**TOWN OF EAST HAMPTON**

**EAST HAMPTON, CT 06424**

**BOARD OF FINANCE**

REGULAR MEETING

MONDAY, JULY 20, 2015

TOWN HALL MEETING ROOM

**Approved Minutes**

**Present:** Ted Turner, Jeanine Jiantonio, Marc Lambert, Alan Hurst, Dean Markham, David Monighetti

**Not Present:** Mary Ann Dostaler

**Other Attendee(s):** Jeffrey M. Jylkka, Director of Finance

**1-2. Call to Order & Pledge of Allegiance**

**­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­­** Chairman Turner called the meeting to order at 7:30 p.m. followed by the Pledge of Allegiance.

**3. Approval of Minutes**

1. **Regular Meeting 6-15-2015**

Mr. Hurst made a motion to approve the Regular Meeting Minutes from June 15, 2015. The motion was seconded by Mr. Markham. **Vote: 5-0 (with Ms. Jiantonio abstaining). Motion passed.**

1. **Special Meeting 6-24-2015**

Mr. Hurst made a motion to approve the Special Meeting Minutes from June 24, 2015; the motion was seconded by Mr. Markham. **Vote: 4-0 (with Ms. Jiantonio and Mr. Hurst abstaining). Motion passed.**

1. **Special Meeting 6-30-2015**

Mr. Hurst made a motion to approve the Special Meeting Minutes from June 30, 2015; the motion was seconded by Mr. Markham. **Vote: 5-0 (with Ms. Jiantonio abstaining). Motion passed.**

**4. Public Remarks**

 **None**

1. **Special Presentations**

**None**

**6. Correspondence –**

1. **Letter from CohnReznick, LLP regarding fraud:**

All Board members received a hard copy. Mr. Turner asks that all members look at and get back to him regarding the inquiries via email. He will plan on mailing the information in a week.

1. **Status Reports (Financial)**

Mr. Jylkka provided an overview of Revenues and Expenditures to date.

1. **Revenue Projection**

Mr. Jylkka highlighted the following items in regard to revenue:

* Forecasting about $25,000 variance overall in revenue
* Current year tax collection rate came in at 98.04%
* Investment income is significantly down; forecasting a $6,000 deficit
* Licensing, Permits and Fees are to the positive and they are projecting a $17,000 variance
* The only significant deficit is the State and Local Grants line item at $46,000. We are currently waiting on a grant for property tax relief, have not yet received anything for it.

It is expected that overall there will be a positive variance at year-end forecasted at $25,087. Total estimated revenues at this point are $40,792,275.

1. **Expenditure Projection**

Mr. Jylkka highlighted the following items in regard to expenditures:

* Expenditure reports are currently a moving target as there are still invoices to process in accounts payable so an exact report is not available. He hopes that by the end of this week they will be caught up.
* Mr. Jylkka thinks the Town will end up on the positive side overall with expenditures; some departments have not had variances as large as projected (for example, Public Works had forecasted a $150,000 deficit which may be around $80,000 or so instead)
1. **Fund Balance Projection**

Mr. Jylkka stated that the Fund Balance projection is tied in with the unknown expenditure numbers so there is no projection available at this time. The last number Mr. Jylkka reported in June was just over $4,800,000 (12% of FY 2015 amended budget).

**8. Financial Transactions**

 **None**

**9. New Business**

1. **Board of Education teachers contract negotiations (possible appointment of a Board of Finance member to attend and observe):**

Mr. Turner appointed Mr. Lambert to attend the contract negotiations as his term is through 2017; whereas other interested members could possibly be up for election during the negotiations and Mr. Turner was not sure if they would be choosing to run for BOF at that time.

1. **Continued Business**
2. **High School Renovation project update**

Mr. Jylkka reported that through June 2015 $10,642,417.13 has been spent and there is $41,052,582.87 left to spend. They are currently looking at spending on furniture and fixtures. A discussion occurred regarding the timeline for when notes are due, when debt will be taken on (some for 2016/2017), bond rates and interest cost (which will be “0”) the timeline for state reimbursement and how it fits with the Town’s financial timeline.

**b) CNG proposed expansion**

Mr. Jylkka reports that he is hoping to have the lease documents signed by the end of this week. There was a delay because of language in the agreements with one of the banks which has since been resolved. This, along with the previous re-bid of the boiler contractor may delay the installation of the boilers until December. Center School is the first priority for the boiler installation. It was also noted that the Town has not heard anything regarding the status of the STEAP Grant.

**c) 2015-2016 Budget**

Next referendum is set for this Wednesday July 22 at the Middle School. Mr. Jylkka will call a Special Meeting after the vote at 8:10 p.m. to set the mill rate.

**d) Parks & Recreation Special Revenue Fund (Aug. 4th, 2015 Special Meeting)**

A Special Meeting will be held August 4, 2015 at Sears Park at 6:00 PM to discuss whether to take money out of the Park & Rec special revenue and put it in Capital and designate it for Park & Rec use. Park & Rec says they need the money in the regular fund for flexibility to plan trips, programs, etc. Town Council recommended to take money out every quarter and the Board of Finance had recommended to do it annually.

**e) Discussion on appointment process for Board of Finance vacancies**

The Town Council decided that Ms. Jiantonio would take over on July 1, 2015 and she is currently at the meeting so there is no problem. Ms. Jiantonio gave a brief introduction on her background.

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

Mr. Jylkka stated that the Town Council had to make an appropriation for the first year’s lease payment (for CNG boilers) out of Capital reserve. This is an authorization to take it out of Capital if the budget is not passed by December 31, 2015.

1. **Board of Education**

Mr. Lambert stated that the financial considerations of Ms. Dugas’ transition came out in the Rivereast and that the last meeting included them finalizing things for the end of the year.

1. **Economic Development Commission**

Mr. Monighetti reported that the EDC has sent a resident survey to the Town Council for approval to send out.

1. **Lake / Conservation**

No Report

1. **Fire Commissioners**

Mr. Hurst shared that resolving repair to the fence at Company #3 has been forwarded to Phil Sissick. Regarding the Ladder Truck: there are currently 6 demos available at $850,000 each. The BOFC is talking about a joint meeting with the Town Council and the Board of Finance in September to present their need for a new Ladder Truck. Also mentioned was the improper notification of the Fire Chief and Fire Marshal regarding asbestos abatement at the High School.

1. **Brownfields/Redevelopment**

 No Report

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

 No Report

1. **Water Task Force**

Mr. Hurst stated that Tim Smith replaced Vinnie Susco as the new Facilities Administrator. They are currently looking at 3 options for water development: phased interconnections with existing water systems in town, a possible public/private partnership or town self-funding and build out of community water system. Mr. Smith will be putting together information regarding water use and possibly looking at an interconnection engineering study.

1. **Public Remarks**

Chairman Turner asked about the need for a BOF meeting in August. It was decided that it is a quiet month so there will not be a meeting unless something comes up (in which case the meeting will be held on the regular meeting date of August 17).

1. **Town Manager's Report**

No Report

1. **Adjournment**

Mr. Markham made a motion to adjourn at 8:20 p.m., which was seconded by Mr. Monighetti. **Vote was unanimous in favor. Meeting was adjourned.**

Respectfully Submitted,

Eliza LoPresti

Recording Secretary