**Approved Minutes**

**Present**: Ted Turner, Dean Markham, Alan Hurst, Lori Wilcox, Don Coolican, David Monighetti and Mary Ann Dostaler (Ms. Dostaler arrived at 6:33 during discussion of item 5)

**Other attendee(s):** Michael Maniscalco: Town Manager, Diane Dugas: Superintendent Of Schools, Tony Sherman: CNG Expansion Project Representative and Jeffery M. Jylkka: Director of Finance (Mr. Jylkka arrived at 6:37 during discussion of item 5)

**1-2. Chairman Turner called the meeting to order at 6:30 p.m. followed by the Pledge of**

 **Allegiance.**

**3.** **Approval of Minutes:**

1. **Regular meeting 9-15-2014:** Mr. Markham made a motion to approve the minutes that was seconded by Mr. Hurst **Vote: Unanimous. Motion passed.**
2. **Special meeting 9-22-2014:** Mr. Markham made a motion to approve the minutes that was seconded by Mr. Hurst **Vote: Unanimous. Motion passed.**

**4.** **Public Remarks:**

Once it was acknowledged that there were no public remarks, Mr. Coolican made a motion that was seconded by Mr. Monighetti to move agenda item 8a – FY 2013-2014 – End of year budget transfers to agenda item 5 – Special Presentations in order to allow Diane Dugas, Superintendent of Schools, to present and then be free to leave rather than wait for Agenda item 8a. **Vote: Unanimous. Motion passed.**

**5.** **Special Presentations:**

**Agenda item 8a – FY 2013-2014 – End of year budget transfers**

In the absence of Mr. Jylkka, who had not joined the meeting yet, it was suggested by Chairman Turner that Ms. Dugas may not have all the figures for the discussion and therefore could field questions from the Board that she could choose to answer tonight to the best of her ability or choose to provide a response at or before the next BOF meeting in November. That suggestion was accepted and Ms. Dugas provided an opening comment prior to questions in relation to what information the Board is looking for in relation to the BOE budget rather than end of year transfers which is a different topic.

Ms. Dugas shared that when she assumed the role of Superintendent in summer of 2013, the budget had already been established. But, in knowing that the BOE finance

sub-committee will need to present back to this Board how this year’s budget was established given the cuts/changes that occurred through the 3 referendums, she is here to verify that she is aware of all questions this Board may have and has or will get the answers when the BOE finance sub-committee meets later this week. She then opened up the discussion to specific questions Board members may have.

Mr. Coolican began by stating, questions were not appropriate at this time given this Board has yet to see the final budget and asked the she or the sub-committee provide documentation of where adjustments were made from the original to the final. He also stated that that information could possibly influence planning in the spring for the next budget. Ms. Dugas agreed that the requested information would be provided.

Mr. Markham inquired if there was a need for the Board to act on something tonight?

Ms. Dugas stated that her inquiry this evening did not require action by the Board but that the annual process of remaining budget transfers, once the books were closed, and the necessary action by this Board she would defer to Mr. Jylkka. It was agreed that the discussion of transfer would be held until agenda item 8b of this meeting.

**6. Correspondence:**

 None

**7. Status Reports (Financial):**

Mr. Jylkka acknowledged the relation between agenda items 7a, b&c and 8a, b&c for the board and then provided an overview of Revenue, Expenditures and Fund Balance.

1. **2013/14 Revenue:**

Mr. Jylkka informed the Board that there was not much change in regard to revenues from the last forecast. We came extremely close to the budgeted amount for property tax collection coming in at 99.87% of our estimate. Interest rates (investment income) remain low resulting in a slight shortage and all other discussed line items (licenses, permits & fees, Federal Grants, State and Local Grants, etc.) reviewed had a positive balance. While the forecasted variance was expected to be a little more than $500,000, we ended up coming in slightly lower at $337,336. Discussion had specifically around funds returned from the HS lighting project and the appropriations needed for Chatham Historic Society.

1. **2013/14 Expenditures:**

Mr. Jylkka highlighted where things ended up from an expenditures perspective including returns from the town operations and BOE. Mr. Hurst questioned if we have any contracts that were open towards the end of 2014 that will show up as variances in 2014/2015. Mr. Jylkka stated while yes (Supervisors Union Contract), we should not see an additional hit as an

expenditure because we have been expensing it over the last 2 years based on estimates. We may however see a budget swing due to contract settlements. Mr. Maniscalco confirmed that there more than likely will be legal fees over and above what was budgeted. Most of the positive variance was driven by the 7 vacancies at any one point throughout the year and the MIRMA refund.

1. **2013/14 Fund Balance:**

Mr. Jylkka stated that we are forecasting 12.7% of the FY 2014 budgeted expenditures.

**8.** **Financial Transactions:**

1. **Fiscal Year 2013-2014 End of year budget transfers**

*Please refer to agenda item 5 of these meeting minutes for references to this topic.*

This item began with a question from Mr. Markham clarifying the purpose of this process. Mr. Jylkka answered stating that while it is not necessary to have a formal approval; it does provide transparency that can be helpful.

Mr. Hurst made a motion to approve “end of year budget transfers for FY 2013-2014”. The motion was seconded by Mr. Coolican. **Vote was unanimous in favor.**

1. **Fiscal Year 2013-2014 – BOE special education excess cost additional appropriation**

Mr. Coolican made a motion to approve “BOE special education excess cost additional appropriation for FY 2013-2014”. The motion was seconded by Mr. Markham. **Vote was unanimous in favor.**

1. **2013-2014 Year end transfer to the Capital Improvement Fund for purchase of a loader**

Mr. Jylkka reminded the Board of previous discussions on this topic and the history behind it. The original request was to fund this purchase with cash but then the decision was made to shift to a financing option. At this time, Mr. Jylkka and Mr. Maniscalco are recommending to revert back to the cash option given the existence of net income discussed under item 7c.

After additional clarification around impacts to the fund balance, Mr. Coolican made a motion to approve “2013-2014 Year end transfer to the Capital Improvement Fund for purchase of a loader”. The motion was seconded by Mr. Markham. **Vote was unanimous in favor.**

**9. New Business:**

1. **2015-2016 Budget:**

Mr. Jylkka shared last year’s budget calendar and stated that historically the only change from year to year is simply updating the dates to reflect the appropriate year unless there is a request to change additional content (i.e. timing, order, etc.). Mr. Jylkka and Mr. Maniscalco went on to explain a suggested format change to the Budget Workshop where it becomes a field trip of sorts for the BOF and Town Council with on-site visits to the various departments in order to provide a clearer perspective of each departments needs, wants, etc.

Ms. Dostaler also proposed a change to the existing format where the budget presentations take on more of a public hearing atmosphere, with increased publicity leading up to the meeting, allowing for the general public to hear first hand what, how and why the initial budget is set. Ms. Dostaler stated that she has personally witnessed the format she is suggesting as being very successful in other towns (Glastonbury, Wethersfield, etc.) and believes it could address some of the transparency that the public feels is lacking in East Hampton today.

Multiple meeting participants expressed concern around:

* The historic lack of public participation until late in the process even when a public forum is provided/available
* The possibility of additional confusion if the public attends some but not all meetings given the almost constant changes to the budget
* The loss of detail /education for the BOF and TC if current workshops are amended to a public format
* Whether or not open comment is appropriate at this type forum
* The towns currently using the proposed format do not have Public Referendum Voting but are decided on by Town Council. Therefore, these meetings are the only time the public gets to provide input because they don’t vote.

Mr. Jylkka stated that he will work with Mr. Maniscalco to update the calendar and present options at the next meeting. Chairman Turner, closed the topic with the request to add this topic as an agenda item for the November meeting which will include a vote as to if Ms. Dostaler’s suggested change in format should be tried in 2015.

1. **CL&P offer to purchase 20 East High St.**

Chairman Turner shared what was discussed on this topic at the Town Council Meeting and indicated that things are on hold because there are many variables to think about and address before a decision can be made.

Mr. Monighetti provided an opinion around looking at other things in town in relation to this. He stated that, with school enrollment numbers decreasing and improvements needed at

Center School, one option is to reduce from 4 schools to 3 by adding a grade each to Memorial and the Middle School and convert Center School into Town Hall. While this is only one option, he feels a feasibility study should be conducted looking at overall town happenings as a whole.

Chairman Turner summarized the lack of consideration by the town at this time as being because neither the offered purchase price nor time of transfer are practical for the town at this time.

Ms. Dostaler mentioned that the meeting packet provided to the Board included only page 1 and page 3 of the offer and that page 2 was missing. Mr. Markham however clarified a point on that second page since both had seen the complete document previously.

1. **CNG proposed expansion**

Chairman Turner began the discussion confirming that all BOF members were in attendance at the Tri-Board meeting where this topic was discussed.

Mr. Coolican asked if an action needs to be taken at this meeting. Chairman Turner verified that we do not have to take any formal action at this time and this is more informational.

An informal vote was taken and all Board members are in favor of the project with the one caveat that it does not result in a huge impact to taxpayers. Mr. Maniscalco addressed the possibility of payback, energy incentives, tax abatement or special legislation but all options are still being looked into.

Tony Sherman, CNG Project Representative, verified for Chairman Turner that the total cost of the Project is $5.7MM.

Ms. Dostaler raised the question of potential impact(s) to the project based on the current lawsuit from oil companies against the state for providing funds to gas related projects (The State currently has $1.5MM earmarked for East Hampton).

Mr. Sherman, assured the Board that the project would not start (digging would not commence) unless it is confirmed that the $1.5MM is available and will be released.

The discussion concluded with Chairman Turner informally verifying that the Board was unanimously in favor of the project moving forward.

**10. Continued Business:**

1. **High School Renovation project update**

 No Update

1. **FY 2014 -2015 Public Works Rolling Stock/Equipment Funding Options**

Mr. Jylkka informed the Board that of the 4 purchases that were in question, 1 (Pay loader) was addressed (approved for cash purchase) in agenda item 8c above and the 3 remaining (Excavator, Trackless and Dump Truck) are still outstanding. Chairman Turner stated that he was under the impression that the purchase of these items was still in front of the Town Council. Mr. Jylkka stated that they are still under discussion as to which option to go with (cash, leasing, private bank financing or bonding). Mr. Jylkka provided the pros and cons for each option and through discussion it was agreed that Mr. Jylkka would speak to Bond Council about timing and options and draft a resolution in order to be prepared if Town Council approves that option.

1. **Liaison's Reports:**
2. **Town Council:**

Chairman Turner shared that Annual Review of Fines and Fees resulted in approval of 2/3 of what was reviewed. He also stated that the Fire Marshall has been requested to attend the next meeting to explain his fees.

1. **Board of Education:**

Ms. Dostaler attended the BOE Finance sub-committee meeting and also informed the Board that the High School ground breaking ceremony will be held on 11/6 from 8:30-9:30am and invitations have been mailed out to members of this Board.

1. **Economic Development Commission:**

 No Report

1. **Lake / Conservation:**

 No Report

1. **Fire Commissioners:**

 No Report

(Meeting was moved to same date and time as this meeting – 10/20 at 7pm. Mr. Hurst unable to attend as he is in attendance at this meeting)

1. **Brownfields/Redevelopment:**

Ms. Dostaler informed the Board that the Planning & Zoning has approved the permits for a Restaurant to open in the newly renovated “Belltown Cleaners” Building.

1. **Park & Rec. Advisory Board:**

 No Report

 (No quorum at last meeting)

1. **Water Development Task Force:**

 No Report

(October meeting was cancelled due to lack of available quorum)

1. **Town Facilities Evaluation Committee:**

Mr. Hurst informed the Board that several meetings have taken place since last BOF report and have been completing a fair amount of costing of some of the options. Recommendations scheduled to be presented to the Town Council at the October 28th meeting.

1. **Public Remarks:**

 None

1. **Town Manager's Report:**

Mr. Maniscalco provided the Board with an update from two departments: Public Works and the Police:

1. The Public Works department has paved 12 miles of road this summer. Given that, an issue has arisen with the radio system. In order to address this, infrastructure enhancements will be needed at a cost of approx. $56,000. Negotiations are in process as to whether the cost will be added to Capital or if the Board will be approached for an extra appropriation. He went on to discuss the severity of not having a reliable radio system with winter approaching and will be coming back to the Board once a decision is made on the best way to fund it.
2. The Police department has been working on the KX dispatch consolidation. While a majority of the towns have signed their 5 year contracts East Haddam and Lebanon have not. East Haddam not signing would be financially challenging for the rest of the towns while Lebanon would be a significantly lower impact. When the switch is made there will be some additional costs incurred in the form of a record management system (approx. $100,000). Mr. Maniscalco went on to emphasize the need (not want) for these upgrades in order for our Police Department to be successful.

Mr. Maniscalco also stated that they are actively working to fill open positions but noted that most of the vacancies are occurring as a result of advancement of incumbent’s career or, honestly, because people are discovering that they do not like working for the town they live in. He went on to state that he will keep the Board appraised of the recruitment process for the open positions.

1. **Adjournment**

Mr. Coolican made a motion to adjourn at 7:55 p.m., seconded by Ms. Wilcox. **Vote was unanimous in favor.**

Respectfully submitted,

Renee Bafumi

Recording Secretary