

TOWN OF EAST HAMPTON
EAST HAMPTON CT 06424
BOARD OF FINANCE
Regular Meeting Minutes
Monday, March 19, 2007
7:00 PM
Town Hall

Members present: Chairman Ted Hintz, Vice-Chairperson Sharon Kjellquist, Kurt Comisky, Henry Thorpe, Judy Isele (7:09), and Katherine Avery (7:08)

Staff Present: Town Manager Alan Bergren, Finance Director Jeff Jylkka

Other Attendees: Town Council Members Melissa Engel, Bill Devine, Kyle Dostaler, Chairperson Alison Walck, and Bob Berlin, and EDC Vice Chairman Mary Ann Dostaler.

1. Call to Order:
Chairman Hintz called this meeting to order at 7:00 PM followed by the Pledge of Allegiance.
2. Approval of Minutes of Meeting(s):
A motion was made by Sharon Kjellquist, seconded by Kurt Komisky, to approve the minutes for the January 16, 2007 regular meeting. Motion passed 4-0.
3. Special Presentation:
 - A. Christine Kraus, Ph.D., Center for Survey Research & Analysis (CSRA) (re. Town Survey): Christine Kraus presented to the group an overview of what CSRA has done for other towns and then addressed what she felt CSRA could do to support East Hampton with regard to a Town Survey.
 - B. Mike Blake, Tighe & Bond (re G.I.S.): Mike was unable to attend so Donna provided an overview of the tool that would be used for the assessors office, noting the additional capabilities that other town departments could use the tool for. 40k would be needed to get the tool up and running for the assessor's office.
4. Public Remarks: Support for the appropriation of 10k for structural architectural/engineering analysis of the Middle Haddam School was provided.
5. Correspondence:
 - Debt Affordability Model: Jeff reviewed the document, which was prepared for the Town Council (**Attached and made a permanent part of these minutes**)
 - Water System Packet: Alan mentioned that they should each have a copy of the information and if not to see him.
6. Budget Presentation: Town Manager's Proposed Budget 2008 was provided and may be found on the town's website.
 - Public Works: Bob reviewed his proposed budget and addressed questions from the BOF.
 - Tax Assessor: Donna reviewed her proposed budget and addressed questions from the BOF.

7. Status Reports: Jeff reviewed the following items: General Fund Revenues, General Fund Expenditures, and Unreserved/Undesignated fund balance projection.
(Attached and made a permanent part of these minutes)
8. Financial Transactions:
- Appropriation for Town Survey: Motion made by Sharon Kjellquist to table the appropriation to conduct a Town survey to the next meeting, Judy Isele seconded the motion. Motion approved 6-0.
 - Appropriation for Rt. 151 study: Motion made by Sharon Kjellquist to approve the 3,000 appropriation to conduct a review of the traffic concerns in the Middle Haddam Village. Judy Isele seconded the motion. Motion approved 6-0.
 - Appropriation for structural architectural/engineering analysis of the Middle Haddam School: Ted Hintz recused himself. Motion made by Katherine Avery to approve the 10,000 appropriation for the engineering analysis of the Middle Haddam School. Henry Thorpe seconded the motion. Motion passed 4-0-1, Judy Isele abstained.
7. New Business: N/A
8. Old/Continued Business:
- a) Board of Finance guidelines: Sharon is no longer taking the lead on this work. There was agreement that progress has been made on this effort as a draft had been developed and only needs a little more work. Judy and Kurt will continue to work on this. However, given schedules, they will do so over the summer.
- b) 2007-2008 Budget: Schedule has been developed, not all support the timing of the schedule. The proposed budget is posted on the town's website.
9. Liaison's Reports:
- Capital Committee: discussed giving 10k back for fire department
 - Water system: they been given an extension until September; planning another meeting/workshop for April 25th
10. Public Remarks: Comment made regarding impact of/concern for state funding being reduced.
11. Town Manager's Report: Alan advised that he would be testifying tomorrow to the legislative appropriation committee.
12. Adjournment: A motion was made by Sharon Kjellquist, seconded by Katherine Avery, to adjourn the meeting at 9:55PM. Motion passed 6-0.

Submitted by:
Karen Lee

**TOWN OF EAST HAMPTON, CONNECTICUT
DEBT AFFORDABILITY MODEL
2007 AND PRO-FORMA THROUGH 2016**

	<u>Overall Debt/ Pro Forma</u> (Princ)	<u>Population Estimates¹</u>	<u>Budget Estimates²</u> (000's)	<u>Overall Debt As % Market Value³</u>	<u>Overall Debt Per Capita</u>	<u>Debt Serv. as % of Budget⁴</u>
2007	\$ 12,566,058	11,982	\$ 33,516	0.8%	\$ 1,048.74	6.4%
<i>Includes current outstanding debt.</i>						
2008	\$ 25,874,237	12,037	\$ 35,024	1.7%	\$ 2,149.54	6.5%
<i>Includes current outstanding debt and Town's contribution of Water System.</i>						
2009	\$ 28,271,166	12,092	\$ 36,600	1.8%	\$ 2,337.91	6.5%
<i>Includes current outstanding debt, Town's contribution of Water System, authorized unissued debt, and proposed 2007-08 Capital Plan.</i>						
2010	\$ 26,201,629	12,148	\$ 38,247	1.6%	\$ 2,156.85	7.0%
<i>Includes current outstanding debt, Town's contribution of Water System, authorized unissued debt, and proposed 2007-08 Capital Plan.</i>						
2011	\$ 28,445,689	12,204	\$ 39,968	1.7%	\$ 2,330.85	6.8%
<i>Includes current debt, Water System Contribution, auth. unissued debt, proposed 2007-08 Capital Plan, and capacity for new debt of \$4.5 million.</i>						
2012	\$ 28,668,306	12,260	\$ 41,767	1.7%	\$ 2,338.34	6.4%
<i>Includes all prior debt obligations/projected new capacity, and additional capacity for new debt for \$2.5 million.</i>						
2013	\$ 29,119,462	12,317	\$ 43,646	1.7%	\$ 2,364.26	6.6%
<i>Includes all prior debt obligations/projected new capacity, and additional capacity for new debt for \$2.5 million.</i>						
2014	\$ 26,966,734	12,373	\$ 45,610	1.5%	\$ 2,179.45	6.5%
<i>Includes all prior debt obligations/projected new capacity.</i>						
2015	\$ 31,305,938	12,430	\$ 47,663	1.7%	\$ 2,518.56	6.1%
<i>Includes all prior debt obligations/projected new capacity, and additional capacity for new debt for \$6.5 million.</i>						
2016	\$ 29,149,621	12,487	\$ 49,808	1.5%	\$ 2,334.34	6.5%
<i>Includes all prior debt obligations/projected new capacity.</i>						

¹ Assumes population growth of .46% annually. Source: Town of East Hampton.

² Assumes annual budget growth of approximately 4.5%. Source: Town of East Hampton.

³ Assumes annual grand list growth of 2.75%. Source: Town of East Hampton.

⁴ Includes principal and interest on outstanding and authorized unissued debt; Water System contribution; and principal and interest on new capacity debt.

First Southwest Company

revised 2/9/07

TOWN OF EAST HAMPTON
 GENERAL FUND REVENUES
 AS OF MARCH 14, 2007

Agenda Item: 8

	Original Estimate	Adjustments	Revised Estimate	Actual YTD Revenue	Balance	% Collected	Projected Variance	Comment
40 Property taxes.....	23,937,915	-	23,937,915	23,650,353	287,562	98.80%	76,000	Current collections est. +125k. Suppl MV, deliquent & int. -\$49K
41 Investment income.....	250,000	-	250,000	237,007	12,994	94.80%	124,000	Favorable interest rates. Effective use of idle cash.
42 License,permit& FEES.....	750,280	-	750,280	451,728	298,552	60.20%	(77,000)	Fees relating to building down in the Town Clerks Office and Building Department.
44 STATE & LOCAL GRANTS.....	8,118,304	-	8,118,304	4,517,693	3,600,611	55.60%	28,130	Revisions to State Education grants
45 Local gov.payments.....	19,000	-	19,000	11,548	7,452	60.80%	-	
47 Other revenue.....	64,995	-	64,995	67,649	(2,654)	104.10%	35,953	Fines relating to zoning enforcement actions
48 Oper. Transfers In.....	40,520	-	40,520	5,914	34,606	14.60%	-	
49 Other Fin. Sources.....	210,559	20,000	230,559	-	230,559	0.00%	(230,559)	Use of fund balance. No revenue to be recognized.
TOTAL GENERAL FUND.....	33,391,573	(20,000)	33,411,573	28,941,890	4,469,683	86.60%	(43,476)	

Forecasted variance..... (43,476)

Estimated revenues..... \$ 33,368,097

TOWN OF EAST HAMPTON
GENERAL FUNDEXPENDITURES
AS OF MARCH 14, 2007

Department	Revised Budget	YTD Expended	Available Budget	% Used	Projected Variance Comment
Town Manager's Department	266,813	182,598.41	83,465	68.70%	-
Town Council/Special Programs	10,345	10,005.99	339	96.70%	(1,200) Legal ad for Ethics Commission
Facilities Administrator	86,869	60,946.35	25,923	70.20%	-
LEGAL FEES	42,000	90,064.11	(48,064)	214.40%	(88,000) Volume of activity has significantly increased
LEGAL DEFENSE	47,250	18,621.50	28,629	39.40%	15,000
Town Hall/Annex	225,851	160,925.28	50,886	77.50%	(30,000) Repairs to retaining wall
Finance and Accounting	398,584	286,001.78	108,667	72.70%	-
Collector of Revenue	168,426	116,750.19	51,614	69.40%	-
Assessor	156,375	105,750.17	49,649	68.30%	-
Board of Assessment Appeal	598	120.15	478	20.10%	-
Town Clerk	187,339	122,771.68	54,539	70.90%	-
Registrars/Elections	21,236	22,995.79	(1,960)	109.20%	(7,500) Multiple budget referendums
General Insurance	193,000	96,867.84	60,663	68.60%	35,000 Liability, Auto & Property rates more favorable for the Town.
Probate Court	3,287	1,575.34	1,712	47.90%	-
Employee Benefits	1,155,108	741,119.61	413,988	64.20%	100,000 Staff vacancies & enrollment changes
Contingency	97,000	0	97,000	0.00%	97,000
Police Administration	251,075	172,939.25	76,433	69.60%	-
Regular Patrol	1,137,207	794,650.03	338,462	70.20%	-
Lake Patrol	8,517	2,024.43	6,493	23.80%	-
Animal Control	45,787	25,395.40	18,887	58.80%	-
Firefighting	201,732	99,870.55	95,453	52.70%	(10,000) Vehicle repairs
Fire Marshall	77,258	53,500.93	23,757	69.20%	-
Ambulance	1,500	0	1,500	0.00%	(1,000) Maintenance to new facility
Civil Preparedness	1,514	0	1,514	0.00%	-
Communications	101,233	75,654.96	983	99.00%	-
Street Lighting	66,525	31,434.92	35,090	47.30%	-
Health Department	92,196	69,147.00	-	100.00%	-
Human Services	20,525	10,752.16	9,734	52.60%	-
Senior Center	90,570	49,946.78	38,557	57.40%	-
Transportation	51,250	46,500.00	-	100.00%	-
Community Services	3,800	3,000.00	800	78.90%	-
Building, Planning & Zoning	313,720	201,479.46	111,381	64.50%	-
Econ. Development Commission	23,306	5,379.90	17,926	23.10%	-
Lake Pocotopaug Commission	0	916.03	(916)	100.00%	(4,000) New agency. Not included in original budget.
Public Works Admin.	1,075,173	710,461.62	358,752	66.60%	15,000 Fewer than anticipated storms
Engineering	67,500	61,866.45	5,634	91.70%	(20,000) Ola Ave., Laurel Ridge, Hale Rd., Skyline, Royal Oaks, Whispering Woods
Town Garage	44,707	31,224.60	7,444	83.30%	-
Townwide Motor Fuel	119,264	95,829.01	1,371	98.90%	(25,000) Fixed fuel prices higher than budgeted
Road Materials	216,000	105,348.04	44,243	79.50%	-
Transfer Station	190,360	121,994.98	48,306	74.60%	-

TOWN OF EAST HAMPTON
 GENERAL FUNDEXPENDITURES
 AS OF MARCH 14, 2007

Department	Revised Budget	YTD Expended	Available Budget	% Used	Projected Variance	Comment
Septage Disposal	14,955	10,850.00	4,105	72.60%	-	
Park & Recreation	362,543	258,713.38	100,755	72.20%	-	
Community Center	122,475	89,631.78	32,425	73.50%	-	
E Hampton Public Library	363,928	244,922.85	108,766	70.10%	-	
Middle Haddam Library	7,000	7,000.00	-	100.00%	-	
Middle Haddam Historic Dis	1,075	1,088.24	(13)	101.20%	(500)	
General Obligation Bonds-P	410,000	410,000.00	-	100.00%	-	
School Bonds-Prin	1,215,000	1,215,000.00	-	100.00%	-	
General Obligation Bonds-I	187,302	189,220.94	(1,919)	101.00%	-	
School Bonds-Int	261,788	195,450.88	66,337	74.70%	-	
Operating Transfers Out	980,433	20,000.00	960,433	2.00%	(35,000)	Transfer to Village Center Water System
TOTAL	\$ 11,187,299	\$ 7,428,309	\$ 3,490,217		\$ 39,800	

Town of East Hampton
 Unreserved/Undesignated Fund Balance Projection
 June 30, 2007

Agenda Item: 8

	TOTAL	
	Projected as of	
	06/30/2007	
Total Fund Balance at July 1, 2006 (Audited).....	\$ 3,611,999	
Less: Fund balance designations (2006).....	-	
Reserved.....	(12,640)	
Unreserved / Undesignated Fund Balance at July 1, 2006 (Audited).....	<u>\$ 3,599,359</u>	
 2006-2007		
Forecasted Revenues.....	33,368,097	
Forecasted Expenditures.....	<u>33,371,773</u>	
Net income / (loss).....	<u>\$ (3,676)</u>	
Forecasted ending fund balance.....	\$ 3,595,683	
Less: Fund balance designations (2007 and beyond)		
1) Walters property - estimate	(240,000)	
2)	-	
3)	-	
Forecasted Unreserved / Undesignated fund balance.....	<u>\$ 3,355,683</u>	
Unreserved Fund Balance as a % of FY 2007 Revised Budget.....	<table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="text-align: center;">10.0%</td></tr></table>	10.0%
10.0%		



University of Connecticut
Center for Survey Research & Analysis

February 6, 2007

Ted Hintz, Jr.
P.O. Box 200
Middle Haddam, CT 06456

Dear Mr. Hintz:

Thank you for reaching out to the Center for Survey Research and Analysis at the University of Connecticut about conducting a town survey for East Hampton. We welcome the opportunity to work with you. CSRA has conducted numerous municipal surveys in Connecticut including work for Newtown, Middletown, West Hartford, Farmington, and Avon. We are currently working with the Town of Tolland on a similar project.

Objective

As we understand it, the Town of East Hampton would like to conduct a town-wide survey to assess town services and explore tax payer needs and support. The survey results will help to set a future direction for the town, and understand what they could do better and how to spend tax dollars. Survey topics could include the following:

- Services (e.g., roads)
- Education
- Business/economic development
- Housing
- Town and commercial services
- Environment/natural resources (open space)
- Cultural offerings

Methodology

We offer several options for survey administration: mail surveys, mail survey with a web option, or a telephone survey.

Option 1: Mail Survey

CSRA will conduct a mail survey to all households in town (about 5,500 households). As we discussed, the questionnaire will be one 11 x 17" sheet, folded and printed on both sides. The survey would be mailed to every household in East Hampton with a postage-paid return envelope. We are assuming that the Town of East Hampton will supply us with the list of residents (names and addresses). We would need the sample in Excel or a format compatible with Excel.

- Surveys will be returned to CSRA for data collection and analysis.

- Budget is based on a 30% return rate (approximately 1,650 surveys).
- A cover letter will be included with the survey.
- Optional: A reminder postcard could be mailed two weeks after surveys are mailed (cost TBD)

CSRA will be responsible for:

- Survey development based on content provided by the Town of East Hampton
- Formatting, printing, and mailing the survey
- Collecting and analyzing data
- Delivery of an executive summary of findings
 - Annotated questionnaire (questions and percentiles)
 - 3-5 page report highlighting key themes

Budget estimate for mail survey:

First class postage: **\$20,900**

Bulk rate postage: **\$15,900**

- Note: The Town of East Hampton might consider placing an ad in the local paper prior to survey administration urging residents to fill out the questionnaire. In the past, we have found that this type of outreach greatly enhances the response.

Option 2: Mail Survey with a Web Link

CSRA will conduct a mail survey to all households in town (about 5,500 households), as described in Option 1. In addition, residents will be offered the option to take the survey online. A link to the web survey will be printed on the survey along with an individual passcode. The passcode will ensure that residents only respond once to the survey using either medium.

Additional cost for Internet Survey option: **\$1,850**

Option 3: Telephone Survey

CSRA would conduct 500 completed telephone surveys. An RDD (random-digit-dial) sample of adult residents (ages 18+ years) of East Hampton, CT will be drawn. All telephone households will be eligible.

CSRA will be responsible for:

- Survey development based on content provided by client
- Drawing the sample
- CATI programming of the telephone survey
- Conducting telephone interviews
- Collecting and analyzing data
- Delivery of an executive summary of findings

For telephone, we suggest a 12-minute interview. At 12 minutes, a great deal of questions can be asked, yet it is still short enough that the response rate will not be adversely impacted, and respondent fatigue will not set in. Should the survey require greater length, we recommend a paper survey option.

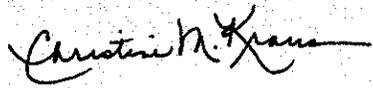
Budget Estimate for telephone survey: \$19,100

Note: Costs includes indirect university charges to cover overhead such as building, HR, administration, etc.

Timing: Survey administration is tentatively scheduled for October -- November 2007.

If you would like CSRA to assist you with this study, please let me know which option, and we can finalize the details.

Sincerely,

A handwritten signature in black ink, appearing to read "Christine M. Kraus". The signature is written in a cursive style and is positioned above the typed name and contact information.

Christine M. Kraus, Ph.D.
Associate Director
Center for Survey Research and Analysis
University of Connecticut
Office: 860-486-8863
Fax# 860-486-6655
christine.kraus@uconn.edu



The Center for Survey Research and Analysis at the University of Connecticut

The Center for Survey Research and Analysis (CSRA) at the University of Connecticut is a non-profit, non-partisan, full service survey research facility. Since its founding in 1997, CSRA has been nationally and internationally recognized as a leader in the field of public opinion research – both for the research we conduct and the graduate programs we administer to train the next generation of survey researchers.

Projects: The Center conducts hundreds of public opinion and survey research projects every year, ranging from national surveys of public opinion and public policy to state and municipal surveys.

Clients: We have worked with hundreds of clients from across the country, from the academic, non-profit, governmental and corporate sectors. A partial list of recent clients:

- Foundations And Non-Profits such as the Skillman Foundation, CT Health Foundation, Criminal Justice Policy Foundation, Knight Foundation, YWCA, The First Amendment Center
- Academic Institutes such as the Humphrey Institute, the Media Studies Center, Rutgers University, George Washington University, Univ. of Minnesota
- Federal Government Departments And Agencies, such as the US Dept. of Education, US Dept. of Labor, US Dept. of Homeland Security
- State Agencies in CT, NJ, MN, WA
- Major Corporations such as PricewaterhouseCoopers, Chase Manhattan Bank
- Numerous Local & Regional Organizations & Towns

Services: CSRA is a full service survey research institute – we have the in-house capabilities to manage all aspects of a research project (from questionnaire design, sampling, fieldwork, data analysis to final presentation of results). Our staff of trained experts can manage the following types of projects:

- Telephone surveys
- Internet surveys
- In-person interviewing
- Mail surveys
- Business to business surveys
- Focus groups
- Omnibus polls – in Connecticut and nationally
- Advanced analytics (statistical data analysis)

Commitment: As an academic institute which funds itself via its projects, CSRA is committed to the following:

- To provide the highest quality work in all aspects of our research
- To offer professional, state-of-the-art services at every level
- To react quickly and efficiently to our clients' needs
- To offer fair and competitive pricing

Location: CSRA is headquartered on the main campus of the University of Connecticut in Storrs, CT. CSRA's affiliation with the University of Connecticut allows easy access to experts in a wide variety of fields. CSRA's state-of-the-art 40-station, CATI-assisted telephone center is based on the Storrs campus and is manned by trained UCONN students and members of the local community.

For more information, please visit our web site at: www.csra.uconn.edu

Or, contact Christine Kraus, Associate Director, CSRA (phone: 860 486-8863; christine.kraus@uconn.edu)

From: Bergren, Alan
Sent: Tuesday, March 13, 2007 4:25 PM
To: wmgradyesq@snet.net
Subject: FW: Re: Middle Haddam School

From: Bergren, Alan
Sent: Saturday, March 10, 2007 1:07 PM
To: Karen Peterson
Subject: FW: Re: Middle Haddam School

From: Bergren, Alan
Sent: Tuesday, February 13, 2007 10:47 AM
To: Derek Johnson; Alison Walck
Cc: 'robertberlin@chathamparty.org'; 'scottminnick@chathamparty.org'; Kyle Dostaler; 'TissaHale@aol.com'; AIndus9973@aol.com; Reich, Kevin; Grzyb, Frank; Jylkka, Jeff; Plummer, Ruth; healthdirector; Robert Drewry
Subject: Re: Middle Haddam School

With respect to the Middle Haddam School and the meetings and visitations we had with representatives of the Middle Haddam Association I offer the following:

I have spent some time looking at what agencies, or other municipal uses might be compatible with a rehabilitated building and how the town could assist the Association with their goal to restore the facility. There is great concern that any rehab not compromises the village with additional traffic and it be in harmony with the historic residential nature of the Village and the neighborhood, and rightfully so. Some stand alone agencies like the Board of Education Offices may not generate too much traffic where Parks and Recreation with programs and daily citizen activities could create an unwelcome situation. Throwing out another thought is an expansion of the Middle Haddam Library, and a museum on Middle Haddam's maritime history, or a retreat education training center. Perhaps a committee should be appointed by the Council to study this in more detail along with representation from the Village and the greater East Hampton Community as well as someone from the Facilities Committee?

The Middle Haddam School was closed in the late 1970's and has been languishing vacant ever since. It is a shame that this attractive structure has been allowed to deteriorate for so long.

There were estimates of rehab costs thrown out at the meetings, however I have not seen nor am I aware of any written quotes or structural analysis done. I have completed speaking with staff and our facilities manager who, along with input from the health district director, has advised me that the cost based upon his expertise could range anywhere from \$3-5 million dollars given the current state and size of the structure. There may be lead and asbestos items to address, all new mechanicals, septic system (this may be problematic on use and may require sewers), fire sprinklers (current codes on building size), wells (it would become a public water supply-dual wells) ADA access, and elevator etc. It the town was to finance this through bonds, the town would have to be in an ownership position with respect to the structure, and improvements would be subject to state and or federal prevailing wage laws. Increased traffic on School House Lane will require possible road improvements.

I have received a verbal estimate for a preliminary architectural/engineering analysis of the structure. This would be a first step in firming up what would need to be done and what real costs are out there. The estimate is \$8,000 to \$9,000 minimum. This type of analysis needs to be done whether any rehab is done by a public or private entity. Hopefully this information can facilitate an approach and solution for the structure.