

TOWN OF EAST HAMPTON, CONNECTICUT

BOARD OF FINANCE

Meeting Agenda

Monday April 15, 2024

Town Hall - Room 201 & Zoom

7:00 PM

Regular Meetings

January 16, 2024 (Tues)

February 20, 2024 (Tues)

March 18, 2024

April 15, 2024

May 20, 2024

June 17, 2024

July 15, 2024

August 19, 2024

September 16, 2024

October 21, 2024

November 18, 2024

December 16, 2024

1) Call to Order

2) Pledge of Allegiance

3) Adoption of Agenda

4) Approval of Minutes of Meeting(s) *

a) February 19th Regular Meeting

b) March 18th Public Hearing

c) March 19th Budget Workshop

d) March 20th Budget Workshop

e) March 21st Budget Workshop

f) March 27th Budget Deliberation

h) April 3rd Budget Deliberation

5) Public Remarks

6) Financial Transactions *

7) Correspondence

8) Status Reports (Financial)

a) Revenue

b) Expenditures

c) Fund Balance

9) New Business *

a) FY 2024 Auditor Appointment

10) Continued Business *

11) Special Presentations

12) Liaison Appointments/Reports*

a) Town Council (McLennan)

b) Board of Education (Comisky)

c) Economic Development Commission (Turner)

d) Lake / Conservation (Spagnoletti)

e) Fire Commissioners (Brown)

f) Brownfields/Redevelopment (Radavich)

g) Park & Rec. Advisory Board (Coshov)

h) Capital Committee (Coshov/Turner)

13) Public Remarks

14) Adjournment

* - Potential action item

ZOOM Information

Board of Finance Meeting 04-15-2024

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/82026607838>

Or One tap mobile :

+16465588656,,82026607838# US (New York)

+16469313860,,82026607838# US

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

+1 646 558 8656 US (New York)

+1 646 931 3860 US

+1 301 715 8592 US (Washington DC)

+1 305 224 1968 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

Webinar ID: 820 2660 7838

TOWN OF EAST HAMPTON
GENERAL FUND REVENUES
AS OF 04/09/2024
FY 2023-2024

Agenda Item: 8A
4/10/2024

| | | | | Unaudited | | | | |
|---|-------------------|-------------|-------------------|--------------------|------------------|---------------|--------------------|--------------------------------------|
| | Original Estimate | Adjustments | Revised Estimate | Actual YTD Revenue | Balance | % Collected | Projected Variance | Comment |
| 40 Property taxes | 45,019,190 | - | 45,019,190 | 44,919,506 | 99,684 | 99.78% | 150,000 | Stronk back tax collections |
| 41 Investment income | 100,000 | - | 100,000 | 161,909 | (61,909) | 161.91% | 75,000 | |
| 42 License,permit& fees | 670,035 | - | 670,035 | 613,686 | 56,349 | 91.59% | 25,000 | |
| 44 FEDERAL, STATE & LOCAL GRANTS | 7,973,786 | - | 7,973,786 | 4,796,538 | 3,177,248 | 60.15% | 321,574 | Received an unanticipated MRSA grant |
| 47 Other revenue | 90,960 | | 90,960 | 79,585 | 11,375 | 87.49% | 11,780 | Sale of equipment (Fire Department) |
| 49 Other Fin. Sources (Use of Fund Balance) | - | - | - | - | - | 0.00% | - | |
| TOTAL GENERAL FUND | 53,853,971 | - | 53,853,971 | 50,571,224 | 3,282,747 | 93.90% | 583,354 | |

Forecasted variance 583,354

Estimated revenues \$ 54,437,325

TOWN OF EAST HAMPTON
GENERAL FUND EXPENDITURES
4/9/2024
FY 2023-2024

Agenda Item: 8B
4/10/2024

| ACCOUNT DESCRIPTION | Original Budget | Transfers | Revised Budget | ENCUM | TOTAL | Available | Projected Variance | % USED | Comment |
|--------------------------------------|-----------------|-----------|----------------|-----------|-----------|-----------|--------------------|--------|--|
| 01010000 Town Manager's Department | 393,024 | 0 | 393,024 | 0.00 | 289,248 | 103,776 | | 73.6% | |
| 01020000 Town Council/Special | 40,720 | 0 | 40,720 | 0.00 | 52,852 | -12,132 | (24,000) | 129.8% | Demo 13 Summit |
| 01040000 LEGAL | 85,000 | 0 | 85,000 | 0.00 | 26,604 | 58,396 | 5,000 | 31.3% | |
| 01050130 New Town Hall/Police/ | 325,140 | 0 | 325,140 | 13,897.80 | 203,815 | 121,325 | - | 62.7% | |
| 01060135 Finance and Accounting | 520,305 | 0 | 520,305 | 120.00 | 379,431 | 140,874 | - | 72.9% | |
| 01060136 Collector of Revenue | 178,907 | 0 | 178,907 | 0.00 | 130,029 | 48,878 | - | 72.7% | |
| 01060137 Assessor | 199,273 | 0 | 199,273 | 0.00 | 149,258 | 50,015 | - | 74.9% | |
| 01070000 Town Clerk | 190,405 | 0 | 190,405 | 10,412.45 | 136,589 | 53,816 | - | 71.7% | |
| 01080000 Registrars/Elections | 50,669 | 0 | 50,669 | 0.00 | 32,075 | 18,594 | - | 63.3% | |
| 01090000 General Insurance | 412,260 | 0 | 412,260 | 0.00 | 406,053 | 6,207 | - | 98.5% | |
| 01100000 Probate Court | 19,239 | 0 | 19,239 | 0.00 | 19,239 | - | - | 100.0% | |
| 01110000 Employee Benefits | 2,570,725 | 0 | 2,570,725 | 0.00 | 2,002,213 | 568,512 | | 77.9% | |
| 01120000 Contingency | 30,000 | 0 | 30,000 | 0.00 | 0 | 30,000 | 30,000 | 0.0% | Use for 13 Summit |
| 01150000 Information Technology | 177,046 | 0 | 177,046 | 225.00 | 127,562 | 49,484 | | 72.1% | |
| 01210211 Police Administration | 388,765 | 0 | 388,765 | 403.95 | 296,030 | 92,735 | | 76.1% | |
| 01210212 Regular Patrol | 1,879,545 | 0 | 1,879,545 | 3,635.49 | 1,333,401 | 546,144 | | 70.9% | |
| 01210213 Lake Patrol | 5,056 | 0 | 5,056 | 0.00 | 2,592 | 2,464 | | 51.3% | |
| 01210214 Animal Control | 56,480 | 0 | 56,480 | 0.00 | 56,116 | 364 | | 99.4% | |
| 01220221 Firefighting | 358,689 | 0 | 358,689 | 79.42 | 242,941 | 115,748 | | 67.7% | |
| 01220223 FIRE MARSHAL | 96,700 | 0 | 96,700 | 120.00 | 50,356 | 46,344 | 5,000 | 52.1% | Staff hours are lower than forecast |
| 01220225 Town Center Fire System | 8,650 | 0 | 8,650 | 0.00 | 4,391 | 4,259 | | 50.8% | |
| 01230000 Ambulance | 62,290 | 0 | 62,290 | 0.00 | 49,105 | 13,185 | | 78.8% | |
| 01240000 Emergency Management | 8,096 | 0 | 8,096 | 0.00 | 1,451 | 6,645 | | 17.9% | |
| 01250000 Public Safety Dispatch | 232,775 | 0 | 232,775 | 0.00 | 82,698 | 150,077 | | 35.5% | |
| 01260000 Street Lighting | 51,000 | 0 | 51,000 | 0.00 | 21,083 | 29,917 | 5,000 | 41.3% | |
| 01310000 Chatham Health District | 181,009 | 0 | 181,009 | 0.00 | 135,756 | 45,253 | | 75.0% | |
| 01320000 Human Services | 132,109 | 0 | 132,109 | 200.00 | 75,024 | 57,085 | 15,000 | 56.8% | Staff vacancy |
| 01330000 Senior Center | 160,459 | 0 | 160,459 | 0.00 | 122,224 | 38,236 | | 76.2% | |
| 01340000 Transportation | 53,940 | 0 | 53,940 | 0.00 | 57,200 | -3,260 | (3,260) | 106.0% | |
| 01350000 Community Services | 6,800 | 0 | 6,800 | 0.00 | 8,960 | -2,160 | (2,160) | 131.8% | Repairs to broken well pump |
| 01360000 CEMETERY CARE | 5,000 | 0 | 5,000 | 0.00 | 0 | 5,000 | | 0.0% | |
| 01370000 Commission on Aging | 2,951 | 0 | 2,951 | 0.00 | 1,068 | 1,883 | | 36.2% | |
| 01410000 Building, Planning & Zoning | 389,772 | 0 | 389,772 | 7,500.00 | 257,011 | 132,761 | 35,000 | 65.9% | Staff vacancy |
| 01420000 Econ. Development Comm. | 4,637 | 0 | 4,637 | 0.00 | 1,044 | 3,593 | | 22.5% | |
| 01430000 Conservation & Lake Comm. | 57,187 | 0 | 57,187 | 0.00 | 45,810 | 11,377 | | 80.1% | |
| 01460000 Redevelopment Agency | 1,462 | 0 | 1,462 | 0.00 | 390 | 1,072 | | 26.7% | |
| 01470000 Middle Haddam Historic | 800 | 0 | 800 | 0.00 | 824 | -24 | (400) | 103.0% | |
| 01510000 Public Works Admin. | 1,542,294 | 0 | 1,542,294 | 780.02 | 1,066,987 | 475,307 | 20,000 | 69.2% | Overtime lower than forecast |
| 01510515 Grounds Maintenance | 0 | 0 | 0 | 0.00 | 139,268 | -139,268 | | | New division. Previously in Parks & Rec. |
| 01520000 Engineering | 40,000 | 0 | 40,000 | 0.00 | 21,706 | 18,294 | | 54.3% | |
| 01530000 Town Garage | 44,115 | 0 | 44,115 | 0.00 | 38,617 | 5,498 | | 87.5% | |
| 01540000 Townwide Motor Fuel | 172,600 | 0 | 172,600 | 0.00 | 146,162 | 26,438 | | 84.7% | |
| 01550000 Road Materials | 370,000 | 0 | 370,000 | 472.07 | 237,132 | 132,868 | | 64.1% | |

TOWN OF EAST HAMPTON
GENERAL FUND EXPENDITURES
4/9/2024
FY 2023-2024

Agenda Item: 8B
4/10/2024

| ACCOUNT DESCRIPTION | Original Budget | Transfers | Revised Budget | ENCUM | TOTAL | Available | Projected Variance | % USED | Comment |
|--|-----------------|-----------|----------------|-----------|-----------|-----------|--------------------|--------|--|
| 01560000 Transfer Station | 250,625 | 0 | 250,625 | 0.00 | 141,001 | 109,624 | | 56.3% | |
| 01610610 Park & Recreation | 500,392 | 0 | 500,392 | 0.00 | 166,459 | 333,933 | | 33.3% | See Grounds Maintenance above |
| 01660000 Arts & Cultural Commi | 2,980 | 0 | 2,980 | 0.00 | 659 | 2,321 | | 22.1% | |
| 01670000 Community Center | 158,348 | 0 | 158,348 | 0.00 | 83,538 | 74,810 | | 52.8% | |
| 01680681 E Hampton Public Library | 592,642 | 0 | 592,642 | 19,956.04 | 400,589 | 192,053 | 10,000 | 67.6% | Staff vacancy |
| 01680682 Middle Haddam Library | 10,000 | 0 | 10,000 | 0.00 | 10,000 | 0 | | 100.0% | |
| 01710711 General Obligation Bond Prin. | 2,885,000 | 0 | 2,885,000 | 0.00 | 2,885,000 | 0 | | 100.0% | |
| 01720721 General Obligation Bond Int. | 1,126,556 | 0 | 1,126,556 | 0.00 | 1,107,036 | 19,520 | 19,000 | 98.3% | Return of bond interest and unspent proceeds |
| 01750000 Capital Leases | 110,879 | 0 | 110,879 | 0.00 | 110,879 | 0 | | 100.0% | |
| 01810000 Operating Transfers Out | 852,000 | 0 | 852,000 | 0.00 | 42,500 | 809,500 | | 5.0% | |

| | | | | | | | | |
|-------------|---------------|------|---------------|-----------|---------------|--------------|------------|-------|
| Grand Total | \$ 17,995,316 | \$ - | \$ 17,995,316 | \$ 57,802 | \$ 13,397,972 | \$ 4,597,344 | \$ 114,180 | 74.5% |
|-------------|---------------|------|---------------|-----------|---------------|--------------|------------|-------|

| | | | | | | | | |
|--------------------|---------------|------|---------------|--|---------------|---------------|--------------|-------|
| Board of Education | \$ 35,858,655 | \$ - | \$ 35,858,655 | | \$ 18,793,941 | \$ 17,064,714 | \$ (593,921) | 52.4% |
|--------------------|---------------|------|---------------|--|---------------|---------------|--------------|-------|

January 10, 2024 forecast

Total Forecasted Deficit (479,741) Updated 01-16-2024

Town of East Hampton
Fund Balance Projection
JUNE 30, 2024

Agenda Item: 8C
4/10/2024

| | | TOTAL Projected as of 06/30/2024 |
|---|-----------|--|
| Total Fund Balance at July 1, 2023 (Audited)..... | \$ | 6,355,637 |
| Less: Fund balance restrictions (TIF District)..... | | (50,191) |
| Fund Balance (Unrestricted) at July 1, 2023 (Audited)..... | \$ | 6,305,446 |
| 2023-2024 | | |
| Forecasted Revenues..... | | 54,437,325 |
| Forecasted Expenditures..... | | 54,333,712 |
| Net income / (loss)..... | \$ | 103,613 |
| Unrestricted Fund Balance at June 30, 2024..... | \$ | 6,409,059 |
| Unrestricted Fund Balance as a % of FY 2024 approved budget..... | | 11.9% |

April 9, 2024

Board of Finance
C/O Jeff Jylkka
Finance Director
Town of East Hampton
1 Community Drive
East Hampton, CT 06424

Thank you for the opportunity to provide audit services to the Town of East Hampton ("Town"). This letter sets forth the nature and scope of the services we will provide to the Town.

Scope of Services

We will audit the Town's statements of the governmental activities, each major fund and the aggregate remaining fund information and related notes to the financial statements, which collectively comprise the basic financial statements of the Town as of and for the years ended June 30, 2024, 2025 and 2026.

The objective of an audit is the expression of an opinion on whether these financial statements are presented fairly, in all material respects, in conformity with US GAAP and to report on the fairness of the supplementary information when considered in relation to the financial statements as a whole

We will conduct the audit in accordance with US GAAS and the standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. The aforementioned standards require that we obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement, whether caused by error or fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the Town's or to acts by management or employees acting on behalf of the Town.

We will conduct the Federal Single Audit in accordance with the audit requirements of the Uniform Guidance, and will include tests of accounting records, a determination of major programs, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports.

The objective for our audit will also include reporting on internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with Uniform Guidance.

We will conduct the State Single Audit in accordance with the audit requirements of the State Single Audit Act (C.G.S. Sections 4-230 to 4-236), and will include tests of accounting records, a determination of major programs in accordance the State Single Audit Act, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports.

The objective for our audit will also include reporting on internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the State Single Audit Act.

We will also complete the agreed upon procedures required by the Connecticut State Department of Education for the EFS and related forms.

Fees and billing

Our fees for these services will be as follows:

| | | |
|---------------------------------|--|-----------|
| Fiscal year ended June 30, 2024 | | \$ 60,500 |
| Fiscal year ended June 30, 2025 | | 63,525 |
| | | |
| Fiscal year ended June 30, 2026 | | 66,700 |

Please let me know if you have at questions.

We are pleased to have this opportunity to serve you.

PKF O'Connor Davies, LLP

Joseph Centofanti, CPA, CFE, FCPA, CFF, CGFM
Partner