeting
4. Public Remarks
5. Financial Transactions
 - a) Additional appropriation for Historical Society - \$60,000 (FY 2014) *
6. Correspondence
7. Special presentations
8. Status Reports (Financial)
 - a) 2013-2014 Revenues
 - b) 2013-2014 Expenditures
9. Continued Business
 - a) High School Renovation project update
 - b) Capital Policy
 - c) Fines/Penalties
10. New Business
11. Liaison's Reports
 - a) Town Council
 - b) Board of Education
 - c) WPCA
 - d) Economic Development Commission
 - e) Lake / Conservation
 - f) Fire Commissioners
 - g) Brownfields/Redevelopment
 - h) Park & Rec. Advisory Board
12. Public Remarks
13. Town Manager's Report
14. Adjournment

* - Potential action item

Town of East Hampton
Board of Finance
Regular Meeting
Monday, September 16, 2013
Town Hall Meeting Room

Unapproved Minutes

Present: Timothy Csere, Mary Ann Dostaler, Tom O'Brien, David Monighetti, Patience Anderson and Ted Turner (Mr. Turner arrived during the discussion of item# 8b).

Absent: Matthew Walton

Other attendee(s): Jeffery M. Jylkka, Director of Finance

1-2. Vice-Chairman Timothy Csere called the meeting to order at 7:00 p.m. followed by the Pledge of Allegiance.

3. Approval of Minutes of Meeting(s):

a) Aug. 19, 2013 – Regular meeting

Chairman Walton requested the following change via email: #9-D: Change September 1st to around the first week of September. Mary Ann Dostaler suggested adding "the elimination of auxillary lighting" to item# 6a (Special Presentations) in the 3rd sentence. The sentence should read: "Ruth explained that the estimate is lower than others due to the elimination of auxillary lighting and based on the fact that there is sufficient ampage and voltage that currently exists and that the conduit is in the ground therefore; it would be a matter of running the wires through the existing conduit, setting the concrete and putting up the lights".

Vice-Chairman Csere motioned to approve the minutes with the suggested changes, seconded by Tom O'Brien. **Vote: 4-Yes; 0-No; 2-Absent (Ted Turner and Chairman Walton); 1-Abstain (David Monighetti). Motion passed.**

4. Public Remarks: None

5. Correspondence: None

6. Special presentations: None

7. Status Reports (Financial):

a) 2012-2013 Revenues – Jeff Jylkka provided an overview of the 2012-2013 Revenues.

b) 2012-2013 Expenditures – Jeff Jylkka provided an overview of the 2012-2013 Expenditures.

c) 2012-2013 Fund Balance – Jeff Jylkka provided an overview of the 2012-2013 Fund Balance.

8. Financial Transactions:

a) End of fiscal year transfers (FY 2013) – Jeff Jylkka provided the members of the board with an itemized explanation of the transfers for FY 2013. A brief discussion followed. Mary Ann Dostaler motioned to accept the end of fiscal year transfers for FY 2013 as presented, seconded by Patience Anderson. **Vote: Yes-6; No-0; Absent-1 Motion passed.**

b) Board of Education special education excess cost additional appropriation (FY 2013) - Jeff Jylkka provided the members of the board with an itemized explanation of the Board of Education special education excess costs for FY 2013. A brief discussion followed. Tom O'Brien

motioned to approve the Board of Education special education excess cost additional appropriation (FY 2013) by reading aloud the proposed resolution: " Resolved, that the Board of Finance recommends to the Town Council, the above additional appropriation from state grant revenue in the amount of \$475,055", seconded by Patience Anderson. **Vote: Yes-6; No-0; Absent-1 Motion passed.**

9. Continued Business:

- a) High School Renovation project update – Jeff Jylkka stated that they are putting out an RFP for a Commissioning agent and that SLAM's contract is in the process of being modified.
- b) Capital Policy – Jeff Jylkka provided the members with a draft of the Capital Policy which was reviewed and discussed. The board members agreed to have a special workshop specific to the Capital Policy. Jeff Jylkka stated that when the Capital Policy is complete it will be sent to the Board of Education for feedback.
- c) Fines / Penalties – Jeff Jylkka stated that they are in the process of doing a study of local of fines and penalties and trying to find a resolution that addresses it through ordinances and state statutes.
- d) Administrators' Collective Bargaining – Mary Ann Dostaler stated that the bargaining was approved.

10. New Business: Vice-Chairman Csere passed out an article regarding the embezzling of money from Shelton city funds by the city's former assistant finance director. The article will be filed with the minutes.

11. Liasion's Report:

- a) Town Council – Ted Turner provided highlights of the meeting: they hired an organization to check the staffing levels (TIJ Consulting) in the amount of \$17000.00, they passed the tax deferral, they voted on a grant for Brewer and Christopher roads, they discussed the agricultural workshop and passed the contribution plans. Mr. Turner stated that the following topics were discussed as well: 13 Summit St, the funding of the ambulance conversion to an emergency mobile unit, updates on the athletic lighting were discussed and the 3rd meeting of the police SOB is coming up on Sept 25th.
- b) Board of Education – Mary Ann Dostaler attended the last meeting and provided highlights: she stated that there was an executive session before the meeting where they discussed the approval of the administrators' contract in the amount of \$94,541.00. Ms. Dostaler provided a brief summary of the cost impact statement. The new certified staff and nurses were introduced at the BOE meeting, the Friends of Education Award was given and the highlights of the BOE retreat were discussed.
- c) WPCA – Ted Turner attended the meeting and reported that the WPCA had a public hearing which was not attended by the public. Testing was done in the Village center and the results were good. WPCA discussed the new Hope Church and that in order to provide sewer hook-up for the church, they will need money.
- d) Economic Development Commission – David Monighetti was unable to attend but Mary Ann Dostaler stated that at the Town Council meeting, there was a discussion about tax abatement.
- e) Lake/Conservation – Patience Anderson did not attend the last meeting.
- f) Fire Commissioners – Chairman Walton was not present this evening to report.
- g) Brownfields/Redevelopment – Mary Ann Dostaler stated that she did not attend the last meeting.
- h) Park & Rec. Advisory Board – Timothy Csere stated that he was unable to attend the meeting last month.

12. Public Remarks: None.

13. Town Manager's Report: The Town Manager was not present to report.

14. Adjournment: Patience Anderson made a motion to adjourn at 8:36 p.m., seconded by Ted Turner. **Motion: 6-Yes; 1-Absent.**

Respectfully submitted,

Christine Castonguay
Recording Secretary

Town of East Hampton
Additional Appropriation / Transfer Request Form
Fiscal Year 2013-2014

Fund: General Fund
Department: Transfers Out (Capital Reserve Fund)

Additional Appropriation ☒
Transfer ☐

The following additional appropriation / transfer is recommended for board approval.

Estimated Revenue			
01060135	4590	Unassigned Fund Balance (Use of Fund Balance)	\$ 60,000
TOTAL			

Appropriation			
01810000	5924	Capital reserve	\$ 60,000

Explanation
The above additional appropriation is being requested to finance the installation of a water main extension and sewer connection for the Chatham Historical Society located on Bevin Boulevard. See attached for additional information.

Source of Funds
Funding is from unassigned fund balance.

Proposed Resolution
RESOLVED, that the Board of Finance recommends that the Town of East Hampton appropriate \$60,000 from unassigned General Fund balance and transfer the same amount to the Capital Reserve Fund for costs associated with the installation of a water main extension and connection of a sanitary sewer system to serve the Chatham Historical Society located on Bevin Boulevard. The appropriation may be spent for design, construction, acquisition and installation costs, related work and improvements, equipment, furnishings, materials, architect, engineering, project management, construction management and other consultant fees, legal fees, administrative costs, and other expenses related to the project.

Approved	Yes	No	Date
Board of Finance			
Town Council			

Office of the Town Manager

Town of East Hampton

Connecticut

Michael Maniscalco, MPA
Town Manager

Town Council
Susan B. Weintraub, Chairperson
Glenn S. Suprono, Vice Chairman
Kyle R. Dostaler
Ted Hintz, Jr.
Derek M. Johnson
Barbara W. Moore
George Pfaffenbach

MEMO

TO: Board of Finance
FROM: Michael Maniscalco, Town Manager
CC: Jeff Jylkka, Finance Director
DATE: 10/16/13
SUBJECT: Chatham Historical Society request for funds to implement water connection

Accompanying this document is a letter requesting funds from the Chatham Historical Society, a revised and checked cost estimate from the WPCA and the meeting minutes from the March 14, 2006 Town Council meeting.

At the October 8, 2013 Town Council meeting the Town Council directed me to meet with members of the Historical Society to determine the best way to get them connected to the Village Center Water System. The Town has reviewed multiple options to supply water to the Historical Society and to date this is the only option that will be acceptable to the Department of Public Health.

On March 14, 2006 the Town Council directed the Historical Society be sent to the Board of Finance for funding of their water project. To date I cannot tell if that has ever happened.

Thank you for accepting this memo and the accompanying documents as the formal request to appropriate funds in the amount of \$60,000 for the express purpose of supplying the Chatham Historical Society with a connection to the Village Center water system and the Town wide sewer system.

Town of East Hampton
Water Pollution Control Authority
P.O. Box 218, 20 Gildersleeve Drive
East Hampton, Connecticut 06424-0218
Telephone (860) 267-2536, FAX (860) 267-9913

TO: Michaela Maniscalco, Town Manager
XC: Jeff Jylkka, Finance Director
DATE: October 15, 2013
FROM: V. F. Susco, Jr. Public Utilities Administrator
RE: Chatham Historical Society
Water Main Extension & Sewer Connection at Bevin Blvd.

You have requested a cost estimate for a possible water main extension to serve the Chatham Historical Society building located on Bevin Boulevard. This cost estimate for the 260 foot extension is as follows:

Please remember this is an estimate and should the project move forward the final cost of the project will depend upon bids received for construction.

- Engineering Design inc. construction inspection: \$ 9,500.00
- Water Main Material/Installation/rock/pavement: \$ 32,500.00
(Based upon \$125.00/ft subject to bidding)
- "1 Service Connection w/5/8"meter installation: \$ 1,500.00
- Water Connection Assessment @ 1EMU \$ 1,250.00
- Contingency: \$ 2,500.00
- Total: \$ 47,250.00

As a result of the August 14, 2012 Town Council meeting additional information was requested.

The cost to connect the property to the sanitary sewer system is estimated as follows:

- 6" Gravity Sewer lateral, material & installation \$ 7,500.00
(Based upon \$125.00/ft)
- Sewer Connection Charge @ 1EDU \$ 2,500.00
- Contingency: \$ 2,500.00
- Total: \$ 12,500.00

Total estimated cost for both water and sewer is \$59,750.00 rounded to \$60,000.00

communities define their conservation priorities, identify lands to be protected, and to provide resources to assist with transactions. The Trust for Public Land has proposed to assist the Town of East Hampton with developing and implementing an Open Space Acquisition Program. They have outlined a four-step program that includes development of a prototype open space acquisition program, preparation of a conservation finance feasibility report, presentation of an outlined draft to stakeholders representing the best plan for acquisitions in East Hampton, and assistance in prioritizing open space protection with financial options. They will facilitate consensus building within the Town and help us develop and achieve goals. They will make recommendations for funding. The cost of this service is \$14,400. The Town will be granted two grants to assist in covering this expense. These grants will reduce the costs to \$9,800. The largest single expense is for the feasibility study. The Trust for Public Land has provided references, all of who are pleased with the services provided. Mr. Minnick recommends this opportunity to begin an open space acquisition policy in the Town.

Councilman Dostaler discussed the Trust for Public Land. He explained that the Trust for Public land has been working in Connecticut for 10 years and has helped in the protection 4,000 acres of land. Mr. Dostaler also discussed East Hampton's interest in open space and explained that it was not a new interest. Previous Councils have shown interest in acquiring open space for the Town.

Councilwoman Engel posed several questions. Mr. Minnick explained that this program should take about nine weeks. The Trust for Public Land will assist in the selection of those individuals who will comprise the Stakeholders. They will be comprised of seven to nine members selected from various boards, committees, and agencies of the Town. Their job will be to review the proposal and plan and implement the plan with the ongoing assistance of the Trust for Public Land.

Vice-Chairman Johnson moved to have the Finance Department determine the best methodology for funding the Open Space and Land Acquisition Program with the Trust for Public Land in the current fiscal year. Mr. Dostaler seconded the motion. The motion carried unanimously.

ii. Chatham Historical Museum Water Main Extension: Mr. Bergren explained that the Health Department does not recommend drilling a well on this property located on Bevin Boulevard because the property is very narrow and the potential for any well in this area to draw contaminated water is very high. The most viable long-term solution is a connection with the Village Water System. Mr. Susco, has prepared a cost estimate for an extension of the Village Water System for this purpose. (Attachment 4)

Mr. Susco explained the requirements and costs associated with the connection of the property to the water system. The size of the project is so small that it will be difficult to obtain competitive bids. This will leave us with a time and material contract or an incompetent construction firm. The Town has had trouble obtaining competitive bids on projects that are much larger. No water main may be extended without the approval of the State Health Department. There is an eight-page application that must be submitted. That application contains one question that concerns Mr. Susco. The question relates to the

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existing available system capacity. The State will not allow that question to be answered with the minimal amount of water usage that will be common for this facility. The State will require information on square footage, occupancy, and a water consumption load associated with the occupancy. That usage will be much greater than what is actually anticipated. This discrepancy will cause the Health Department to have an increased interest in the application. A meeting with the Health Department will be necessary to ensure accurate understanding of the project. The funding for this will be the responsibility of the Town.

Mr. Bergren explained the funds will come from the Town's General Fund. The water lines in the street will be permanent and may be continued in the future as the system is expanded.

Mr. Susco explained how the customers of the Village Water System are charged currently and how the same customers will be charged once a municipal water system is developed.

Sandy Doran, President of the Chatham Historical Society, clarified that there is a potential bathroom on the property with one sink and one toilet. The Society meets for two hours a month for their regular business meeting. Up until about two months ago, they meet for about two hours a month for public viewing. They closed their facilities because they have incurred water damage to their older facility and need to repair the roof and the damage. Five volunteer workers have dedicated every Saturday for about three years in an attempt to get the new facility up and running. The only thing stopping the Society from proceeding now is obtaining their CO, which they must have access to suitable water to obtain. The Chatham Health District informed the Society that a storage tank, which they requested, would no be feasible. The building must have access to running water. The only alternative is to tie into the Village Water System. Ms. Doran distributed photos of the project.

Ms. Engel moved to have the Finance Department research the most efficacious means to provide the necessary funds to complete the water main extension to the Chatham Historical Society Museum. Mr. Dostaler seconded the motion. The motion carried unanimously.

AGENDA ITEM #14 – OLD (CONTINUED) BUSINESS

- A. This item was moved to Agenda Item No. 3, Special Presentations by unanimous vote of the Town Council.**

AGENDA ITEM #15 – PUBLIC REMARKS

Kimberly Fontaine, Railroad Avenue, discussed her interest in establishing a non-profit development corporation to revitalize the Village Center. She is seeking anyone who is interested in joining her in this venture. Ms. Fontaine also reported that she has resigned from the Board of Directors of Epoch Arts, which now stands firmly on its own. Her intentions for the Brookside property remain the same. She believes this property would be an ideal community center with a theater area and several other areas of interest for the youth in the community.

Mary Ann Dostaler, William Drive, requested clarification regarding a legal notice related to a public hearing on March 21.



Chatham Historical Society, Inc. Est. 1963

6 Bevin Blvd.
East Hampton, CT 06424

Sandy Doran, President
Phone: 860-267-8953
ChathamHistoricalSocietyCT.org

The Chatham Historical Society is requesting monetary support from the East Hampton Town Council to implement getting water and sewer to the museum at 6 Bevin Boulevard.

I'd like to start by giving a little history of our organization. Back in 2003, Ray Krupa approached the Chatham Historical Society with an offer of building a second museum building at our complex, since we had outgrown our first one. This would be built in memory of his late sister. We gladly accepted, and over the next four years, five members volunteered to construct the building, giving up their every Saturday to work on this project. In 2003, we were told by the members of the Town Council that we would be getting water when the project was completed.

In 2007, we were given our Certificate of Occupancy, and were told that water would be coming shortly. It never did. Subsequently for the next six years, we have asked the Town Council for water, but were consistently told that there was not enough water for us.

When we approached the Town Council this summer, after hearing that a developer who owns 13 Summit Street, was asking for 6,625 gallons of water per day, and that the Town Council was seriously considering his request, we were told that water was not the issue anymore. This time, the hold up was the cost of laying 260' of pipe under Summit Street, from Center School to our building.

The Chatham Historical Society is open approximately two times per month. At our monthly business meeting, about fifteen members attend. At our monthly Open House, about twelve people attend. That's about thirty people who use the facility each month. Even if every one of those thirty people used the bathroom, at roughly three gallons per flush, plus hand washing, that would be about 100 gallons of water needed per month. A mere 'drop in the bucket', so to speak.

The Chatham Historical Society offers a myriad of things for the Town of East Hampton. We sponsor an annual Antique Appraisal Day each spring, an annual Town Wide Tag Sale each June, a biennial Quilt Show in September, and a biennial Historic House Tour, also in September. We also have been offering 'Hike East Hampton' walks to different destinations all around town. We have been doing this for about

a year and a half now, with the latest one, giving pontoon boat rides to Boy Scout Island. Over 160 people attended this free event, listening to Jack Solomon giving the history of the island, complete with a few eighty plus year olds giving their recollections of their Boy Scout days.

We have helped Cub Scout troops, for several years now, achieve their merit badges by touring the museum. Third grade students from Memorial School end up at the museum after touring several sites in town on 'History Day', and fourth grade students from Center School are taught a full day of class in our 1840 one room schoolhouse each year.

Quite often we have speakers come to the Library Community Room and talk about various subjects, which are all open to the public. A few of these include, a speaker from the New York and New Haven Railroad talk about the Airline Railroad, a builder of outhouses spoke about the history of outhouses, Arthur Liverant from Liverant and Sons of Colchester gave a presentation on antique chairs, a woman from Bolton spoke about the healing effects of medicinal herbs, a local resident spoke about the Fife and Drum Corp., the author of a book entitled The Great Circus Fire spoke about that tragedy in Hartford, Marty Podskoch spoke about the Civilian Conservation Corp. that began in 1933 and Kevin Tulimieri, also of Liverant and Sons of Colchester spoke about Amos Ransom, a local furniture maker.

On Old Home Day, we are open to the public Thursday and Friday nights and all day on Saturday. We also sponsor a Connecticut Lottery Christmas Tree raffle. This is a fundraiser for us, something we are constantly doing, just to pay our insurance bill, electrical bill, phone bill and alarm system bills.

We constantly get phone calls, emails and regular mail requesting genealogy information, from people all over the country, who had family that once resided in East Hampton. We have gone to the State Library in Hartford, the Godfrey Library in Middletown and to our own Town Hall, giving them the information. In fact, the Town Clerk's office quite often gives these people, my phone number, just for this purpose.

Each year, we put together a calendar, comprised of old photos from our extensive collection, along with the history of each photo. A lot of research goes into this. We get requests for these calendars from all over the country, from people who used to live in East Hampton.

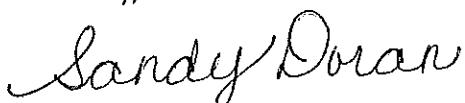
We also have a resident photographer who makes copies of our photos for people coming in, requesting such. We just recently gave Angelico's Restaurant several photos to hang in their foyer depicting what East Hampton looked like several hundred years ago.

In our museum, we have a place of honor for the late Governor O'Neill. Some of the collection includes his high school yearbook, a book showing photos of his political accomplishments, and various memorabilia from his time in office. We also luckily have a large collection of Bevin Brothers bells, safely displayed in the museum, untouched by the recent tragic fire, a huge collection of Gong Bell toys and a large collection of N.N. Hill Brass toys. Other museum artifacts date back over 200 years.

The museum has always been free to the public. There is no admission charge. And we are always open by appointment. Just two months ago, a resident requested eighty 'Legend of the Lake' books for her upcoming wedding. I met her at the museum that night and got them for her, plus she got a two hour tour of the facility. We all give of our time, just to keep the history of East Hampton alive. We do this, not for ourselves, but for anyone looking for information on our town. This year we celebrate fifty years of preserving East Hampton's history!

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Sandy Doran". The signature is fluid and elegant, with a large initial 'S' and a long, sweeping underline.

Sandy Doran, President

Chatham Historical Society

10/17/2013 12:58
 jjylkka

TOWN OF EAST HAMPTON
YEAR-TO-DATE BUDGET REPORT
PG 1
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FOR 2014 13

	ORIGINAL ESTIM REV	ESTIM REV ADJSTMTS	REVISED EST REV	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL
<hr/>						
01 GENERAL FUND						
<hr/>						
40 Property taxes	-30,223,054	0	-30,223,054	-16,135,415.70	-14,087,638.30	53.4%
41 Investment income	-32,000	0	-32,000	-261.77	-31,738.23	.8%
42 License, permit & FEES	-382,980	0	-382,980	-146,956.40	-236,023.60	38.4%
44 STATE & LOCAL GRANTS	-8,492,254	0	-8,492,254	-344,746.58	-8,147,507.42	4.1%
45 Local gov. payments	-11,800	0	-11,800	-11.88	-11,788.12	.1%
46 Charges for services	-16,000	0	-16,000	-8,867.85	-7,132.15	55.4%
47 Other revenue	-79,887	0	-79,887	-24,532.51	-55,354.49	30.7%
TOTAL GENERAL FUND	-39,237,975	0	-39,237,975	-16,660,792.69	-22,577,182.31	42.5%
GRAND TOTAL	-39,237,975	0	-39,237,975	-16,660,792.69	-22,577,182.31	42.5%

** END OF REPORT - Generated by Jeff Jylkka **

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TOWN OF EAST HAMPTON
YEAR-TO-DATE BUDGET REPORT
PG 1
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FOR 2014 13

		ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
01 GENERAL FUND								
01010000	Town Manager's Department	319,684	0	319,684	78,322.63	17,150.00	224,211.37	29.9%
01020000	Town Council/Special Progr	24,957	0	24,957	12,636.70	.00	12,320.30	50.6%
01030000	Facilities Administrator	96,963	0	96,963	314.02	.00	96,648.98	.3%
01040000	LEGAL FEES	150,000	0	150,000	27,029.84	.00	122,970.16	18.0%
01050000	Town Hall/Annex	266,717	0	266,717	64,813.40	44,499.92	157,403.68	41.0%
01060135	Finance and Accounting	416,805	0	416,805	133,047.10	6,609.34	277,148.56	33.5%
01060136	Collector of Revenue	161,690	0	161,690	48,880.57	1,464.00	111,345.43	31.1%
01060137	Assessor	177,801	0	177,801	47,874.04	4,329.60	125,597.36	29.4%
01060138	Board of Assessment Appeal	1,282	0	1,282	65.00	.00	1,217.00	5.1%
01070000	Town Clerk	175,663	0	175,663	47,128.09	19,991.86	108,543.05	38.2%
01080000	Registrars/Elections	44,633	0	44,633	6,339.80	.00	38,293.20	14.2%
01090000	General Insurance	282,300	0	282,300	212,503.00	.00	69,797.00	75.3%
01100000	Probate Court	13,957	0	13,957	6,978.50	.00	6,978.50	50.0%
01110000	Employee Benefits	1,467,820	0	1,467,820	293,767.57	.00	1,174,052.43	20.0%
01120000	Contingency	65,000	0	65,000	.00	.00	65,000.00	.0%
01150000	Information Technology	72,402	0	72,402	29,104.80	.00	43,297.20	40.2%
01210211	Police Administration	285,521	0	285,521	69,248.91	14,108.96	202,163.13	29.2%
01210212	Regular Patrol	1,343,333	0	1,343,333	303,033.84	3,430.83	1,036,868.33	22.8%
01210213	Lake Patrol	3,706	0	3,706	2,344.16	47.29	1,314.55	64.5%
01210214	Animal Control	39,556	0	39,556	15,474.77	.00	24,081.23	39.1%
01220221	Firefighting	277,818	0	277,818	43,637.71	1,476.64	232,703.65	16.2%
01220223	Fire Marshall	46,455	0	46,455	12,258.72	.00	34,196.28	26.4%
01220225	Town Center Fire System	14,150	0	14,150	869.47	.00	13,280.53	6.1%
01230000	Ambulance	6,910	0	6,910	1,119.13	.00	5,790.87	16.2%
01240000	Civil Preparedness	16,200	0	16,200	1,062.83	.00	15,137.17	6.6%
01250000	Communications	121,158	0	121,158	29,750.33	90,219.25	1,188.42	99.0%
01260000	Street Lighting	59,000	0	59,000	13,238.27	.00	45,761.73	22.4%
01310000	Health Department	110,407	0	110,407	55,203.50	55,203.50	.00	100.0%
01320000	Human Services	110,993	0	110,993	25,390.79	360.00	85,242.21	23.2%
01330000	Senior Center	108,244	0	108,244	24,231.57	4,730.32	79,282.11	26.8%
01340000	Transportation	54,100	0	54,100	26,300.00	26,300.00	1,500.00	97.2%
01350000	Community Services	4,500	0	4,500	4,650.00	.00	-150.00	103.3%
01360000	CEMETERY CARE	5,000	0	5,000	4,315.51	.00	684.49	86.3%
01410000	Building, Planning & Zonin	332,218	0	332,218	92,020.88	.00	240,197.12	27.7%
01420000	Econ. Development Commissi	10,827	0	10,827	1,213.54	.00	9,613.46	11.2%
01430000	Conservation & Lake Commis	20,682	0	20,682	699.02	.00	19,982.98	3.4%
01460000	Redevelopment Agency	3,167	0	3,167	199.53	.00	2,967.47	6.3%
01470000	Middle Haddam Historic Dis	1,770	0	1,770	210.55	.00	1,559.45	11.9%
01510000	Public Works Admin.	1,265,670	0	1,265,670	238,793.95	6,468.19	1,020,407.86	19.4%
01520000	Engineering	60,000	0	60,000	4,809.33	.00	55,190.67	8.0%

10/17/2013 13:47
jjylkka

TOWN OF EAST HAMPTON
YEAR-TO-DATE BUDGET REPORT

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FOR 2014 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
01530000 Town Garage	59,731	0	59,731	9,866.28	4,320.00	45,544.72	23.8%
01540000 Townwide Motor Fuel	187,880	0	187,880	18,419.85	145,000.00	24,460.15	87.0%
01550000 Road Materials	325,500	0	325,500	29,105.92	867.03	295,527.05	9.2%
01560000 Transfer Station	134,823	0	134,823	29,158.93	.00	105,664.07	21.6%
01570000 Septage Disposal	2,400	0	2,400	2,232.00	.00	168.00	93.0%
01610610 Park & Recreation	371,516	0	371,516	110,139.49	7,010.32	254,366.19	31.5%
01660000 Arts & Cultural Commission	2,350	0	2,350	88.00	.00	2,262.00	3.7%
01670000 Community Center	158,637	0	158,637	35,009.79	1,814.69	121,812.52	23.2%
01680681 E Hampton Public Library	433,023	0	433,023	108,744.85	3,167.00	321,111.15	25.8%
01680682 Middle Haddam Library	20,000	0	20,000	20,000.00	.00	.00	100.0%
01710711 General Obligation Bonds-P	510,000	0	510,000	285,000.00	.00	225,000.00	55.9%
01710712 School Bonds-Prin	325,000	0	325,000	325,000.00	.00	.00	100.0%
01720721 General Obligation Bonds-I	223,657	0	223,657	85,984.39	.00	137,672.61	38.4%
01720722 School Bonds-Int	43,620	0	43,620	13,060.00	.00	30,560.00	29.9%
01810000 Operating Transfers Out	869,916	0	869,916	.00	.00	869,916.00	.0%
TOTAL GENERAL FUND	11,707,112	0	11,707,112	3,050,690.87	458,568.74	8,197,852.39	30.0%
GRAND TOTAL	11,707,112	0	11,707,112	3,050,690.87	458,568.74	8,197,852.39	30.0%

** END OF REPORT - Generated by Jeff Jylkka **

Purpose

In recognition that buildings, infrastructure, ~~technology~~ and major equipment are the physical foundation for providing services to the residents of the Town of EAST HAMPTON, a multi-year Capital Improvement Program (CIP) is prepared and reviewed annually. The purpose of the CIP is to budget for the acquisition, replacement or renovation of major capital/fixed assets. These items are generally not of a recurring nature and not included in the regular operating budget process. Careful planning during this process is critical to the procurement, construction, and maintenance of capital assets to meet the needs and activities of the Town. The General Fund, through the annual operating budget, is the primary funding source for the CIP and therefore plays an integral role in the development of the program. Proper planning and funding will mitigate budget fluctuations year over year.

A comprehensive capital plan will help ensure the future financial discipline and funding stability ~~health~~ of the Town and ~~the continued~~ systematically provide efficient delivery of public services to citizens and businesses.

Capital/Fixed Assets are categorized as follows:

- Land
- Land Improvements
- Buildings and Improvements
- Machinery and Equipment
- Infrastructure

The following Capital/Fixed Asset items are to be included in the Town's annual operating budget:

- Fixed assets that cost less than \$10,000
- Fixed assets that are of a recurring nature and acquired each year

Definitions

1. The **Capital improvement program** is defined as a plan for capital expenditures over a multi-year period to meet identified improvements in the infrastructure.
2. The **Capital Budget** is the first year of a five year plan for capital expenditures to be incurred over a given fiscal year from funds appropriated ~~by the Town Council~~ through the annual budget process for projects scheduled in the same year.
3. **Capital Equipment** is defined as any item that has an expected life of five (5) years or more and a purchase price in excess of \$1,000. Items costing less than \$1,000 and lasting less than five (5) years are to be purchased from material and supply accounts. The purchase price includes any costs of acquisition or transportation of the item or other costs associated with the installation or placing it into service. The expected life for a piece of equipment is that period of time for which it will be useful in carrying out operations without major repair to its physical condition. Generally, capital equipment includes, but is not limited to, furniture and fixtures, machinery and motor vehicles.
4. **Capital Projects** are the improvements that make up the capital budget. Each project has a specific purpose, justification and cost. Projects propose physical improvements in different elements of the Town's infrastructure. Improvements include but are not limited to: construction, reconstruction, rehabilitation, modification, renovation, expansion, replacement, extension of streets, bridges, buildings, sidewalks, playgrounds, lights and acquisition of land, buildings with associated relocation, demolition and improvements such as landscaping, fencing and paving.
- 5.

Criteria

The following Capital/Fixed Asset items are to be included for consideration in the Town's Capital Improvement Program (CIP):

- The acquisition of and improvements to assets that cost \$10,000 or more and,
- The Capital/Fixed Assets, or improvements, that have an anticipated life expectancy of five years or more. Most non-recurring major expenditures are the result of the Town's acquisition of capital items that form the physical foundation for municipal services such as land, buildings, infrastructure improvements, machinery and equipment. However, there can be major expenditures for non-capital items that can be anticipated on a recurring and periodic basis and require significant funding. In addition to the above items, the following proposed expenditures may be considered in the CIP, although they may not constitute capital/fixed assets with useful lives of five years or more.
- Property revaluation required by the Connecticut General Statutes
- Technology programs and systems
- Sinking fund contributions for debt
- Sinking fund contributions for repairs to major fixed assets

These items and other similar items that may require significant funding of \$10,000 or more, and are not anticipated to be acquired each year, may be appropriate to be included in the CIP process.

The annual road paving program can be anticipated on a recurring basis; however, it requires funding of significantly more than \$10,000 and should be included in the CIP process.

This CIP provides for a five-year plan of acquisition, renovation, replacement and construction of the items included in the capital budget and includes a planning, budgetary and financing process.

Assets in excess of \$10,000 not precluded from acquisition in the general fund or other special revenue fund.

CAPITAL IMPROVEMENT PLANNING COMMITTEE

MEMBERSHIP

~~Section 1. The Town Council shall establish and appoint a committee to be known as the~~ The Capital Improvement Planning Committee ~~shall be~~, composed of one member of the Town Council, one member of the Board of Finance ~~Committee~~, and one member of the Board of Education. Committee assignments shall be determined by the board chair. The Town Finance Director, ~~and~~ Town Manager and Superintendent of Schools shall be ex-officio Committee staff members without the right to vote.

ROLES & RESPONSIBILITIES

~~Section 2.~~ The Committee shall study proposed capital projects and improvements involving major non-recurring tangible assets and projects which: 1) are purchased or undertaken at intervals of not less than five years; 2) have a useful life of at least five years; and 3) cost over \$10,000. All officers, boards and committees, including the Board of Education, shall, by December 1st of each year, give to the Town Manager who shall forward to the Committee information concerning all anticipated projects requiring action during the ensuing five years. The Committee shall consider the relative need, impact, timing and cost of these expenditures and the effect each will have on the financial position of the town. No appropriation shall be voted for a capital improvement requested by a department, board or commission unless the proposed capital improvement is considered by the Committee.

~~Section 3.~~ The Committee shall prepare an annual report recommending a Capital Improvement Budget for the next fiscal year, and a Capital Improvement Program including recommended capital improvements for the following four fiscal years. The report shall be submitted to the Board of Finance for its consideration and ~~approval~~ recommendation. The Board of Finance shall submit its ~~approved-recommended~~ Capital Budget to the Town Council for approval (see Exhibit A).

~~Section 4.~~ Such Capital Improvement Program, after its adoption, shall permit the expenditure on projects included therein of sums from departmental budgets for surveys, architectural or engineering advice, options or appraisals; but no such expenditure shall be incurred on projects which have not been so approved by the town through the appropriation of funds in the current year or in prior years, or for preliminary planning for projects to be undertaken more than five years in the future.

~~Section 5.~~ The Committee's report and the Town Council's recommended Capital Budget shall be published and made available in a manner consistent with the distribution of the annual Town budget report. The Committee shall deposit its original report with the Town Clerk.

CAPITAL IMPROVEMENT PROGRAM TIMING/SCHEDULE

~~Capital Improvement items are considered on the basis of need and value to the community.~~ In general, the CIP will be prepared, presented and acted upon in accordance with the following schedule:

No later than January 29 <u>10</u>	Town Manager shall provide a five year planning document to the Capital Improvement Committee summarizing department proposals for capital improvements, a recommendation of items to be included in the CIP, project priorities for the following fiscal year and proposed method/sources of funding for all recommended projects.
On or about February 1	The Capital Committee shall <u>receive, review and recommend the 5 year CIP. The plan will then be forwarded recommend preliminary capital improvement priorities</u> to the Board of Finance
On or about March 1st <u>February 15</u>	Board of Finance shall recommend CIP to Town Council
No later than March 27	Town Council adopts <u>the CIP</u> capital program for the following fiscal year
<u>Quarterly CIP meetings</u>	<u>The Capital Improvement Planning Committee shall meet at least quarterly to review and discuss current and proposed capital projects.</u>

The Town Manager will provide the Town Council periodic CIP status reports throughout the year and present detailed project status reports or design plans on an as needed basis in accordance with the applicable project schedule.

IDENTIFICATION OF NEEDS

Capital Improvement items are considered on the basis of need and value to the community. Annually, each

department, board or agency shall submit a proposed five year ~~Capital Improvement Program (CIP)~~ to the Town Manager in accordance with the CIP schedule. Requested items shall include acquisition of capital assets, new construction, major renovations and improvements to municipal facilities, purchase of machinery and equipment and other items that satisfy the CIP criteria. Capital improvement proposals received outside of the formal CIP process from departments, citizens, agencies or organizations shall be forwarded to the Town Manager for review and recommendation to the Capital Improvement Planning Committee, Board of Education, Board of Finance and Town Council as applicable.

Items that are to be included in the Capital Improvement Program include the following with an estimated cost of \$10,000 or more and have a useful life of not less than five years:

- Purchase of Land and Development Rights
- Construction of New Buildings
- Land and Building Improvements and Renovations
- Machinery and Equipment
- Infrastructure Improvements (streets, sewers, sidewalks, etc.)
- Vehicles and Construction equipment
- Feasibility Analysis/Design/Cost estimates and other professional services relative to anticipated major projects
- In addition to the above items, the CIP may include certain recurring expenditures/projects that due to their nature and anticipated cost are best appropriated through the CIP (e.g. revaluation or major software acquisition)

All Capital Projects under consideration must be submitted on forms provided by the Finance Department and include accompanied by a description including the following detail and descriptive information:

- 1) PROJECT TITLE: Enter the title best describing the project. Be concise, but as descriptive as possible.
- 2) SUBMITTED BY: Enter the Department, and division, if applicable.
- 3) CONTACT PERSON: Enter the name and telephone number of the person who can best answer detailed questions about this project.
- 4) PROJECT DESCRIPTION: Give a full, detailed description of the project. The description must contain enough information to allow for a detailed project cost estimate. If the project is construction of a building, specify the following: size; use; type of building; utility type; etc. If it is a street project, specify the following: length; width; whether it is new construction, reconstruction or resurfacing; whether it involves new signals, sewers, and/or sidewalks; etc. Any project with insufficient information to develop a cost estimate will not be considered.
- 5) PROJECT JUSTIFICATION: Support the need for this project. Some of the questions you might want to consider follow below:

- Does the project meet established standards and/or codes?
- Does the project address a Town Council policy initiative or Board of Education goal?
- Does it eliminate or mitigate a health, fire or safety concern~~hazard~~?
- Does it serve a segment of the community not currently served?
- Does it foster private investment? How much?
- Does it create jobs? How many? What type?
- Does it support economic development (i.e. tourism)?
- Does the project require additional staffing or operational increases?
- Does the project create any revenue?
- Does it meet or address a federal or state mandate?
- What will happen if the Town does not undertake this project?
- Use the above and the Capital Allocation Checklist as a guide in submitting justifications.

- 6) PROJECT LOCATION AND SERVICE AREA: Give a brief description of the community impact the project will have as well as the area it will serve.

7) SIGNATURE: The Department Director must sign the bottom of the form and date it. The signature indicates that the director approves of the submission of the project and agrees with the information provided.

Estimated Costs

Costs shall be estimated for all items requested as part of the five-year Capital Improvement Program. Costs for items requested in years two through five shall anticipate an escalation rate to be determined by the Town Manager and Finance Director at the beginning of the CIP process.

The steps for major capital construction projects in the CIP, those estimated to exceed \$250,000, may ~~shall~~ be recommended required by the Town Manager and will generally include the following:

- A. Evaluation/feasibility phase, as necessary
- B. Preliminary design and cost estimating phase
- C. Final Design and construction

Subject to the specifics of the project, funding for steps A and B may be combined in the initial request. Cost estimates should include preliminary design fees, final design fees, architectural fees, construction management fees, construction costs, acquisition costs, contingency, escalation, legal and financing fees, including short term interest, and any other costs applicable to the project. The scope and estimated costs of in kind services shall be identified and presented along with the initial cost estimates for the project.

Funding

The Town Council, as part of the annual operating and capital budget process, will review the capital equipment and capital projects in the CIP as recommended by the Board of Finance ~~Town Manager~~. The Town Manager and Finance Director will develop a recommended financing plan, with options, based on total project costs, cash flow, projected method(s) of financing the projects, Capital Reserve fund projections, mill rate and debt service impact on future operating budgets. The Town Council shall review these projections when developing project priorities and the recommended capital program for the following year. The goal is to effectively balance the total of the annual Capital Reserve Transfer and Debt Service requirements to minimize fluctuations in the mill rate in accordance with established guidelines set forth in this document.

An annual financing plan for the multi-year capital improvement plan is critical to the CIP process. Factors to be considered shall include:

- Anticipated revenue and expenditure trends and the relationship to multi-year financial plans
- Cash flow projections of the amount and timing of the capital improvement projects
- Compliance with all established financial policies
- Legal constraints imposed by Town charter or State statute
- Evaluation of various funding alternatives
- Reliability and stability of identified funding sources
- Evaluation of the affordability of the financing strategy, including debt ratios, future budgets and mill rate.

The Capital Improvement Program shall generally be funded as follows:

- A. Capital Reserve Fund** – The Town will use the Capital Reserve Fund as the primary funding source for capital projects to be funded on a pay as you go basis. The Capital Reserve Fund is primarily funded through an annual appropriation from the General Fund.

Based on factors referenced herein the Town Council shall consider as a general guideline a minimum annual appropriation and transfer to the Capital Reserve Fund in an amount equivalent to three percent (3%) of the current adopted operating budget rounded to the next highest \$5,000.

Annually the Board of Finance will review the General Fund unassigned fund balance, Capital Reserve unassigned fund balance and other funding requirements and may recommend a transfer of additional funds to the Capital Reserve Fund. The goal of the Town is to maintain an unassigned balance in the Capital Reserve Fund of an amount equivalent to \$1,000,000, except as needed to meet emergencies. The reserve policy will be reviewed annually and adjusted accordingly as part of the CIP process. Factors to be considered include evaluation of the projects in the multi- year plan, the method of financing and their effect on projected mill rates.

- B. Capital Initiatives Fund** – This fund is primarily used to account for the construction and acquisition of major capital assets. Bond proceeds are the major funding source for projects accounted for in the fund.
- C. Donations/Grants/Loans** – Anticipated contributions from various organizations or groups towards certain Capital Improvement projects, grants and loans will be used in financing the CIP to determine final estimated net cost to the Town.
- D. General Obligation Bonds** – Projects that are anticipated to have a significant expenditure of funds should be considered for referendum and funded through the issuance of general obligation bonds that shall be authorized and issued in accordance with Connecticut statutes and the Town of East Hampton Charter. Projects funded through the issuance of debt must be approved by the Board of Finance, Town Council and Town Meeting. The Town Council may elect to have a project voted on at referendum in lieu of a Town Meeting.

AMENDING THE CAPITAL IMPROVEMENT PROGRAM

From time to time during the year changes must be made in the Capital Improvement Program (CIP). These changes are made through a CIP Amendment request. A CIP Amendment is required under the following conditions:

- Financing a project not previously considered. This may result from emergencies that may occur during the year, or a change as needed.
- Increasing the funded amount of an existing project. These may arise from unanticipated inflation, change in the original project description or bids which come in higher than the original cost estimate.

A CIP Amendment is processed as follows:

- 1) The department responsible for the project makes an initial determination that additional funds are required for a specific purpose.
- 2) A written request by the Department Head is submitted to the Town Manager. The request will include: A) Name of Project; B) Additional funds requested; C) Total current cost of the project; and D) Justification of request ;E) Total estimated budget.
- 3) For new projects the Town Manager makes a recommendation to the Capital Finance Committee which approves or disapproves the request. Amendments to currently approved projects can be approved by the Town Manager.

Projects not previously considered

- 4) If the request is approved, the Town Manager will prepare a report and resolution for approval from the Board of Finance and Town Council. The report will be placed on the earliest possible agenda of the Board of Finance and Town Council.
- 5) Upon approval of the Board of Finance and Town Council, a project will be established by the Finance department.

- 6) The Department proceeds with the project after steps 1-3 have been performed for existing projects and steps 1-5 for new projects. They will be notified by the Town Manager's Office.

Revisions to Approved CIP Projects:

Periodically there will be changes made to the approved CIP Projects that will require extra funding. This could arise from unanticipated inflation, change from the original project description or bids that may push up the original cost estimate. These additional funding requests will be handled as follows:

- 1- The Department or authorized entity responsible for the Project makes an initial determination that additional funds are required for a specific purpose.
- 2- The Department Head submits a written request for additional funding to the Town Manager. This request will include the original Finance Department CIP request form and will include detailed cost differences in the original Project and the revised Project.
- 3- This additional funding can be approved by the Town Manager providing the additional costs do not exceed the greater of \$10,000 or 10% of the original Project cost.
- 4- Should the Project Cost increase be more than \$10,000 or 10% of the original Project cost then the Project must go back to the CIP Committee for their review and approval.

Funding New and Emergency CIP Projects:

Periodically there will be projects that arise suddenly or on an emergency basis. These projects will follow the normal process as outlined in this policy.

ACCOUNTING PROCEDURES

After all of the projects have been approved by Town Council the Finance Department will begin the process of establishing accounts for the approved programs. All appropriations will be established based upon the approved project cost and prepared by using the line item criteria established by the cost estimate forms. In addition, the

Finance Department will be responsible for the following:

- 1) Maintaining grant agreements;
- 2) Maintaining audit records;
- 3) Receiving and recording revenues;
- 4) Distributing payments;
- 5) Reconciling the general ledger;
- 6) Reconciling bank statements and investments; and
- 7) Monitoring department performance.

The Department Director or Project Manager will be responsible for the following:

- 1) Creating monthly project status reports;
- 2) Creating and maintaining project timetables;
- 3) Explaining project changes and/or cost overruns;
- 4) Providing updates to the Town Council;
- 5) Presenting projects to committee and the Town Council;
- 6) Completing data detail for the Finance Department; and
- 7) Estimating costs and/or staffing requirements.

Capital Improvement Program

