

Board of Selectmen
Municipal Office Complex
Meeting Rooms 1/2
February 5, 2020
Special Meeting Minutes

Selectmen Present: R. Smith; T. Govert; C. Quinn

Also Present: E. Blaschik (arrived 5:37p.m.) S. Wheeler; C. Varricchio; L. Zemienieski

1. Call to Order: First Selectman Smith called the Board of Selectmen's meeting to order at 3:10 p.m.
2. 2020-2021 General Budget Review Workshop

Mr. Smith turned the discussion over to Finance Director Varricchio who distributed copies of a document she received from the CT Conference of Municipalities titled "Governor's Proposed FY 21 State Budget Adjustments: Impact on East Haddam". She stated that the amount of grants anticipated from the state closely aligns with the amount included in the Town's 2020-2021 budget with only a slight discrepancy in the amount of the ECS Grant expected.

Ms. Varricchio distributed a worksheet that tracked the impact of increases to the Town's budget, in \$100,000.00 increments, on the mill rate. She then provided an overview of the Town's budget and the budget process. She stated that departmental budgets will include a 5-year historical average for each section and will note the department head's request for increases or decreases.

Ms. Varricchio stated that the Board of Education's budget is created independent of the Board of Selectmen who typically do not comment on it but simply pass it through to the Board of Finance.

- A. General Government Budgets: Ms. Varricchio briefly explained what is included in the General Government budgets.
- B. Public Safety Budgets: Ms. Varricchio briefly explained which services are included in this budget.
- C. Public Works Budgets: Ms. Varricchio briefly reviewed the sections of this department's budget.
- D. Health & Social Services Budgets: Ms. Varricchio briefly explained the services included in these budgets.
- E. Recreation & Leisure Budgets: Ms. Varricchio briefly reviewed the responsibilities of these departments.
- F. Debt Service: Ms. Varricchio reviewed the Town's current credit rating, noting it has a direct impact on the cost of borrowing, and stated that the Board of Finance has a goal of acquiring the highest rating of AAA and is taking steps toward achieving that goal. She advised that the Town's debt is significantly below its calculated maximum threshold and reviewed the Town's capital projects savings plan. She noted that, although the USDA note is amortized over 40 years, the Town's budget reflects a 20-year repayment plan.
- G. Interfund Transfers: Ms. Varricchio provided a brief overview of Interfund Transfers.

- H. Shared Services: Ms. Varricchio reviewed the background on the creation of the Shared Services department and its budget. She provided information on the combining of the Town's and the Board of Education's IT Services and noted that the ADP contract the Board approved at their December 18th meeting will be included in the Shared Service's budget.

The Selectmen agreed to take a brief recess at 4:51 p.m. The meeting was reconvened at 5:07 p.m.

- I. Capital Improvement Detail: Ms. Varricchio distributed a copy of the Board of Finance's draft plan for evaluating capital projects which proposed establishing a 10-year plan and rating projects by a point system. There was a general discussion regarding capital requests projections.
- J. General Fund Revenue Detail: Ms. Varricchio reviewed revenue received from tax collection and other sources. There was a general discussion of PILOT payments received by the Town. She noted several trusts and endowments that contribute to the Town's revenue and noted that many benefit the school system.

Ms. Varricchio reviewed the Special Revenue Funds section of the Budget.

- K. Other Budgets Items (as time permits): Postponed.

The Board also discussed the following:

- There was a general discussion regarding the schedule for department head attendance at the Budget Workshop meetings.
 - There was a brief discussion concerning the proposed schedule of the Budget Workshop meetings.
 - Mr. Smith reviewed the process for moving the draft budget to the Board of Finance for final approval.
 - Ms. Varricchio confirmed that she understood that there has been a slight increase to the Grand List. She stated she would provide more information after her meeting with the Assessor.
 - Ms. Varricchio advised that the Town is considering hiring a consultant to conduct a personal property audit. In response to a question from Ms. Quinn, Ms. Varricchio described how such an audit might be conducted.
 - There was a brief discussion concerning how capital projects recommended by the Board of Education might qualify for state reimbursement.
3. Public Comment: There was no public comment at the meeting.
4. Adjournment: There being no additional business to discuss, a motion was made by Ms. Govert, seconded by Ms. Quinn, to adjourn the meeting at 5:58 p.m. Unanimous aye.

Recorded

Respectfully submitted,
Theresa Govert, Secretary