

**Board of Finance
Regular Meetings**

January 21, 2014
(Tuesday)

February 18, 2014
(Tuesday)

March 17, 2014

April 21, 2014

May 19, 2014
7:30

June 16, 2014
7:30

July 21, 2014
7:30

August 18, 2014
7:30

September 15, 2014
6:30

October 20, 2014
6:30

November 17, 2014
6:30

December 15, 2014
6:30

**TOWN OF EAST HAMPTON
EAST HAMPTON, CT 06424**

BOARD OF FINANCE
Regular Meeting Agenda
Monday, October 20, 2014
6:30 PM

Location: Town Hall Meeting Room

1. Call to Order
2. Pledge of Allegiance
3. Approval of Minutes of Meeting(s) *
 - a) September 15, 2014 – Regular meeting
 - b) September 22, 2015 – Special meeting
4. Public Remarks
5. Special presentations
6. Correspondence
7. Status Reports (Financial)
 - a) 2013-2014 Revenue
 - b) 2013-2014 Expenditures
 - c) 2013-2014 Fund Balance
8. Financial Transactions
 - a) Fiscal year 2013-2014 - End of year budget transfers
 - b) Fiscal year 2013-2014 – BOE special education excess cost additional appropriation
 - c) 2013-2014 Year end transfer to the Capital Improvement Fund for the purchase of a loader
9. New Business *
 - a) 2015-2016 Budget
 - b) CL&P offer to purchase 20 East High Street
 - c) CNG proposed expansion
10. Continued Business *
 - a) High School Renovation project update
 - b) FY 2014-2015 Public Works Rolling Stock/Equipment Funding Options
11. Liaison's Reports
 - a) Town Council
 - b) Board of Education
 - c) Economic Development Commission
 - d) Lake / Conservation
 - e) Fire Commissioners
 - f) Brownfields/Redevelopment
 - g) Park & Rec. Advisory Board
 - h) Water Task Force
 - i) Town Facilities Evaluation Committee
12. Public Remarks
13. Town Manager's Report

14. Adjournment

* - Potential action item

TOWN OF EAST HAMPTON
GENERAL FUND REVENUES
AS OF OCTOBER 15, 2014
FY 2013-2014

	Original Estimate	Adjustments	Revised Estimate	Actual YTD Revenue	% Collected	Balance	Projected Variance	Comment
40 Property taxes	30,223,054	-	30,223,054	30,183,947	99.87%	(39,107)	(39,107)	Suppl. MV. (\$+63K). Current yr. collections slowing. Budgeted collection rate was 97.9%
41 Investment income	32,000	-	32,000	16,738	52.31%	(15,262)	(15,262)	Low interest rates.
42 License, permit & fees	382,980	-	382,980	453,480	118.41%	70,500	70,500	Recording fees, conveyance fees and building department fees above average
43 Federal Grants	-	-	-	-		-	-	
44 STATE & LOCAL GRANTS *	8,492,254	554,931	9,047,185	9,149,536	101.13%	102,351	102,351	School transportation grant & grants for municipal proj.
45 Local gov. payments	11,800	-	11,800	13,329	112.96%	1,529	1,529	
47 Other revenue	95,887	-	95,887	114,661	119.58%	18,774	18,774	Sale of fire vehicles & insurance rebate
48 Oper. Transfers In	-	-	-	34,879	0.00%	34,879	34,879	Return of unspent proj. costs for the H.S. Lighting project
49 Other Fin. Sources	-	511,000	511,000	-	0.00%	(511,000)	(511,000)	
TOTAL GENERAL FUND	39,237,975	1,065,931	40,303,906	39,966,570	99.16%	(337,336)	(337,336)	

Forecasted variance..... (337,336)

* - Excess cost is appropriated back to the BOE on an annual basis.

Estimated revenues..... \$ 39,966,570

TOWN OF EAST HAMPTON
GENERAL FUND EXPENDITURES
As of October 15, 2014
FY 2013-2014

Agenda Item: 7B

Deptment	YTD Expended /		Projected		Variance	% Spent	Comment
	Original Budget	Revised Budget	Encumbered	Available Budget			
Town Manager's Department	\$ 319,684	\$ 319,684	\$ 343,781	\$ (24,097)	\$ (24,097)	107.5%	Town Manager vacation pay. Merit pay
Town Council/Special Programs	24,957	24,957	24,584	373	373	98.5%	
Facilities Administrator	96,963	96,963	18,603	78,360	78,360	19.2%	Position vacant
LEGAL FEES	150,000	150,000	193,241	(43,241)	(43,241)	128.8%	Union negotiations (Police & Supervisors)
Town Hall/Annex	266,717	266,717	285,469	(18,752)	(18,752)	107.0%	\$16,000 repairs to front entrance
Finance and Accounting	416,805	416,805	431,730	(14,925)	(14,925)	103.6%	Salaries budgeted at 2012 level due to unsettled negotiations.Merit pay.
Collector of Revenue	161,690	161,690	153,705	7,985	7,985	95.1%	
Assessor	177,801	177,801	166,349	11,452	11,452	93.6%	
Board of Assessment Appeal	1,282	1,282	991	291	291	77.3%	
Town Clerk	175,663	175,663	172,806	2,857	2,857	98.4%	
Registrars/Elections	44,633	44,633	43,099	1,534	1,534	96.6%	
General Insurance	282,300	282,300	282,132	168	168	99.9%	Additional MIRMA assessment (\$18,839)
Probate Court	13,957	13,957	13,957	-	-	100.0%	
Employee Benefits	1,467,820	1,467,820	1,232,513	235,307	235,307	84.0%	7 vacant positions for most of the yr. Retro pay for union contracts budgeted here.
Contingency	65,000	65,000	-	65,000	65,000	0.0%	Will be used to cover legal deficit
Information Technology	72,402	72,402	71,826	576	576	99.2%	
Police Administration	285,521	285,521	297,785	(12,264)	(12,264)	104.3%	Chief unused vacation pay & DC plan contribution
Regular Patrol	1,343,333	1,343,333	1,310,423	32,910	32,910	97.6%	2 vacancies. Overtime est. to be 22K over budget
Lake Patrol	3,706	3,706	4,843	(1,137)	(1,137)	130.7%	Officers used for lake patrol
Animal Control	39,556	39,556	38,688	868	868	97.8%	
Firefighting	277,818	277,818	273,443	4,375	4,375	98.4%	
Fire Marshall	46,455	46,455	46,470	(15)	(15)	100.0%	
Town Center Fire System	14,150	14,150	12,429	1,721	1,721	87.8%	
Ambulance	6,910	6,910	2,619	4,291	4,291	37.9%	
Civil Preparedness	16,200	16,200	16,025	175	175	98.9%	
Communications	121,158	121,158	120,612	546	546	99.5%	
Street Lighting	59,000	59,000	55,301	3,699	3,699	93.7%	
Health Department	110,407	110,407	110,407	-	-	100.0%	
Human Services	110,993	110,993	110,363	630	630	99.4%	
Senior Center	108,244	108,244	100,910	7,334	7,334	93.2%	
Transportation	54,100	54,100	52,600	1,500	1,500	97.2%	Actual less than budget
Community Services	4,500	4,500	4,650	(150)	(150)	103.3%	
Cemetery Care	5,000	5,000	4,316	684	684	86.3%	
Building, Planning & Zonin	332,218	332,218	358,567	(26,349)	(26,349)	107.9%	Demo of 35 Day Point Rd.
Econ. Development Commissi	10,827	10,827	3,743	7,084	7,084	34.6%	Last meeting in October. Member vacancies. TM appointing 2 on 1-14-14
Conservation & Lake Commission	20,682	20,682	11,669	9,013	9,013	56.4%	
Redevelopment Agency	3,167	3,167	3,236	(69)	(69)	102.2%	
Middle Haddam Historic District	1,770	1,770	945	825	825	53.4%	
Public Works Admin.	1,265,670	1,265,670	1,249,515	16,155	16,155	98.7%	
Engineering	60,000	60,000	56,261	3,739	3,739	93.8%	
Town Garage	59,731	59,731	56,399	3,332	3,332	94.4%	
Townwide motor fuel	187,880	187,880	185,078	2,802	2,802	98.5%	
Road Materials	325,500	325,500	344,173	(18,673)	(18,673)	105.7%	Salt
Transfer Station	134,823	134,823	135,114	(291)	(291)	100.2%	Rental and refuse lower than expected

TOWN OF EAST HAMPTON
GENERAL FUND EXPENDITURES
As of October 15, 2014
FY 2013-2014

Agenda Item: 7B

Department	YTD Expended /		Projected		Variance	% Spent	Comment
	Original Budget	Revised Budget	Encumbered	Available Budget			
Septage Disposal	2,400	2,400	2,232	168	168	93.0%	
Park & Recreation	371,516	371,516	371,500	16	16	100.0%	
Arts & Cultural Commission	2,350	2,350	1,007	1,343	1,343	42.9%	
Community Center	158,637	158,637	160,796	(2,159)	(2,159)	101.4%	
E Hampton Public Library	433,023	433,023	389,842	43,181	43,181	90.0%	Position vacancy
Middle Haddam Library	20,000	20,000	20,000	-	-	100.0%	
General Obligation Bonds-Prin.	510,000	510,000	510,000	-	-	100.0%	
School Bonds-Prin.	325,000	325,000	325,000	-	-	100.0%	
General Obligation Bonds-Int.	223,657	223,657	221,406	2,251	2,251	99.0%	Favorable interest rates and reduced issue size
School Bonds-Int.	43,620	43,620	19,620	24,000	24,000	45.0%	Favorable interest rates and reduced issue size
Operating Transfers Out	869,916	1,380,916	1,380,916	-	-	100.0%	
TOTAL	\$ 11,707,112	\$ 12,218,112	\$ 11,803,689	\$ 414,423	\$ 414,423	96.6%	
Board of Education	\$ 27,530,863	\$ 28,085,794	28,010,367	\$ 75,427	\$ 75,427		
TOTAL	\$ 39,237,975	\$ 40,303,906	\$ 39,814,056	\$ 489,850	\$ 489,850		

Town of East Hampton
Fund Balance Projection
June 30, 2014

Agenda Item: 7c
Updated: 10-15-2014

	TOTAL
	Projected as of
	06/30/2014

Total Fund Balance at July 1, 2013 (Audited).....	\$ 4,873,812
Less: Fund balance restrictions.....	-
Unrestricted Fund Balance at July 1, 2013 (Audited).....	\$ 4,873,812
2013-2014	
Forecasted Revenues.....	39,966,570
Forecasted Expenditures.....	39,814,056
Net income / (loss).....	\$ 152,514
Forecasted ending fund balance.....	\$ 5,026,326
Unrestricted Fund Balance as a % of FY 2014 amended budget.....	12.7%

Department	ORG	Object #	Object Name	Transfer From/To	Comment
TRANSFER FROM					
1	Employee Benefits	01110000	5270 Unallocated Payroll	\$ 67,183	Actual and est. amounts for retro pay allocated to individual depts.
2	Contingency	01120000	5990 Contingency	65,000	
3	Public Works Admin.	01510000	5110 Full Time Salaries	16,155	2 vacant positions for part of the year
4	Public Works Engineering	01520000	5330 Professional/Tech. Services	2,820	
5	Regular patrol	01210212	5110 Full Time Salaries	13,376	2 vacant officer positions
TOTAL				\$ 164,534	
TRANSFER TO					
6	Fire Marshal	01220223	5611 Supplies/Materials/Minor Equip	\$ 15	
7	Redevelopment Agency	01460000	5590 Other Purchased Services	70	
8	Community Services	01350000	5410 Public Utilities	150	
9	Transfer Station	01560000	5430 Bldg & Equip Maint/Repair	295	
10	Town Manager's Department	01010000	5220 Social Security	800	
11	Lake Patrol	01210213	5130 Overtime Salaries	1,140	
12	Police Administration	01210211	5290 Other Employee Benefits	1,990	
13	Community Center	01670000	5430 Bldg & Equip Maint/Repair	2,160	Community Center heat pump repairs
14	Town Manager's Department	01010000	5290 Other Employee Benefits	2,605	Increase in car allowance
15	Police Administration	01210211	5235 DC Plan Contribution	4,041	Police Chief pension contribution (not budgeted prior to hire)
16	Building Department	01410000	5110 Full Time Salaries	4,050	See note below
17	Police Administration	01210211	5110 Full Time Salaries	7,345	Police Chief vacation payout, retro and incentive pay.
18	Finance Department	01060135	5110 Full Time Salaries	14,925	See note below. Merit pay
19	Public Works Road Materials	01550000	5690 Other Supplies/Materials	18,680	Road salt
20	Town Hall/Annex	01050000	5430 Bldg & Equip Maint/Repair	20,023	Repairs to from ramp at Town Hall. A/C replacement in server room
21	Town Manager's Department	01010000	5110 Full Time Salaries	20,700	See note below. Town Manager vacation payout. Merit pay.
22	Building Department	01410000	5490 Other Purchased Prop Services	22,300	Demo of 35 Day Point Rd.
23	Legal Fees	01040000	5331 Legal Fees	43,245	Attorney fees relating to labor negotiations
TOTAL				\$ 164,534	

Note: Because the NAGE union was without a contract as of 7-1-2012 and the contract settled on 9-10-2013 (after the FY 2014 budget was approved) the estimated salary increases were budgeted in unallocated payroll (Employee benefits). This method has historically been done in order to not disclose to the unions an amount we are willing or expecting to settle for. As a result, departments keep their budget frozen with the exception of step increases.

The above transfer is needed in order to zero out departmental deficits for the fiscal year end 2013-2014. This transfer also serves as additional communication to the Board of Finance and Town Council as to the operational areas in the budget that were over and under spent.

APPROVED:
BOARD OF FINANCE: _____

TOWN COUNCIL: _____

**Town of East Hampton
 Additional Appropriation / Transfer Request Form
 Fiscal Year 2013-2014**

Fund: General Fund
Department: Board of Education

Additional Appropriation
Transfer

The following additional appropriation / transfer is recommended for board approval.

Estimated Revenue

State Agency Placement Excess Cost	01962510-4404	\$ 554,931
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Appropriation

SPECIAL EDUCATION - Tuition Private	01951000-5563	\$ 365,000
SPECIAL EDUCATION - Tuition RESC	01951270-5560	137,008
SPECIAL EDUCATION - Tuition RESC	01951240-5563	52,923
Total		\$554,931

Explanation

The above additional appropriation is needed to cover additional costs relating to special education tuition services. The State of CT reimburses the Board of Education for these additional costs. The estimated revenue from the state as well as the related expenditures were **not** budgeted in the 13-14 fiscal year. The accounting/budgeting for this revenue is consistent with previous years. The BOE received a total of \$554,931 during the 13-14 fiscal year.

Source of Funds

State of Connecticut Excess Cost Agency Placement Grant.

Proposed Resolution

Resolved, that the Board of Finance recommends to the Town Council, the above additional appropriation from state grant revenue.

<u>Approved</u>	<u>Yes</u>	<u>No</u>	<u>Date</u>
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Board of Finance

Town Council



**EAST HAMPTON PUBLIC SCHOOLS
ADMINISTRATIVE OFFICES**

94 Main Street
East Hampton, Connecticut 06424-1119
TELEPHONE (860) 365-4000
FAX (860) 365-4004

DIANE DUGAS
Superintendent of Schools

ANGIE LEPORE
Interim Director of Special Education
and Pupil Personnel Services

TIM VAN TASEL
Assistant Superintendent of Schools

KAREN HITCHCOCK ASETTA
School Business Manager

October 16, 2014

Memo to Superintendent Diane Dugas

Copy: Jeff Jylkka, East Hampton Finance Director
Angie Lepore, Director of Special Education and Pupil Personnel Services

Re: Special Education Excess Cost/State Agency Placement Grant from the Connecticut State Department of Education

For many years, the East Hampton Board of Education's tuition budget is prepared with tuition reduced by an anticipated excess cost amount. In other words we "over-expend" our budget in special education to the extent we anticipate the state to reimburse through the excess cost grant process.

In accordance with state statutes the town must turn over the funds to the local board of education if needed for special education expenditures.

The East Hampton Board of Finance and Town Council will consider a request for approval of an additional appropriation to transfer this state grant to offset the expenditures made by the East Hampton Board of Education in the recently completed fiscal year ending June 30, 2014.

In the past this request was put forth to the Board of Finance and Town Council by Jeff Jylkka. Last year these transfers were approved during the September 16, 2013 Board of Finance meeting, then the September 24, 2013 Town Council Meeting.

Currently the 2013-14 Board of Education operating budget is "overspent" by \$478,416 and the reimbursement is \$554,931. Upon completion of this transfer the Board of Education then return to the town approximately \$76,500. All expenditures are still subject to a final review by the Town's outside auditors.

Sincerely,
Karen Asetta
School Business

*The East Hampton School District
Preparing and inspiring our students to be innovative, responsible, contributing
members of an ever changing global society*



**Northeast
Utilities System**

Northeast Utilities Service Company
Corporate Property Management
P.O. Box 270
Hartford, CT 06141-0270
(860) 665-5000
(860) 665-6933 (Fax)

October 8, 2014

Michael Maniscalco, MPA
Town Manger
Town of East Hampton
20 East High Street
East Hampton, CT 06424

RE: Town Hall Property
20 East High Street (Rte. 66)
East Hampton, CT 06424

Dear Mr. Maniscalco:

We understand the Town is undertaking an effort to relocate the Town Hall complex from its present location. CL&P as the abutter is interested in working with the Town to ensure the future use of the property enables CL&P to continue to operate our adjoining Service Center in the most efficient way. Following up our discussion please accept this letter as our offer to the Town to acquire the subject property. The terms and conditions of our offer are as follows:

Seller: Town of East Hampton, Connecticut

Buyer: The Connecticut Light & Power Company.

Property: 20 East High Street ("Property") which is comprised of ± 0.9 acre parcel of land with the Town Hall municipal building containing approximately 12,332 square feet (including the finished basement) currently occupied exclusively by The Town of East Hampton.

Purchase Price: **\$1,000,000 ALL CASH (based upon independent appraisal)**

Deposit: **\$50,000** cash, to be held in escrow by Seller's counsel upon execution of the Contract. Upon expiration of the Due Diligence Period the Deposit will either; a) be applied to the purchase price, or b) shall be refunded to Buyer if Buyer elects to terminate.



Note: As an alternative, CL&P owns a ±4.6 acre wooded parcel located on the northerly side of Forest Street in East Hampton, CT. If the Town prefers to obtain this parcel as an alternative CL&P will convey the Forest Street parcel to the Town, and pay \$750,000 in cash for the Town Hall property.

This Purchase Offer is non-binding, and is intended as an outline of the business terms and conditions which will be incorporated into a legally binding Contract to be negotiated between Purchaser and Seller within 45 days of acceptance of this offer.

To avoid protracted negotiations that will consume unnecessary time we believe this offer provides favorable terms for both parties. We are committed to working closely with you and the Town to insure a smooth and professional transfer of title to the subject property. Any issues that arise during the contract period will be resolved fairly, promptly and amicably.

Thank you for the opportunity to submit this offer, and we look forward to working with you to achieve a mutually successful transaction.

Very Truly Yours,



Salvatore Giuliano
Manager, Real Estate
Property Management