

TOWN OF EAST HAMPTON
EAST HAMPTON CT 06424
BOARD OF FINANCE
Regular Meeting Minutes
Monday, April 16, 2007
7:00 PM
Town Hall

Members present: Chairman Ted Hintz, Vice-Chairperson Sharon Kjellquist, Kurt Comisky, and Jill Simko

Staff Present: Town Manager Alan Bergren, Finance Director Jeff Jylkka

Other Attendees: Town Council Member Kyle Dostaler, EDC Chair Maryanne Dostaler

1. Call to Order:
Chairman Hintz called this meeting to order at 7:18 PM followed by the Pledge of Allegiance.
2. Approval of Minutes of Meeting(s):
A motion was made by Jill Simko, seconded by Sharon Kjellquist, to approve the minutes for the March 28, 2007, April 2, 2007, and April 5, 2007 special meetings. Discussion resulted in the amendment to the March 28, 2007 minutes regarding the percentages in Gail Hamm's document (change to 44.88% ECS and 55.12% to general fund). Motion passed 4-0.
3. Public Remarks: No public comments.
4. Correspondence:
 - Jeff advised that the BOF proposed budget was sent to each of them via email as well as a paper copy handed out at this meeting
 - Legal notice for the annual town budget meeting, Monday April 30th
 - Agenda for tomorrow's Town Council special meeting
5. Status Reports:
 - Jeff provided both the general fund revenues and general fund expenditures, noting that the revenues are 26k higher than estimated and that the BOE was added to the expenditures. [Copies attached and made a permanent part of these minutes.](#) There was significant concern expressed regarding the lack of oversight of department/commission budgets. Example: BOF asked how the lake commission with no approved budget can be over by approximately \$2900 – why are they spending money that was not approved? Response from Alan; they asked for the money because they felt they needed it. BOF reminded Alan that the funding was not approved during the budget process nor did they come back to the Town Council to request additional funding, therefore, they shouldn't be spending money. BOF members feel there is little regard for the establishment of budgets and managing to them.
7. New Business: N/A

8. Financial Transactions: ([Copies attached and made a permanent part of these minutes](#))
- a) A motion was made by Jill Simko, seconded by Sharon Kjellquist, to move discussion of and take possible action regarding the Town survey to the next BOF meeting. Felt that this was something the entire board should discuss and vote on. Motion passed 4-0.
- b) A motion was made by Sharon Kjellquist for 65k for repairs to the retaining wall. Concerns expressed that if a larger amount of funding is approved and not needed for the retaining wall, it will be used for other matters. Motion retracted.
- A motion was made by Jill Simko, seconded by Kurt, to transfer the 75k for repairs to the retaining wall at the Town Hall, provided that any unspent funds would go back into the general fund. Motion passed 3-1, Sharon Kjellquist voted not to approve.
- c) A motion was made by Jill Simko, seconded by Sharon Kjellquist, to transfer 40k to other funds for environmental clean-up. Motion passed 4-0.
9. New Business:
- a) Chairman Hintz recommended that the BOF provide guidelines/procedures to the Town Council regarding appropriation of legal fees. Jill Simko suggested that they draft a letter defining their intent and such procedures and bring it to the next BOF meeting for all BOF members to review and respond to. Chairman Hintz and Jill Simko will draft something and present at the next BOF meeting.
10. Old Business:
- Board of Finance guidelines/re. CT Statute 7-98: received legal review indicating that this statute is not covered under the town's charter. ([Copy attached and made a permanent part of these minutes](#))
 - 2007-2008 Budget: Meeting tomorrow night to present BOF proposed budget to the Town Council.
11. Liaison's Reports:
- Town Council Meeting:
 - water system workshop on 4/25
 - Middle Haddam Historic Commission: Peter Welsh forced to resign from the MHHDC by Town Manager and Chairperson of the Town Council Alison Walck after being advised he would be appointed as full member at the next Council meeting. After being appointed by the Town Council, Mr. Walsh resigned effective immediately: Peter was acting as chair of the commission yet legal council advised that he could not hold the position as chair; concern expressed that the Town Council Chairman was aware of this issue and sat through commission meetings knowing the MHHDC Chair was inappropriate yet never addressed the issue. Clerk/Vice-Chair M. Faber resigned; the commission is down 3 members; Hartford courant provided coverage of this meeting;
 - Appointed one individual to the fire commission
 - Alan provided a letter to the council regarding appointments to the commissions
 - Redevelopment commission approved by a vote of 4-3, even though most of the public comments expressed at the meeting were not in favor

of this commission; commission will have 7 members; Alan advised that it will take a few months to get individuals appointed and this commission running; BOF members asked where there funding was coming from? No response to their question/concern.

12. Public Remarks: No comments made.

13. Town Manager's Report:

- 4/25 Water system meeting at 6:30pm in the Middle School Media Center
- He is monitoring legislation regarding HB6956; he has emailed our state rep; concern that claims may be incurred
- Need to replace the windows at Town Hall; more cost effective to replace than to try and scrap the lead paint off and fix
- Jeff noted that the EDC grant will be a 10% match; community grant for the removal of the water tower in the village center; expect the 30k expense before the end of the year
- Status of land for school: both sites are still in process; there was a delay on one of the sites because a 2nd appraisal was needed the company doing the appraisal was short staffed.

14. Adjournment: A motion was made by Jill Simko, seconded by Sharon Kjellquist, to adjourn the meeting at 8:06PM. Motion passed 4-0.

Submitted by:
Karen Lee

**Town of East Hampton
Additional Appropriation / Transfer Request Form
Fiscal Year 2006-2007**

Fund: General Fund
Department: Transfers Out

Additional Appropriation
Transfer

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

<u>Estimated Revenue</u>		
Use of Fund Balance	01060135-4950	<u>\$ 75,000</u>
<u>Appropriation</u>		
Transfer to Capital Reserve Fund	01810000-5924	<u>\$ 75,000</u>

Explanation

Funding is requested in connection with repairs to the retaining wall at the Town Hall.

The estimate is as follows:

Construction	\$63,302
Contingency	6,330
Engineering	5,368
TOTAL	\$75,000

Because the additional appropriation is in excess of \$25,000 a Town Meeting must be held for final approval.

Source of Funds

Fund Balance

Recommended Motion

Motion to recommend to the Town Council the above additional appropriation.

<u>Approved</u>	<u>Yes</u>	<u>No</u>	<u>Date</u>
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Board of Finance			
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Town Council

**Town of East Hampton
Additional Appropriation / Transfer Request Form
Fiscal Year 2006-2007**

Fund: General Fund
Department: Transfers Out

Additional Appropriation
Transfer

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

<u>Estimated Revenue</u>		
Use of Fund Balance	01060135-4950	<u>\$ 40,000</u>
 <u>Appropriation</u>		
Transfer to Other Funds	01810000-5930	<u>\$ 40,000</u>

Explanation

The above amount represents the Town's grant match of 16.67% in connection with a \$240,000 federal EPA grant. The grant will provide funding to clean up hazardous substances located at 13 Watrous Street.

Because the additional appropriation is in excess of \$25,000 a Town Meeting must be held for final approval.

Source of Funds

Fund Balance

Recommended Motion

Motion to recommend to the Town Council the above additional appropriation.

<u>Approved</u>	<u>Yes</u>	<u>No</u>	<u>Date</u>
Board of Finance			
Town Council			

TOWN OF EAST HAMPTON
GENERAL FUNDEXPENDITURES
AS OF APRIL 16, 2007

Agenda Item: 7

Department	Original Budget	Revised Budget	YTD Expended / Encumbered Available Budget		Projected Variance Comment
Town Manager's Department	\$ 266,813	\$ 266,813	\$ 200,069	\$ 66,744	
Town Council/Special Programs	10,345	23,345	10,019	13,326	(1,200) Legal ad for Ethics Commission
Facilities Administrator	86,869	86,869	66,942	19,927	-
LEGAL FEES	42,000	42,000	91,112	(49,112)	(88,000) Volume of activity has significantly increased
LEGAL DEFENSE	47,250	47,250	21,637	25,613	15,000
Town Hall/Annex	225,851	225,851	183,477	42,374	(75,000) Repairs to retaining wall
Finance and Accounting	398,584	398,584	312,374	86,210	-
Collector of Revenue	168,426	168,426	126,833	41,593	-
Assessor	156,375	156,375	118,591	37,784	-
Board of Assessment Appeal	598	598	147	451	-
Town Clerk	187,339	187,339	144,318	43,021	-
Registrars/Elections	21,236	21,236	24,551	(3,315)	(7,500) Multiple budget referendums
General Insurance	193,000	193,000	139,821	53,179	35,000 Liability, Auto & Property rates more favorable for the Town.
Probate Court	3,287	3,287	2,066	1,221	-
Employee Benefits	1,155,108	1,155,108	780,975	374,133	120,000 Staff vacancies & enrollment changes
Contingency	97,000	97,000	-	97,000	97,000
Police Administration	251,075	251,075	195,910	55,165	-
Regular Patrol	1,137,207	1,137,207	867,848	269,359	-
Lake Patrol	8,517	8,517	2,346	6,171	-
Animal Control	45,787	45,787	29,305	16,482	-
Firefighting	201,732	201,732	121,080	80,652	(10,000) Vehicle repairs
Fire Marshall	77,258	77,258	59,080	18,178	-
Ambulance	1,500	1,500	906	594	(1,000) Maintenance to new facility
Civil Preparedness	1,514	1,514	-	1,514	-
Communications	101,233	101,233	101,229	4	-
Street Lighting	66,525	66,525	35,489	31,036	-
Health Department	92,196	92,196	96,590	(4,394)	-
Human Services	20,525	20,525	15,488	5,037	-
Senior Center	90,570	90,570	57,560	33,010	-
Transportation	51,250	51,250	51,250	-	-
Community Services	3,800	3,800	3,000	800	-
Building, Planning & Zonin	313,720	313,720	222,299	91,421	-
Econ. Development Commissi	23,306	23,306	6,519	16,787	-
Lake Pocotopaug Commission	0	0	2,904	(2,904)	(4,000) New agency. Not included in original budget.
Public Works Admin.	1,075,173	1,075,173	793,162	282,011	15,000 Fewer than anticipated storms
Engineering	67,500	67,500	58,286	9,214	(20,000) Ola Ave., Laurel Ridge, Hale Rd., Skyline, Royal Oaks, Whispering Woods
Town Garage	44,707	44,707	38,003	6,704	-
Townwide Motor Fuel	119,264	119,264	121,163	(1,899)	(25,000) Fixed fuel prices higher than budgeted
Road Materials	216,000	216,000	178,796	37,204	-
Transfer Station	190,360	190,360	146,370	43,990	-

TOWN OF EAST HAMPTON
 GENERAL FUNDEXPENDITURES
 AS OF APRIL 16, 2007

Agenda Item: 7

Department	Original Budget	Revised Budget	YTD Expended / Encumbered	Available Budget	Projected Variance	Comment
Septage Disposal	14,955	14,955	10,850	4,105	-	
Park & Recreation	362,543	362,543	276,424	86,119	-	
Community Center	122,475	122,475	94,319	28,156	-	
E Hampton Public Library	363,928	363,928	275,575	88,353	-	
Middle Haddam Library	7,000	7,000	7,000	-	-	
Middle Haddam Historic Dis	1,075	1,075	1,472	(397)	(500)	
General Obligation Bonds-P	175,000	410,000	410,000	-	-	
School Bonds-Prin	1,400,000	1,215,000	1,215,000	-	-	
General Obligation Bonds-I	76,926	187,302	189,221	(1,919)	-	
School Bonds-Int	345,147	261,788	195,451	66,337	-	
Operating Transfers Out	1,037,450	980,433	85,000	895,433	(35,000)	Transfer to Village Center Water System
Board of Education	22,224,274	22,224,274	16,404,496	5,819,778	100,000	
TOTAL	\$ 33,391,573	\$ 33,424,573	\$ 24,592,323	\$ 8,832,250	\$ 114,800	

Changes to Adopted Budget

FY 2006-2007	Amount
Adopted Budget.....	\$ 33,391,573
Increases	
Additional appropriation for Capital (School Land).....	20,000
Additional appropriation for Middle Haddam School	10,000
Additional appropriation for traffic study.....	3,000
Additional appropriation.....	-
Revised Budget.....	\$ 33,424,573

db

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April 12, 2007

Alan H. Bergren, Town Manager
Town of East Hampton
20 East High Street
East Hampton, CT 06424

Re: Appointment and Removal of Town Manager
Our File No.: 2666-001

Dear Town Manager Bergren:

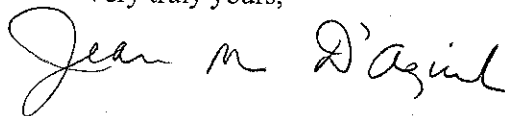
East Hampton Board of Finance Chairman Theodore W. Hintz, Jr., has requested a legal opinion regarding the appointment and removal of the Town Manager position in East Hampton. Specifically, by letter dated April 9, 2007, Mr. Hintz questions whether the Town Council or the Board of Finance is the proper authority to appoint and remove the Town Manager.

Mr. Hintz refers to C.G.S. § 7-98 and questions whether the terms of that statute control in East Hampton. The short answer is that C.G.S. § 7-98 does not apply in East Hampton. C.G.S. § 7-98 is located within Chapter 96 of the Connecticut General Statutes. C.G.S. § 7-98 does provide for a board of finance to appoint a town manager, **provided** the town has adopted the provisions of C.G.S. § 7-100. C.G.S. § 7-100 requires a vote of the town to adopt the provisions of Chapter 96 at an annual or special town meeting.

The Town of East Hampton has not adopted the provisions of Chapter 96. Instead, the Town of East Hampton has adopted a charter which, inter alia, provides that the Town Council appoints and removes a Town Manager. Charter section 2.4 provides that the "Town Council shall appoint for an indefinite term and may remove a Town Manager." Also, charter section 3.1 emphasizes that the Town Manager is chosen by the Town Council.

I hope the above discussion answers the question raised.

Very truly yours,



Jean M. D'Aquila, Esq.

cc: Theodore W. Hintz, Jr., Chairman, East Hampton Board of Finance
Jeffery M. Jylkka, Finance Director

JMD:nel

TOWN OF EAST HAMPTON
GENERAL FUND REVENUES
AS OF APRIL 16, 2007

Agenda Item: 7

	Original Estimate	Adjustments	Revised Estimate	Actual YTD Revenue	Balance	% Collected	Projected Variance	Comment
40 Property taxes.....	23,937,915	-	23,937,915	23,725,620	212,295	99.11%	76,000	Current collections est. +125k. Suppl MV, deliquent & int. - \$49K
41 Investment income.....	250,000	-	250,000	297,236	(47,236)	118.89%	150,000	Favorable interest rates. Effective use of idle cash.
42 License,permit& FEES.....	750,280	-	750,280	482,113	268,167	64.26%	(77,000)	Fees relating to building down in the Town Clerks Office and Building Department.
44 STATE & LOCAL GRANTS.....	8,118,304	-	8,118,304	4,517,693	3,600,611	55.65%	28,130	Revisions to State Education grants
45 Local gov.payments.....	19,000	-	19,000	11,548	7,452	60.78%	-	
47 Other revenue.....	64,995	-	64,995	124,279	(59,284)	191.21%	92,583	Fines relating to zoning enforcement actions \$35K. CL&P Streetlight refund \$56K
48 Oper. Transfers In.....	40,520	-	40,520	5,914	34,606	14.59%	-	
49 Other Fin. Sources.....	210,559	33,000	243,559	-	243,559	0.00%	(243,559)	Use of fund balance. No revenue to be recognized.
TOTAL GENERAL FUND.....	33,391,573	33,000	33,424,573	29,164,403	4,260,170	86.60%	26,154	
Forecasted variance.....			<u>26,154</u>					
Estimated revenues.....			<u>\$ 33,450,727</u>					