TOWN OF EAST HADDAM
Board of Finance
Regular Meeting Minutes
July 8, 2024
Municipal Office Building – Room 1 & 2
Via Zoom and YouTube Live

Participating:

Board of Finance Members:
Joseph Corbett
Todd Gelston
Maureen Goff
Eric Kolasinski
Harvey Thomas
Rebecca Whatley

Others: Valerie Belles, Finance Director
Laurie D'Aquila, East Haddam Ambulance Association
Irene Haines, First Selectwoman
William Lindsay, Munistat
Ken Tosi, East Haddam Ambulance Association
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mr. Corbett called the meeting to order at 7:00 p.m. and the attendees said the pledge of allegiance.

GUESTS & AUDIENCE COMMENTS

The following citizens spoke at the meeting:

- Laurie D'Aquila – thanked the Boards of Selectmen and Finance for their time and patience in wading through all of the Ambulance Association's complex operational and financial information. She also thanked the Selectpeople for considering the proposal to set up a task force to evaluate the future ambulance service within the Town.

ELECTION OF OFFICER

Mr. Corbett advised that, due to a professional conflict, he is must stepdown from the role of Chairman of the Board of Finance, effective this evening. He opened the floor to nominations for a new Chairman.

Ms. Whatley nominated Mr. Gelston to fill the position of Chairman of the Board of Finance. Mr. Gelston accepted the nomination and the Board members unanimously voted to approve him as Chairman of the Board of Finance until the end of this election cycle.

Motion made by Mr. Gelston to amend the agenda to include consideration of a nomination for the Secretary position on the Board of Finance. Mr. Thomas seconded the motion and it passed by a unanimous aye vote. Motion carried.

Mr. Gelston provided an overview of the BOF Secretary responsibilities. Mr. Thomas nominated Rebecca Whatley to fill the vacant Secretary position, subject to her acceptance of same. Ms. Whatley accepted the nomination and the Board members unanimously voted to approve her as Secretary for the Board of Finance until the end of this election cycle.

Mr. Thomas thanked Mr. Corbett for his service on the Board of Finance. He also thanked Mr. Gelston and Ms. Whatley for stepping up to fill the roles of Chairman and Secretary of the Board.

Motion made by Mr. Thomas to amend the agenda to move New Business item 10a – Contingency Fund Request – Ambulance, up for discussion next on the agenda. Mr. Kolasinski seconded the motion and it passed by a unanimous aye vote. Motion carried.

NEW BUSINESS

a. Contingency Fund Request – Ambulance – Mr. Gelston called the Board's attention to materials in their meeting packets related to this agenda item. In response to questions from the Board, First Selectwoman Haines provided clarification regarding the amount of the funding request. Ms. Belles confirmed that the request would provide the EHAA with funding for this fiscal year only and the EHAA must apply for additional funding each subsequent fiscal year.

   There was a general discussion regarding the funding request and Ms. Belles responded to questions; she confirmed that the $22k the Ambulance Association owes the Town was not included in the funding request.

   Mr. Thomas inquired about the status of the BOF's request that each entity being considered as the Town's emergency medical responder submit at least two years of projected operating and capital expenses along with its projected revenues. Mr. Tosi stated that the EHAA had submitted its FY2024 numbers in support of its funding request and he advised that they are working on their FY2025 budget. He confirmed that they would submit the completed FY2025 projections to the BOF in time for the Board's August meeting. Ms. Haines stated that she had emailed the Fire Department's projections to the BOF on June 6th.

   Motion made by Mr. Corbett to approve funding for the East Haddam Ambulance Association from the 2023-2024 BOF Contingency Fund (account 10541020-58339) in the amount of $59,316.52 and request that the Board of Selectman schedule a Town Meeting for approval. Ms. Goff seconded the motion. Mr. Thomas abstained from the voting and the motion passed by a majority of ayes. Motion carried.

   Motion made by Mr. Thomas to amend the agenda to move Chairman's Report, item a. Debt Presentation with Bill Lindsay, up for discussion next. Mr. Kolasinski seconded the motion and it passed by a unanimous aye vote. Motion carried.

CHAIRMAN'S REPORT

a. Debt Presentation with Bill Lindsay – Mr. Lindsay provided opening comments and reviewed two potential funding scenarios for the Town's currently identified capital projects:

Scenario #1 assumes that short-term Bond Anticipation Notes (BANS) are issued in 2024 for $5.3M in existing capital projects, the addition of $14.9M to the BANs in 2025 for a new Company 2 firehouse and the Town's share of bridge improvements, rolling-over the BANs for two years, and issuing bonds for all projects in September 2027.

Scenario #2 assumes that bonds are issued for existing projects in September 2024, the issuance of BANs in September 2025 in the amount of $14.9M for the new firehouse and the Town's share of bridge improvements, rolling the BANs over for two years, and issuing bonds in September 2027.

Mr. Lindsay discussed IRS timing limitations for issuing tax exempt debt and the source of funding to pay down the debt (i.e. the Capital Projects Savings Account and taxation). He noted that Scenario #1 results in paying lower overall interest on the Town's debt; however, Scenario #2 results in a lesser short-term impact on the Town's budget and, consequently, the taxpayers. Mr. Lindsay responded to questions from the Board members.

Ms. Belles and Ms. Zemienieski responded to several questions concerning the bridge work and firehouse capital projects. Ms. Belles confirmed that the debt presentation did not include any projected cost of repairs to the Town roads.

There was a general discussion regarding the timeline to initiate the financing. Mr. Gelston thanked Mr. Lindsay for his presentation.

CORRESPONDENCE

There was no correspondence discussed at the meeting.

APPROVAL OF MINUTES

a. June 10, 2024 Regular Meeting Minutes – Mr. Gelston called the Board's attention to the minutes of their June 10, 2024 meeting. Ms. Whatley noted one correction to the spelling of her name on page 3 of the minutes.

Motion made by Mr. Thomas to approve the minutes of the Regular Meeting of June 10, 2024 as amended. Ms. Goff seconded the motion and it was approved by a unanimous aye vote. Motion carried.

CHAIRMAN'S REPORT

b. Board Sub-Committee Reports

i. Communications – Mr. Gelston reported that the Communications Subcommittee had not met recently; however, they do have several articles in draft format.

ii. Long-Range Capital Improvements – There was no update on this agenda item.

iii. Financial Policies – Mr. Thomas reported that the Financial Policies Committee met with Ms. Varricchio on July 5th and worked through the General Fund Revenue Source policy. He stated that they have another workshop scheduled with Ms. Varricchio on July 12th at which they plan to develop a work plan for additional policies that need to be addressed.

FIRST SELECTMEN'S REPORT

Ms. Haines reported on the following items:

- Swingbridge and rotary construction work.
- The Moodus Master Plan.
- The Municipal Broadband project.
- The Redevelopment Agency's brownfield testing plan, TIF financing, and grant applications.

She also distributed copies of the EHFD Medical Division's budget that she had emailed to the Board members on June 6th. Ms. Haines responded to questions from the Board regarding TIF projects and the municipal broadband project.

Mr. Gelston recommended scheduling a financial workshop to consider the EHAA and EHFD projected budgets for providing the Town's EMS response. There was a general discussion regarding the appropriate process for making the decision on contractual services for the Town.

FINANCE DIRECTOR'S REPORT

a. May 2024 Year-to-Date Budget Report – Ms. Belles called the Board's attention to the May 2024 YTD budget report in their meeting packets. She provided an overview of the report and responded to questions.

b. Audit Update – Ms. Belles stated that the auditors did not issue their audit report by the June 30th deadline. She stated that the CT Office of Policy and Management was made aware and have requested an update on the status of the Town's audit by July 15th.

There was a general discussion regarding the factors that resulted in missing the audit deadline and Ms. Belles confirmed that there are a number of CT municipalities in the same situation. The Commissioners and Finance Director Belles discussed the need for timeliness in completing the Town's audits going forward.

OLD BUSINESS

There was no Old Business discussed at the meeting.

NEW BUSINESS

a. Funding Request – Ambulance Capital Reserves – This agenda item was discussed earlier in the meeting and that discussion is reported on in the above minutes.

b. Transfer Request – Capital Projects – Ms. Belles provided information concerning this agenda item.

Motion made by Ms. Goff to approve capital project transfers totaling $7,853.84 from Middle School Score Board (account number 33250013-58926 - Project C0261) in the amount of $3,750.00, School Wide Maintenance Supervisor Vehicle (account number 33250013-58926 - Project C0259) in the amount of $1,403.42, and High School Boiler (account 33250013-58926 - Project C0077) in the amount of $2,700.42 to High school softball scoreboard (account number 33250013-58926 - Project C0288) in the amount of $1,679.00, Elementary School Playground (account 33250013-58926 - Project C0215) in the amount of $666.45, High School ADA Softball platform (account 33250013-58926 - Project C0256) in the amount of $4,955.59, and Middle School Generator (account 33250013-58926 - Project C0296) in the amount of $552.80 and request that the Board of Selectman schedule a Town Meeting for approval. Ms. Whatley seconded the motion and it passed by a unanimous aye vote. Motion carried.

c. Transfer Request – Tree Care and Removal – Ms. Belles and Ms. Haines provided clarification concerning this agenda item. They responded to questions from the Board.

Motion made by Ms. Whatley to approve transfers in the amount of $96,798.27 from 2023-2024 BOF Contingency (account 10541020-58339) for $71,818.48 and $24,979.79 from 2023-2024 Highways and Streets Regular Employees (account 1543030-51510) to Tree Care and Removal (account number 10543550-54303) and request that the Board of Selectman schedule a Town Meeting for approval. Ms. Goff seconded the motion and it passed by a unanimous aye vote. Motion carried.

d. Transfer Request – ARPA Funding – Ms. Belles provided background information on this agenda item.

Motion made by Ms. Goff to approve a transfer in ARPA for $9,100.03 from the Elementary School Fire Panel (account number 15010500-58926 - Project C0267) to High School Fire Panel (account 15010500-58926 - Project C0266). Mr. Corbett seconded the motion and it passed by a unanimous aye vote. Motion carried

ADJOURNMENT

Motion made by Mr. Kolasinski to adjourn the meeting at 9:19 p.m. Ms. Whatley seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Rebecca Whatley
Secretary