TOWN OF EAST HADDAM
Board of Finance
Regular Meeting Minutes
February 13, 2023
Municipal Office Complex
Meeting Rooms 1 and 2
Via Zoom and YouTube Live

Participating:

Board of Finance Members:

Joseph Corbett
Bruce Dutch
Todd Gelston
Tracey Gionta
Harvey Thomas
Rebecca Whatley

Others:

Donald Angersola – Facilities Director
Lori D'Aquila – East Haddam Ambulance Association
Rob Funk – Finance Director
Irene Haines – First Selectwoman
Linda Zemienieski – Executive Manager
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Gionta called the meeting to order at 7:05 p.m. and the attendees said the pledge of allegiance.

Motion made by Mr. Dutch to add item 10b – New Business, Request for a Reallocation of Capital Reserve Funds for a Police Boat to Capital Reserve Funds for a Facilities Director Truck. Ms. Whatley seconded the motion and it was unanimously approved. Motion carried.

APPROVAL OF MINUTES

a. Regular Meeting – January 9, 2023

Mr. Corbett stated that the notation on page 6 of the minutes regarding the time of the recess should be corrected as follows: "*The Board of Finance took a brief recess at 8:02 p.m. The meeting reconvened 8:11 p.m.*"

Motion was made by Mr. Corbett to approve the minutes of the Regular Meeting of January 9, 2023 as amended. Mr. Gelston seconded the motion and it passed unanimously. Motion carried.

Mr. Gelston noted that during the January 9th meeting, Ms. Gionta had stated she would add an item to the next meeting agenda to discuss the BOF's philosophy regarding setting a budget for FY2023-2024 given the current inflationary environment. Ms. Gionta agreed to bring that subject up for discussion under Old Business.

GUESTS AND AUDIENCE

Ms. Gionta recognized Ms. D'Aquila from the Ambulance Association and noted that she had previously sent an email about her concerns to the Board.

Ms. D'Aquila read a prepared statement regarding the current financial crisis the Ambulance Association is facing as a result of the pandemic. She reviewed the consequences of the Association's financial situation and stated that the organization has met with consultants to identify ways to improve their situation and also requested financial assistance from the Town but has not yet received any response.

Ms. D'Aquila responded to several questions from the Board and reviewed the Ambulance Association's funding requests. She agreed to share the report the Association received from the consultant they most recently worked with to identify solutions to their current situation.

In response to a request from Finance Director Funk, Ms. D'Aquila agreed to provide him with the documentation he needs to tie Association's balance sheets to its bank and/or investment statements.

CORRESPONDENCE

There was no correspondence discussed at the meeting.

CHAIRMAN'S REPORT

Ms. Gionta explained that the charge for the BOF's Long Range Capital Improvements Committee specifies the Committee must have minority representation. As such, she has asked Mr. Dutch to replace her on that Committee. Mr. Dutch withdrew from the Communications Committee and no replacement was named.

a. Tax Collector's Report

Ms. Gionta called the Board's attention to a copy of the Tax Collector's Report in their meeting packets. The Board had no questions regarding the report.

b. Board Subcommittee Reports

i. Communications – Mr. Gelston reported that an article regarding the impact of the revaluation on the mill rate and property taxes was recently published in the East Haddam News. He stated that the Subcommittee is currently working on additional articles.

ii. Long-Range Capital Improvements Committee – Ms. Gionta reported that the Subcommittee had met on February 9th and finished priority ranking all of the capital requests. She advised that the Committee has agreed to meet quarterly going forward and will hold their next meeting in June 2023.

In response to a request from Mr. Thomas, Ms. Gionta confirmed that the BOF members would receive a prioritized list of capital projects, including requested funding and future year(s) requests, prior to their upcoming budget deliberation meetings. She further advised that all department heads with three or more capital requests have been asked to provide prioritization information regarding their projects.

iii. Financial Policies – Ms. Gionta advised that she has received all of the outstanding Financial Policy drafts from Mr. Thomas. There was no additional update on this agenda item.

Mr. Funk noted that the changes made to the financial policy for the Lakes Association, do not appropriately address the Association's request to reappropriate unexpended general funds, at the end of the fiscal year, to their capital account. He stated that the policy should be edited to more closely mirror the policy for the Board of Education's unexpended operating budget funds. There was a general discussion regarding the policy and the members agreed that the transfer would have to be approved by the BOF each year.

There was a brief discussion regarding the Cemetery Committee's request to also have the option to carry-over unexpended funds from year-to-year. Mr. Funk agreed to draft appropriate revisions to the BOF's financial policy for the Cemetery Committee.

c. Liaisons' Reports

i. Redevelopment Agency

Mr. Thomas reported the following regarding the Redevelopment Agency's recent meeting:

- They have engaged an environmental consulting firm to consolidate existing reports regarding the old Town office site, identify any additional tests that should be done, conduct same, and submit a written report. The ultimate goal is to determine what needs to be remediated.

- The have received several proposals to their RFP for a TIF consultant. The board has decided that, at this time, it would be premature to hire a TIF consultant; however, they plan to invite the two best qualified consultants to provide a presentation to the board and answer their questions. The goal is to determine the minimum requirements for developing the site to be financially sustainable.

- Patrick McMahon, Windsor, CT's Economic Development Director and liaison to that town's Redevelopment Agency, attended the meeting and provided his thoughts on the pros and cons of East Haddam's old Town office site and what to do and what not to do to properly develop the site. He also spoke about the limitations of a totally volunteer Redevelopment Agency and recommended the Town hire someone with successful redevelopment experience to manage the process going forward.

There were no other liaisons' reports discussed at the meeting.

d. Auditors' Check Signing Opinion

Ms. Gionta called the Board's attention to emails in their meeting packets from Leslie Zoll, responding to Mr. Funk's inquiry about check signing policies for the Town and the BOE.

There was a general discussion regarding the Town Treasurer's concern about co-signing BOE checks for large amounts with the payees redacted and no backup. Ms. Gionta stated that she believes it is outside of the BOF's scope of responsibilities to get involved in establishing internal policies for the Town or the BOE. Mr. Gelston and Mr. Thomas felt that the BOE's concerns about student confidentiality could easily be addressed by asking the Treasurer to sign a non-disclosure agreement.

First Selectwoman Haines stated that, given that several of the check's the BOE has asked the Treasure to sign without appropriate back-up are for very large sums of money, she shares the Treasurer's concern. She read a prepared statement that she gave at the earlier BOE meeting clarifying that neither she not the Treasurer had ever asked the BOE or school administration to disclose any student information. Her statement further noted that "*As elected officials … we all have a fiduciary responsibility to be good stewards of the tax payers' dollars*."

Ms. Haines next read a prepared statement to the BOF in which she referenced their fiduciary responsibility in the matter and encouraged them to help resolve the issue.

Mr. Corbett expressed his opinion that, given past experience, the BOF has a vested interest in assisting to facilitate a resolution to the concerns raised by the Treasurer and the First Selectwoman. He observed that a stalemate appears to have been reached and perhaps the BOF can help overcome it. Ms. Gionta agreed, as the BOF's liaison to the BOE, to encourage the BOE and school administration to find a mutually agreeable solution to the Town's concerns over BOE's check signing policy.

FIRST SELECTMAN'S REPORT

Selectwoman Haines provided the following report:

- The BOS held its first budget workshop on February 11th; subsequent workshops are scheduled for February 14, 16, and 18. She said it is her goal to deliver a fiscally conservative budget to the BOF which requires no increase in property taxes.

- Another two-week night closing of the Swingbridge is scheduled starting February 20th. Citizens can check on bridge access on the livecam on the East Haddam website.

- A committee is being put together to oversee the development of a design for the renovations to Firehouse No. 2.

- A new library director, Allison Murphy, has been hired and will start on March 1st. Ms. Murphy was previously the Head of Public Services for the Madison library system.

- Officer Smith has retired and his position was posted.

- She received three responses to the Town's RFP for a new ambulance service. She stated it is her goal to have 24-7 service with a 100% response rate. She noted that the quotes came in higher than anticipated and, consequently, she is looking into issue another RFP for a hybrid service which would utilize both a paid service and volunteers.

  Ms. Haines stated that the Ambulance Association is a contractor to the Town and, as such, the agreement can be terminated if the Town is not satisfied with the services provided. She responded to several questions from the Board.

FINANCE DIRECTOR'S REPORT

a. December 2022 YTD Budget Report – Mr. Funk called the Board's attention to the December 2022 YTD summary budget report in their meeting packets. He provided an overview of the report and highlighted several line items that were over/under budget.

Mr. Funk responded to questions from the Board and agreed to research, and report back to the Board, on the non-opioid settlement funds in the Other Revenue account.

b. Update 2023-2024 Budget Calendar

Mr. Funk reported that the BOF's 2023-2024 budget meetings have been scheduled and there was no additional update on this agenda item.

c. Audit Update

Mr. Funk reported on that the auditors' review is moving forward but he expects it will not be completed by the February 28th extended deadline. He noted that one of the issues is evolving federal guidance on the acceptable use of ARPA funds.

Mr. Funk stated that the Town can apply for an additional one-month extension; however, doing so, will require filing an additional report for bond disclosure for 5-years.

Ms. Gionta advised that she plans to set up a conference call with the Town's bond counsel, herself, Ms. Haines, Mr. Funk, and Ms. Zoll to discuss the Town's anticipated building projects.

She noted that she will also invite him to attend the BOF's March meeting to provide a presentation to the Board.

OLD BUSINESS

Ms. Gionta stated that her philosophy regarding setting a budget for FY2023-2024 given the current inflationary environment is to set a "responsible" budget relying on the Town and BOE to submit thoughtful, responsible budget requests.

In response to a question from Mr. Dutch, Ms. Haines advised that she is getting full support from department heads in creating zero-based budgets.

NEW BUSINESS

a. Grant Acceptance—Historic ARPA Rural Road Grant – Ms. Gionta called the Board's attention to materials in their meeting packets related to this agenda item. Mr. Funk provided additional information regarding the purpose of the grant and how subsequent grant installments are staged. He noted the full potential for the grant is $50k over a maximum of two years. He responded to several questions from the Board.

Motion was made by Todd Gelston to accept an ARPA Rural Roads grant award for $4,973.40 from the CT State Department of Emergency Services and Public Protection, with no town match, for the purpose of conducting motor vehicle speed enforcement on rural roads within the town of East Haddam; and by authorizing acceptance of this grant, to authorize any subsequent award of funds from this grant in future funding rounds, to a maximum grant total of $50,000 in grant funding, provided that the terms of any future rounds of funding remain consistent with the initial award, and to recommend that the Board of Selectmen schedule a Town Meeting for approval. Rebecca Whatley seconded the motion. The motion carried.

b. Grant Authorization – FEMA (AFG) Micro Grant Request – Ms. Gionta called the Board's attention to materials in their meeting packets related to this agenda item. Mr. Funk provided background on the request. Mr. Angersola responded to several related questions from the Board.

Motion was made by Bruce Dutch to authorize the application for the FEMA (AFG) Microgrant in the amount of up to $37,106 with a required town match of $1,855 for the purchase of radio base stations for the firehouses. Todd Gelston seconded the motion, and it was unanimously approved. Motion carried.

c. Request to reallocate capital reserve funds from Police Cruiser 60 to purchase a Facilities Grounds Service Truck

Ms. Haines provided an overview of the background regarding this request.

Motion was made by Harvey Thomas to transfer $49,000 within the capital reserve fund from Project C0246 police cruiser to fund the replacement of the Grounds Maintenance service truck (plate 31). Motion was seconded by Todd Gelston and it was unanimously approved. Motion carried.

d. Request from Board of Selectmen to transfer funds from FY23 Contingency to Shared Services to fund the HR Director's position.

Ms. Gionta provided background on this request and Mr. Funk provided additional information.

Motion was made by Todd Gelston to transfer $34,320 from the FY23 Board of Finance Contingency budget 10541020-51510 to Shared Services 10541810-51510 to fund the cost of a part time Human Resources Director. Rebecca Whatley seconded the motion. The motion carried with Harvey Thomas voting nay.

e. Request for a Reallocation of Capital Reserve Funds for a Police Boat to Capital Reserve Funds for a Facilities Director Truck

Ms. Haines provided background information regarding this request.

Motion was made by Bruce Dutch to transfer $21,800 within the capital reserve fund from Project C0263 police boat (act 10544020-58830) to fund the purchase of Facilities Director truck (plate 29EM). Motion was seconded by Joe Corbett and it was unanimously approved. Motion carried.

GUEST AND AUDIENCE COMMENTS

There were no guest and/or audience comments discussed at the meeting.

ADJOURNMENT

Motion made by Mr. Dutch to adjourn at 9:06 p.m. Ms. Whatley seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Bruce Dutch
Secretary