TOWN OF EAST HADDAM
Board of Finance
Policies Sub-Committee Meeting Minutes
May 23, 2023
Meeting Room 4
Via Zoom and YouTube Live

Participating:

Board of Finance Members:

Tracey Gionta
Harvey Thomas

Others:

Debra Denette, Town Clerk
Robert Funk, Finance Director
Members of the public virtually

Ms. Gionta called the meeting to order at 2:00p.m.

Mr. Funk advised that the following items will be covered in the meeting:

- Updates to Lakes Association fund policy to address transfer of unexpended Operating funds to Capital Reserves at the end of each fiscal year;
- Updates to the BOF's grants application request form and related policy;
- Establishment of a Cemetery Capital Fund.

There was a general discussion regarding the Cemetery budget and Mr. Funk noted that $13k had been added to its FY2023-2024 budget; however, the funds should be transferred to the Committee's Capital Reserve Fund. He reviewed the transfer process and noted that the Cemetery Committee would have to request the BOF's approval to transfer unexpended Operating funds to its Capital Reserves fund at the end of each fiscal year.

Ms. Denette provided further clarification regarding the Cemetery Committee's Operating and Capital budgets. The consensus was to model pertinent language in the BOF's Cemetery Committee policy section after similar language in the Board of Education's and Lakes Association's policies.

Mr. Funk reviewed the changes he had made to the Lakes Association policy to address the transfer of unexpended Operating Funds to the Association's Capital Reserves each year, contingent on the BOF's approval. The attendees discussed Mr. Funk's revisions and some additional modifications were made. Mr. Thomas recommended the BOF approve the revisions to the Lakes Association and Cemetery Committee policies at its next Board meeting.

The group reviewed the current grant application request/authorization form. Mr. Funk stated he believes all grants awarded to the Town should be reported to the BOF. They discussed whether all grant applications need to be pre-approved by the BOF and agreed to the following:

1. Any grants awarded to the Town that are < $10k with no commitment of immediate (i.e., match requirement) or future Town resources must be reported but do not need the BOF's authorization for the application.
2. Grants that are < $10k with a commitment of immediate (i.e., match requirement) and/or future Town resources will need the BOF's authorization prior to application for same.
3. Grants that are ≥ $10k with or without a commitment of immediate (i.e., match requirement) and/or future Town resources will need the BOF's authorization prior to application for same.

In response to a suggestion made by Ms. Denette, changes were made to the form to provide a conditional acceptance of grants in the first category if they are awarded. Ms. Gionta suggested the Sub-Committee create a grid of the above information for the BOF's grant policy.

Mr. Thomas noted that former Finance Director is reviewing the BOF's General Revenue Fund policies and Mr. Funk stated he would follow-up with Ms. Varricchio to see if she has any feedback.

Mr. Thomas informed Mr. Funk that he and Ms. Gionta have been discussing potential changes to the process for approving recurring long-range capital projects such as equipment replacement for Public Works, the Fire and Police Departments, Emergency Medical Services, etc. He suggested the Town create a written replacement policy for such items. Ms. Gionta expressed her concern about the cumulative total of the Town's Capital Budget. There was a general discussion regarding the Capital Budget and Ms. Gionta agreed to schedule a meeting for further discussion of the long-range Capital expense.

Ms. Gionta advised Mr. Funk of several updates to the BOF's liaison assignments.

Motion made by Mr. Thomas, seconded by Ms. Gionta, to adjourn the meeting. Unanimous aye. Motion carried.

There being no additional business to discuss, Ms. Gionta adjourned the meeting at 3:00 p.m.

Respectfully submitted,
Tracey Gionta, Chairman