Interfund Transfers

Rob Funk
Finance Director

Each year the town allocates funds to Reserves to defray costs of various capital projects and improvements planned for the budget year and in future years. The town also has transfers to other funds with specific purposes and requirements.

Fiscal Year 2021-2022 Major Service Level Accomplishments

- Continued the plan of the Board of Finance for Capital Projects Savings Reserves in order to pay for the four major capital projects approved at a referendum in June 2015 (Municipal Office Complex, East Haddam Elementary School Renovations, Firehouse Renovations, and Town-wide Radio System).
- Increased the transfer amount to the Capital Projects Savings Reserve by $75,000 for the Elementary School envelope project.
- Continued to reserve appropriately for future capital needs such as fire apparatus, ambulances, educational projects that are not bonded, major lake remediation, and revaluation.
- Continued with the Board of Finance policy that unused Board of Education operating funds are transferred to reserves (following the annual audit and Town Meeting approval).

Fiscal Year 2022-2023 Major Service Level Goals

- To continue the plan of the Board of Finance for Capital Projects Savings Reserves in order to pay for the four major capital projects approved at a referendum in June 2015 (Municipal Office Complex, East Haddam Elementary School Renovations, Firehouse Renovations, and Town-wide Radio System).
- To continue to reserve appropriately for future capital needs such as fire apparatus, ambulances, educational projects that are not bonded, major lake remediation, and revaluation.
- To continue with the Board of Finance policy that unused Board of Education operating funds are transferred to reserves (following the annual audit and Town Meeting approval).

Additional Budget Information

- Transfer to Capital Project Savings has been increased by $75,000 to include the Elementary School Envelope project in the Capital Project Savings Plan.

Expenditures by Expense Type

Name	Account ID	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Budgeted	FY24 Requests 2-17-23 v1.1 (General Fund)	FY2023 Budgeted vs. FY24 Requests 2-17-23 v1.1 (General Fund) ($ Change)	FY2023 Budgeted vs. FY24 Requests 2-17-23 v1.1 (General Fund) (% Change)
Expense Objects								
CAPITAL PROJECTS SAVINGS	10549010-58010	$489,410	$573,351	$588,206	$710,079	$710,079	$0	0%
AMBULANCE	10549010-58921	$25,000	$5,000	$0	$0	$0	$0	0%
REVALUATION	10549010-58923	$30,000	$10,000	$10,000	$15,000	$15,000	$0	0%
FIRE APPARATUS	10549010-58924	$75,910	$75,910	$100,000	$100,000	$100,000	$0	0%
EDUCATION	10549010-58928	$104,025	$327,611	$267,309	$50,000	$50,000	$0	0%
TRANSFER TO CAPITAL PROJECTS (GRANT FUNDS)	10549010-59020	$414,620	$414,620	$0	$412,078	$412,078	$0	0%
TRANSFER TO CAPITAL PROJECTS (GENERAL FUND)	10549010-59700	$634,884	$599,543	$1,007,410	$746,557	$746,557	$0	0%
Total Expense Objects:		**$1,773,849**	**$2,006,035**	**$1,972,925**	**$2,033,714**	**$2,033,714**	**$0**	**0%**

Revenues by Source

Transfers:

Reliance on Fund Balance: The Board of Finance, in order to reduce the increase in taxes, may choose to use some of the General Fund balance.

Ray School Corporation: Every year during the month of December school officials meet with a group known as the Ray School Corporation. The nine members of this group referred to as the Ray Board, are charged with managing a trust which was set up through the will of Frederick L. Ray, a wealthy and successful East Haddam businessman. Mr. Ray died in 1926 and left $536,000 to the town of East Haddam. Prior to his death, he had told a local school teacher that he wanted to "do something really big educationally for East Haddam". His wish was that the money be utilized to improve vocational education in the town of East Haddam. This continues to be the focus of the Ray Board, years after Mr. Ray's death.

Palmer Fund: At Annual Town Meeting on October 6, 1952, it was voted that the town accept an offer of twenty (20) shares of International Business Machine Co. Stock, said stock to be held for a period of ten (10) years, together with all interests and dividends be used for the cost of permanent road improvements and said fund to be known during its existence as the W.F. Palmer Fund. The Palmer Fund spending policy is that the Fund will distribute 4% of its average market value over the last sixteen (16) quarters. The town receives an annual distribution.

Helon Cone Fund: The Estate of Helon Cone established a trust which purpose is the support of core teachers at the High School. The annual appropriation is income from the trust.

Albert E. Purple Memorial Fund: The Albert E. Purple Memorial Fund was created under article VII of the will of Arthur J. Silliman, late of East Haddam, Connecticut. Under the terms of the will $400,000 was left to the Town of East Haddam, Connecticut in trust: *"I give and bequeath to the Town of East Haddam the sum for Four Hundred Thousand ($400,000) Dollars, in trust, as a permanent fund to be known as the 'Albert E. Purple Memorial Fund', the principal of which is to be kept permanently invested and the income therefrom is to be used for the maintenance and support of the East Haddam High School situated in the village of Moodus in said town."* The Town School Committee has adopted a spending policy calling for an annual payout of four and one-half (4 1/2) percent of the average market value of the portfolio based on the twenty (20) rolling quarters through December 31 of the year preceding the beginning of each fiscal year (July 1). The town receives an annual distribution.

Reserve for Capital Projects: This fund was established by the Board of Finance in 2014 to offset the cost of the four major capital projects-Municipal Office Complex, Town-wide Radio System, Elementary School renovations, and Firehouse renovations. The cost of the debt service for these projects is transferred each year from the Reserve to the General Fund to offset the associated debt cost.

Name	Account ID	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Budgeted	FY24 Requests 2-17-23 v1.1 (General Fund)	FY2023 Budgeted vs. FY24 Requests 2-17-23 v1.1 (General Fund) ($ Change)	FY2023 Budgeted vs. FY24 Requests 2-17-23 v1.1 (General Fund) (% Change)
Revenue Source								
Transfers/Other Funding Sources								
RELIANCE ON FUND BALANCE	10599-49100	$0	$0	$0	$500,000	$500,000	$0	0%
TRANSFER FROM RAY SCHOOL	10599-49111	$203,753	$203,756	$204,324	$205,000	$205,000	$0	0%
TRANSFER FROM PALMER FUND	10599-49331	$31,491	$33,389	$35,041	$35,041	$35,885	$844	2.4%
TRANSFER FROM HELON CONE FUND	10599-49700	$20,839	$25,241	$24,819	$23,500	$23,500	$0	0%
TRANSFER FROM PURPLE FUND	10599-49725	$316,826	$344,667	$370,000	$370,122	$377,442	$7,320	2%
TRANSFER IN FROM RESERVES FOR CAPITAL PROJECTS	10599-49917	$981,677	$981,677	$1,721,465	$1,403,800	$1,403,800	$0	0%
Total Transfers/Other Funding Sources:		**$1,554,586**	**$1,588,730**	**$2,355,649**	**$2,537,463**	**$2,545,627**	**$8,164**	**0.3%**
Total Revenue Source:		**$1,554,586**	**$1,588,730**	**$2,355,649**	**$2,537,463**	**$2,545,627**	**$8,164**	**0.3%**