

Town of East Hampton
Board of Finance Meeting
Monday August 20, 2012
East Hampton Town Hall Meeting Room

Approved Minutes

Present: Patience Anderson, Mary Ann Dostaler, Ted Turner, David Monighetti, Timothy Csere & Tom O'Brien

Member(s) Absent: Matthew Walton

Other attendee(s): Jeffery M. Jylkka, Director of Finance and Town Manager Mike Maniscalco

1-2. Vice Chairman Csere called the meeting to order at 7:30 p.m. followed by the Pledge of Allegiance.

3. Approval of Minutes of Meeting(s) *

a) June 18, 2012 – Regular Meeting - A motion was made by Patience Anderson, seconded by Tom O'Brien to approve the minutes for the June 18, 2012 with corrections. Motion approved 6-0-0.

4. Public Remarks: None

5. Correspondence - Town Department Overview June, 2012 - attached
Town Department Overview July, 2012 – attached
Patience Anderson – email correspondence - attached

6. Special Presentations- None

7. Status Reports (Financial)

a) 2011-2012 Revenues- Jeff Jylkka provided an overview of the 2011-2012 revenues

b) 2011-2012 Expenditures- Jeff Jylkka provided an overview of the 2011-2012 expenditures.

c) 2011-2012 Fund Balance- Jeff Jylkka provided an overview.

8. Financial Transactions- None

9. Continued Business

a) Debt & Capital Policy- Debt & Capital Policy- Jeff Jylkka provided the members with a copy of the 'DRAFT' Town of East Hampton, Connecticut Debt Policy. Mary Ann Dostaler thanked the members who worked to put this together. She stated she feels it will be a great tool for the town and something that currently is very user friendly. Other members of the Board of Finance requested some additional time to review and to have further discussion at the next regular meeting.

Tom O'Brien moved to table item 9A until the next regular scheduled meeting. Motion was seconded by Mary Ann Dostaler.

Discussion: Jeff Jylkka will forward a draft to the Town Council and ask if the Town Council Liaison for the BOF will attend their next meeting for input.

Motion approved 6-0-0.

- b) Fines & Penalties** – Rich Klotzbier, Fire Marshal was before the BOF to discuss proposed fees. A fee schedule proposal was handed out to the members and discussed. All fees collected would go into the General Fund / Licenses Fees. Mr. Jylkka suggested passing this along to the Town Council for their input; find out if they are interested in the BOF obtaining more information and moving forward with this proposal. The BOF tabled this item until the next regular scheduled meeting, however asked the Town Manager to report on this discussion to the Town Council for their input.

10. New Business

- a) Certificate of Achievement for Excellence in Financial Reporting-** The Town of East Hampton Finance Department received an Award of Financial Reporting Achievement from the Government Finance Officers Association of the United States and Canada. Jeff Jylkka thanked the BOF for the Letter to the Editor and for their continued support.
- b) Administrators' and Teachers' Collective Bargaining-** A letter was received from Judith A. Golden, Ph.D. dated August 8th, 2012, inviting the members of the BOF to a meeting dated August 27th, 2012 at 6:30pm, regarding Administrators' and Teachers' Collective Bargaining.

11. Liaison's Reports-

- Board of Education does not meet during July & August
- WPCA will not meet again until October
- EDC meeting is scheduled for August 21st.

At the time of this BOF meeting there were no liaison reports to give.

12. Public Remarks- None

- 13. Town Managers Report-** Town Manager Michael Maniscalco thanked the BOF for their volunteer commitments to the Town. Mr. Maniscalco reported on the blight ordinance that is currently being worked on in addition to union contracts with the BOE and other departments being discussed. He once again thanked the BOF for their time.

14. Adjournment

A motion was made by Patience Anderson, seconded by Tom O'Brien, to adjourn the meeting at 8:46 p.m. Motion approved 6-0-0.

Respectfully submitted,

Kamey Peterson
Recording Secretary

Jylkka, Jeff

From: Anderson, Patience
Sent: Thursday, October 11, 2012 8:42 AM
To: Jylkka, Jeff; Walton, Matthew; Csere, Timothy; Turner, Ted; Monighetti, Dave; Dostaler, Mary Ann; tomobrien67@comcast.net
Subject: For inclusion in September minutes Direct Cost Impact analysis - nurses

As I requested last month...please include this email in the minutes from September's meeting.
Thank you,
Patience

From: Hitchcock Asetta, Karen
Sent: Friday, June 29, 2012 8:40 AM
To: Anderson, Patience
Cc: Jylkka, Jeff; Golden, Judith; Reich, Kevin
Subject: RE: Direct Cost Impact analysis - nurses

Patience:

You are correct! The base salary listed for 2013-14 is an error. The only other numbers that change are the 2014-15 change in comparison to the 2013-14 base salary. The 14-15 change is now 1.36%. The overall net annual increase remains 1.5%.

Thank you for your keen observation. I enjoyed talking to you too.

Karen

From: Anderson, Patience
Sent: Thursday, June 28, 2012 5:04 PM
To: Hitchcock Asetta, Karen
Cc: Jylkka, Jeff
Subject: FW: Direct Cost Impact analysis - nurses
Importance: High

Karen,
My apologies for my confusion when you called me this afternoon....
I looked through my BOF emails and found this word document that Mary Ann Dostaler sent us and we discussed at our last BOF meeting.
I did point out a discrepancy in the document at the meeting, but was told the vote had already taken place and that at this point it was moot.
If you look at the Salary Account in the 2013-14 column, I believe it should be \$172,320.00, not \$175,200.00.

So, I just put the whole subject out of my mind, which explains my confusion when you called!
But, in fact, Jeff Jylkka was correct, I did mention the discrepancy at our BOF meeting.
It was very nice talking to you though.
Patience Anderson

From: Dostaler, Mary Ann
Sent: Tuesday, June 12, 2012 11:19 AM

To: Jylkka, Jeff; Walton, Matthew; Csere, Timothy; Turner, Ted; tomobrien67@comcast.net; Monighetti, Dave; Anderson, Patience

Subject: FW: Direct Cost Impact analysis - nurses

FYI: Last night the Board of Ed approved a three year contract with the school nurses union. Attached is the direct cost impact of the agreement.

Mary Ann Dostaler
Member, East Hampton Board of Finance
Cell: 860.985.9289
Email: MDostaler@EastHamptonCT.org

From: Smith, Rosemarie

Sent: Tuesday, June 12, 2012 8:17 AM

To: Dostaler, Mary Ann

Cc: Golden, Judith

Subject: FW: Direct Cost Impact analysis - nurses

Attached is the Direct Cost Impact Analysis for the nurses as per your request.

Rosemarie Smith
Superintendent's Administrative Assistant
860-365-4000

TOWN DEPARTMENT OVERVIEW JULY, 2012

FACILITIES

Preventative maintenance, testing, and repairs for equipment in all Town buildings (including the Schools) are in progress. All life safety systems are in the process of being tested and repaired per NFPA codes. Many summer projects are underway (i.e. carpeting, tile work, and painting). Electrical improvements as well as electrical/plumbing repairs are in process at various Town and School buildings. The Memorial School Roof Replacement as well as the Sears Park Gazebo are in process. The Facilities Management Department is currently supporting three Building Committees that include the High School Addition, Sears Park Gazebo, and Memorial School Roof Replacement. The Facilities Manager supervised one part-time Administrative Assistant, two full-time Building Maintainers (one at Town Hall and one at the Library/Senior Center), and a temporary full-time Clerk of the Works (Memorial School Roof Replacement). The Facilities Manager prepared bids, RFQs, and RFPs for building construction and related design/engineering work and managed the projects. There are currently three insurance claims open (including lightning damage at the Public Works building and Middle School plus fire damage at the Board of Education building).

	This Period	Average	Year to Date (from 7/2012)
MAJOR PROJECTS			
Memorial School Roof Replacement	50% complete		
Sears Park Gazebo	50% complete		
Middle School Gym Floor Sanding/Refinishing	contract signed		
SMALL PROJECTS/IMPROVEMENTS			
In Progress June 30	3		
Began in July	8		
Completed in July	2		
MAINTENANCE/SERVICE CONTRACTS			
In Progress June 30	9		
Began in July	78		
Completed in July	78		
BUILDING COMMITTEES STAFFED			
	3		

FINANCE

Grants

The Finance Department has submitted the following reports to state and federal agencies:

- Semi-annual financial reports for the Air Line Trail and Governor O'Neill Performance Gazebo STEAP grants
- Quarterly financial report for the 2010 Brownfield Assessment grant
- Final financial report for the DEEP Energy Efficiency and Conservation Block grant program

Reimbursement requests totaling \$174,394 were submitted for the above STEAP grants. We have also prepared on behalf of the Board of Education Form ED111. Form ED111 is a monthly report that allows us to request funds for education grants.

Purchasing

The request for qualifications (RFQ) for legal services has been advertised and distributed through the Department of Administrative Services web site as well as the Connecticut Association of Municipal Attorneys listserv. The RFQ was emailed to interested attorneys as well. The closing date for the RFQ is August 20, 2012.

Other

The Town sold bond anticipation notes on July 10, 2012. The proceeds will be used to help short-term finance the Memorial School roof and 2012 Road Improvement projects. Long-term debt will be issued in November 2012 to permanently finance these projects.

Our financial management system received a major version upgrade on July 26 and 27. This upgrade was done in conjunction with a server consolidation. We have consolidated three physical servers into one utilizing virtualization technology.

The Finance Director participated in the State-wide hurricane preparedness exercise.

Activity	July 2012	Monthly Average	Fiscal - YTD
Checks processed	553	n/a	553
Invoices processed	1,171	n/a	1,171
Purchase orders created	466	n/a	466

FINANCE - ASSESSOR

Each month brings different requirements for the Office of the Assessor. In July, one of the most frequent responsibilities is answering the many questions pertaining to the values that were assessed on the 2011 Grand List. Most of these questions are about motor vehicles the tax payer no longer owns. The Assessor staff went to both elderly housing complexes this month, to get information from the applicants for the rental rebate program. Going there helps those that are unable to come to our office and also reduces the amount of time we spend on each individual applicant. This month the M59a report was filed with OPM, this is for the additional veteran exemptions that are given if the veteran qualifies financially. The income amount is set by the state each year.

Measure	July	Average	Year to Date
Certificates of Correction	225	N/A	225
Real Estate Prorates	30	N/A	30
Renter Rebate	10	N/A	10
State Reports	1	N/A	1
Sales Ratio Transfers	20	N/A	20
No Consideration Transfers	16	N/A	16
CAMA changes	1,947	N/A	1,947

FINANCE – COLLECTOR OF REVENUE

July 2012 began our 2011 Grand List collections. Current year collections were \$13,815,644, prior year collections were \$83,725, back from suspense collections were \$1,698 and sewer use collections were \$10,346. The office has steadily been processing payments, answering a multitude of questions (in person or on the phone), advising and instructing taxpayers regarding our on line payments, processing certificates of corrections and pro-rates, sending out refund requests, processing refunds, processing transfers. All State reports were mailed out timely with a certificate of mailing with each report verifying submissions. It has been one of the busiest in person collections that the office has seen in a few years. This was surprising considering the capabilities of using on-line payments. I believe this is due to the cost of bank fees, postage and the lack of computer technology. Our main Tax Servicer (Corelogic) did not supply us with their wire transfer for their 1,346 escrowed account payments until the very end of the month.

Measures	July	Amount
Transactions	15,493	\$13,897,671
On-line payments (ACH)	119	\$81,304
On-line payments (Credit/Debit)	52	\$26,166
Refunds	10	\$2,912
Bounced checks	4	\$3,139
Certificates of Correction	225	
Prorates	30	

HUMAN RESOURCES & PAYROLL

The Human Resources Department manages the administration of policies, procedures and programs related to our employees, their benefits and safety, as well as documentation, recordkeeping, and filing of reports of employer actions as required by law. Payroll is also processed on a bi-weekly basis for both the Town and the Chatham Health District through this office.

During the month of July, a change was made to our medical insurance carrier. In a cost effective effort for both the Town and our employees, and in collaboration with our unions, the Town switched from Anthem, who had been our carrier for over 20 years, to Cigna. With that change, issues and concerns regarding comparable benefits followed. Many were addressed. Some are still trying to be resolved. This change also affected payroll; employee deductions had to be adjusted not only to reflect the new carrier, but also to reflect the increase in employee cost-share through payroll deduction. With summer vacations on the rise, many requests for time off were received and processed. These requests are submitted on a Personnel Action Request form or PAR. In addition to time off requests, PAR's are also used for submitting requests for conferences and seminars, new hires, terminations, transfers and wage information. Preliminary updates to the Employee Handbook have begun.

Measure	July	Year to Date
Paychecks Processed	86	467
Direct Deposits Processed	230	1607
Personnel Action Request Forms Processed	136	n/a
New Hires	2	4
Terminations	1	3
Employer Sponsored Workshops/Training	0	5

PARKS & RECREATION

The month of July marks the middle of our busiest season, and good weather is good for business. Patrons are utilizing all of the amenities offered at Sears Park. We spent a lot of time monitoring, problem solving, supervising and communicating with staff to ensure patrons have a positive experience. At times we have programs running at four different locations, all of which we visit daily. Running many programs at the same time requires the coordination of rosters, enrollments, rentals, payments, time cards and payroll. In July, our parks maintenance staff mowed each site at least once a week. We fertilized and made improvements to fields, cross country trails, and the playgrounds and park amenities. We currently have two exciting projects under construction: the Gov. O'Neill Performing Arts Gazebo and extension of the Air Line State Park trail into the Village Center.

	This period	Average	Year to Date
Municipal parks and grounds maintained-Man-hours	874	874	874
Board of Education athletic complexes and grounds maintained - Man-hours	242	242	242
Program registrations - Actual	301	301	301
Programming hours – Actual	1522	1522	1522
Program participants - Actual	1106	1106	1106
Staff supervised - Actual	81	81	81
Project management - Man-hours	50	50	50

PLANNING/ZONING/BUILDING

With public safety and overall Town welfare as our goal, the Planning Zoning & Building Department is responsible for the review, issuance and enforcement of all construction related permits and inspections, land use applications related to site plans, special permits, subdivisions and variances and their implementation and enforcement, Staff support is also provided to the Inland Wetlands Agency, the Economic Development Commission, the Lake and Conservation Commission and to the Middle Haddam Historic Commission (as needed). It is staffed by a full time building Inspector, two clerical staff members and an Administrator. During the month of July the department's attention was particularly focused on researching the possibility of adopting and implementing an effective, comprehensive blight control ordinance and appeals process. This issue is progressing at a steady pace and will likely be ready for

implementation in the near future. Time was also spent toward resolving an ongoing zoning enforcement action in Cobalt and to resolving a road completion issue near Peach Farm Rd. Regular activity appears to be increasing with somewhat improved economic news. We will be able to provide solid tracking of the data provided in this report on an ongoing basis since we have employed an up to date software tracking solution.

ACTIVITY	JULY 2012	MONTHLY AVERAGE	YEAR-TO-DATE TOTAL
Permits:			
Building Permits	24		24
Electric Permits	14		14
Mechanical Permits	18		18
Plumbing Permits	5		5
Demolition Permits	2		2
Inspections	87		87
Land Use Applications/Activities:			
P&Z	5		5
IWWA	1		1
ZBA	0		0
Enforcements:			
Zoning Investigations	10		10
Building Investigations	7		7
Compliance Verifications	5		5

SOCIAL SERVICES

East Hampton Social Services helps people in need with the services listed below. There are appointments made to help those that qualify for CL&P programs. The East Hampton Volunteer Food Bank has helped clients with food and is the base in town for Operation Fuel.

Clients need to bring proof of residency and income before help is given. There is also a referral system to other county or town agencies when needed.

	July 2012	Year to Date
Oil Assistance	0	11
Electric Assistance	0	7
Rent Assistance	0	3
Evictions	0	3
Calls for Information	41	

YOUTH & FAMILY SERVICES

East Hampton Youth & Family Services has three Master's level interns who have taken on a large caseload. The interns are each individually supervised by Wendy Regan for 1.5 hours per week. The referrals have come from East Hampton schools, DCF, Middletown Family Court, Middletown Superior Court and self-referrals.

The presenting problems include substance abuse issues, family/couples communication, depression, grieving the death of a loved one and pre-teen/teen issues.

	July 2012
Individual Counseling Hours	80
Couples Counseling Hours	24
Family Counseling Hours	18
Total Counseling Hours	122

GLOSSARY OF DEFINITIONS

FACILITIES

Major Projects

The number of capital-funded projects in excess of \$10,000

Small Projects/Improvements

The number of projects under \$10,000

Maintenance/Service Contracts

The number of scheduled maintenance and servicing of all mechanical, safety, and electrical systems

Committees

Number of committees the Facility Manager is staffing

FINANCE

Checks processed

Amount represents accounts payable checks processed for the Town, Board of Education and Chatham Health District.

Invoices processed

Amount represents invoices entered into our financial management system to be processed for payment for the Town, Board of Education and Chatham Health District.

Purchase orders created

As requisitions are approved by department heads they are electronically forwarded to the Accounting office for review. Accounting then converts to a purchase order and distributes to the vendor.

FINANCE - ASSESSOR

Certificate of Correction

An "omission or mistake" that corrects the assessment for any reason that requires a change.

Certificate of Prorate

An addition of assessment for any real estate improvement that occurred after the October 1st assessment date.

Renters Rebate

A state credit program that reimburses people that live in rental units, who fit the state financial requirement.

State Reports

A minimum of 13 reports each year are filed with the Office of Policy and Management

Sales Ratio

All real estate transfers that have a monetary value of over \$2,000 are submitted to the Office of Policy and Management to determine the sales ratio of each sale. We determine if the sale is usable or unusable. The result of these ratios is used to determine the Equalized Net Grand List, which is one of the tools that determine state aid to towns. The sales ratio of 70% is the ratio which best show the equity of sales.

No consideration transfers

Transfers that occur without any monetary exchange or are under \$2000 dollars.

CAMA Changes

Any changes made in the Computer Assisted Mass Appraisal system. In East Hampton this system is Vision Appraisal.

FINANCE – COLLECTOR OF REVENUE

Transactions

Number of accounts entered into the computer system and the dollar amount of taxes, interest and fees collected.

On-line payments (ACH)

Number of accounts done on-line using a checking account by a taxpayer and the dollar amount of taxes, interest and lien fees.

On-line payments (Credit/Debit)

Number of accounts done on-line using a credit/debit card by a taxpayer and the dollar amount of taxes, interest and lien fees.

Refunds

Number of refunds issued to taxpayers due to certificates of correction or overpayments and the dollar amount of the refunds.

Bounced checks

Number of bounced checks and the dollar amount of taxes, interest and bounced check fees.

Certificates of correction/Pro-rates

Number of certificates of corrections/pro-rates that came over to the Tax Office for processing from the Assessor.

HUMAN RESOURCES & PAYROLL

Paychecks

A check issued to an employee in payment of salary or wages.

Direct Deposit

The electronic transfer of a payment directly from the account of the payer to that of the party being paid.

Personal Action Request Form

A form used to request time off from work for instances such as vacation, sickness, workers compensation, etc., in addition to new hires, terminations and salary and wage adjustments.

New hire

A person hired to perform the duties and handle the responsibilities of a specific position.

Termination

An employee who either voluntarily or involuntarily leaves employment.

Employer workshops/training

A program that is sponsored by the employer and offered to employees regarding health & wellness, educational information, as well as state & federal required training.

PARKS & RECREATION

Man hours spent maintaining municipal parks and grounds

Parks Maintenance staff is responsible for maintenance of town owned parks, pocket parks, open space, and trails. Duties include, but are not limited to, mowing, trimming, mulching, clean up, grooming, and leaf removal. The maintenance of all facilities such as bathhouses, pavilions, picnic shelters, and courts.

Man hours spent maintaining Board of Education athletic complexes and grounds

Parks Maintenance staff maintains approximately 93 acres of school grounds and athletic complexes. Duties include, but are not limited to, mowing, fertilizing, aerating and over seeding all turf. This is accomplished using a variety of turf maintenance equipment all of which is maintained mostly in-house. Park Maintenance staff prepares for sporting competitions, maintains all playground equipment, and is responsible for athletic equipment and mechanical systems. Field preparation and maintenance encompasses soccer, football, baseball, softball, men's softball, track and field meets, cross country trails.

The number of program registrations

Recreational programming takes place year round. People can register for programs online, in person, via phone, and/or email.

The hours of recreational programs

The actual number of program hours run during the month.

The number of program participants

The actual number of people who participated in recreation programs.

The number of staff supervised by the Parks and Recreation administrators

This includes administrative staff, fulltime staff, seasonal employees, program instructors, volunteers, coaches, and officials.

Project management

The planning, budgeting, implementation, management and closeout of projects and special assignments managed at an administrative level.

PLANNING/ZONING/BUILDING

P&Z Activity

Applications to the Planning and Zoning Commission for Site plan, Special Permits, Zone Changes, Map Amendments and Regulation Amendments.

IWWCA Activity

Applications for Wetland Permits, Map Amendments, Regulation Amendments. Cease and Desist orders and general enforcements and appeals are arranged through this office.

ZBA Activity

Applications for variances. Applications for appeals of zoning enforcement decisions.

Zoning Investigations

In field response to inquiries and complaints regarding zoning matters.

Building Investigations

In field response to pre-construction questions, complaints i.e. no permit construction etc. and/or other unauthorized activity.

Compliance Verification

Issuance of Certificates of Use and Occupancy, file closure on complaints authorization of connection to electrical service, lifting of cease and desist and unsafe building orders and acceptance of as-built surveys.

SOCIAL SERVICES

Oil Assistance

100 gallons of oil delivered from Dutch Oil (allowable 1 time per year). Must show proof of residency and income.

Electric Assistance

CL&P shut-off notice applies to receive help. Payment does not exceed \$400. Special programs from CL&P may be available.

Rent Assistance

Only applies in EXTREME circumstances, such as illness or loss of job. Must be only one month behind in rent. \$400 payment maximum.

Evictions

Processed through Social Services. The Town is responsible for storage of possessions, not to exceed 15 days.

YOUTH & FAMILY SERVICES

Individual Counseling

Counseling that is direct, active, personal, and focused on increasing the individual client's self-understanding and adjustment.

Couples Counseling

Couples counseling is a type of therapy for a married couple or established partners that tries to resolve problems in the relationship. Typically, two people attend counseling sessions together to discuss specific issues.

Family Therapy

Family therapy is a type of counseling done to help family members improve communication and resolve conflicts.

TOWN DEPARTMENT OVERVIEW JUNE, 2012

LIBRARY

The Library collects statistical data including elements about funding, expenditures, library usage, collections, programs, and staffing. The data is reported annually to the Connecticut State Library in a survey report that serves as an application for a state aid grant. Some of the information collected through this survey is reported to the Institute for Museum and Library Services (IMLS) through the Public Library Statistics Cooperative (PLSC), in cooperation with the U.S. Census Bureau. The results of state library surveys are used to compile a national database of public library statistics.

Measure	June	Average Per Week	FY 2012 Year to Date
Library Cards Issued, Updated, or Renewed	325	81	2,734
Circulation	12,207	3,051	138,967
Reference Questions	944	236	13,702
Info Database Usage (est. sessions)	597	149	8,907
Library Door Traffic	9,367	2,342	111,061
Library-Sponsored Programs	32	8	440
Library Program Attendance	213	53	12,421
Number of Public Internet Sessions	294	73	14,412
Number of Wireless Service Users (est.)	64	16	862

POLICE DEPARTMENT

The summer season is in full swing in East Hampton. The department's calls for service reflect a typical upswing in patrol activity. Officers respond to a variety of situations as well as self-generated activity, (i.e.: motor vehicle stops, property checks and directed patrols).

OMNI-Presence is a term used in law enforcement when Police visibility is high and society can feel the presence of law enforcement in their daily routine. During the summer months with people being out and about at all hours of the day and night it is imperative that law enforcement is visible. This is to help prevent crime and have an impact on the vehicular traffic that is moving about our town.

There is a direct correlation between law enforcement visibility and crime reduction, therefore a major part of our mission is to be visible for the safety of our community.

2012	June	Year to Date Total Calls for Service
Monthly Case Numbers	911	5329
Motor Vehicle Accidents	26	129
Motor Vehicle Contacts	100	401
Criminal Arrests	12	63
Case Investigations	117	777
Robberies	0	1
Burglaries	4	13
Larcenies	9	56
Assaults	0	21
Sexual Assaults	4	5
Drug Violations	3	6
Motor Vehicle Thefts	0	1
Criminal Mischief	29	167
Domestic Disturbances	5	20
Alarms	31	176
Medical Calls	71	393
Juvenile Investigations	2	5
Phone/Walk ins	263	1539
Administrative Services	64	355

PUBLIC WORKS

During this period typical summer activities continue. We have been patching and paving sections of Long Hill Road, Keighley Pond Road, Old Middletown Avenue and Depot Hill Road. We have two mowers cutting grass and weeds along the shoulders. The tractor equipped with the sickle bar has been working in the northern part of town. The flail mower has been in the center and eastern part of town. We have been painting stop bars and crosswalks throughout Town and restriping the parking lots at the schools and fire houses. We assisted the Board of Education planting 9 trees at the BOE office. We assisted the Finance Department by removing old shelves and a table from their vault. We did some minor drainage work on the Air Line Trail improving a drainage inlet. Our mechanics have been replacing rusted frame members on a truck dump body, changing tires, performing routine maintenance, and responding to service calls from the crew. This is the first reporting period. The next reporting period will cover the time period of July 19 through August 9, 2012.

Measure	Units	Total This Period	Average	Year to Date
Patching/Paving	Tons	343.0	85.8	343.0
Mowing	Hours	54.0	13.5	54.0
Assisting other Departments	Manhours	28.0	7.0	28.0
Maintain DPW Vehicles	Vehicles	15.0	3.8	15.0
Drainage	Manhours	6.0	1.5	6.0
Pavement Markings	Gallons	35.5	8.9	35.5

SENIOR CENTER

The East Hampton Senior Center has truly gone through a transformation over the past year. The majority of older adults visiting the Senior Center are between the ages of 61-74. The Boomers are using the Center more and looking for resources to benefit them. They are proud to be associated with such an up-to-date facility. The East Hampton Senior Center continues to be a very active facility. The activities offered in June 2012 were as follows: A General Senior Center Meeting, an Intergenerational 5th Grade Poetry reading at lunch time, a Movie Day, several trips including a Mystery trip to Savin Rock and a Sunday afternoon trip to a free US Coast Guard Concert. Junior G.S.Troop # 60612 sponsored a Potluck Dinner on a Friday evening. We started a Book Club and Geneology Club. The Center sponsored and held the Intergenerational Encore Recital with Cindy's Creative Dance studio on a Sunday afternoon. In addition, the Middlesex Homecare agency sponsored an 8 week course titled Live Well for those dealing with chronic pain. These are the extra activities that were held throughout the month in addition to the regularly scheduled activities at the Center. In addition, meals were served and delivered. People came in to sign-up for the East Hampton Alerts and appointments for Medicare.

	June	Year to date
General membership	27 new members registered	494 members registered
Meal program	Congregate meals-360/mo Meals On Wheels-318/mo	Information not available
Transportation Dial-A-Ride (MAT)	Total 215 rides for month of June 126-social, 48-personalshopping, 39-medical	Total one way rides ride to elderly-2,680
Enhanced Transportation	120 one way rides social/recreational	1,498 one way rides
Volunteer Office Hours	160 hours per month.	2080 volunteer hours per year

TOWN CLERK

The Town Clerk's Office has very specific tasks which are outlined in State Statute. These tasks are broken down into six (6) modules:

1. The Office of the Town Clerk – Term of Office, qualifications, certification program, incompatible offices, neglect of duty, removal from office, etc.
2. Land Record Documents – recording, indexing and scanning of land related documents.
3. Miscellaneous Records and Documents – sale of sport and dog licenses, fire loss demands, FOI records and access, Military records, oaths of offices, petitions and actions of Town Clerk, etc.
4. Vital Records – issuance, certification and public access of all vital records.
5. Elections – certifying paperwork to Secretary of the State, issuing absentee ballots, election preparations and returns, campaign finance, nominations and primaries, referenda, etc.
6. Records Management in the Town Clerk's Office – vaults and safes, retention & disposition, records preservation, policies and procedures for specific records, etc.

	June	Average	Year to Date
Land Recordings	320	200	1,904
Sports Licenses	47	50	548
Dog Licenses	1,025	n/a	1,215
Marriage Licenses	2	3	18
Notary Services	17	8	97
Conveyance Tax Collected	\$10,751.00	\$6,500.00	\$41,600.00

WATER POLLUTION CONTROL AUTHORITY

As a result of time off and the holiday schedule, preparation for July 17th Colchester-East Hampton Joint Facilities meeting was begun early. Key item on the agenda is the 2013 STEAP Application for Sludge Handling Improvements WWTP. This application is a joint effort by the Town of Colchester and the Town of East Hampton. The meeting will also discuss end of year closing and preliminary balance sheet for the fiscal year ending June 30, 2012.

Work continues on the Town of East Hampton Water and Sewer Commission Ordinance # 4.04 - Regulating the Use of Public Sanitary Sewer. Modifications are required in order to come into compliance with DEEP Regulations pertaining to the food preparations establishments and the generation of Fats, Oil & Grease (FOG).

The WPCA & Public Works Department met with the owner's representative (Doug) to discuss sewer laterals to the destroyed Bevin Bell complex. There are two; one will remain open as it is presently in use & was not affected by the fire. The other, to the burned down building, was capped on Thursday 6/28 at no cost to the owner by a joint effort of Public Works (digging) and WPCA (capping). When plans for a new building are discussed this capped lateral will come back into play.

Several inclement weather events required callouts during the period.

	June	Average	Year to Date
After hour callouts	2 callouts	n/a	n/a
New Sewer Permits	0	n/a	n/a

GLOSSARY OF DEFINITIONS

LIBRARY

Library Cards Issued, Edited, or Renewed

- Number of new library cards issued to town residents
- Number of out-of-town residents newly registered to borrow in East Hampton
- Number of edited cards; e.g., address corrections, email additions, patron email reminder additions, etc.
- Number of expired cards renewed.

Circulation

Number of items, physical or electronic, lent to the people the library serves.

Reference Questions

Number of information contacts which involves the knowledge, use, recommendation, interpretation, or instruction in the use of one or more information sources by a member of the library staff. Examples:

- I'm looking for information on how to build a birdhouse.
- I'm writing a report on the Battle of Gettysburg.
- Do you have any Pokémon books?
- How do I use X online service?
- How do I download an e-book?

Excluded from the count are directional instructions; e.g., where are your fiction books? Where is the rest room?

Also excluded, though counted separately, are Readers Advisory interactions. These include recommending reading or viewing based on known patron tastes, helping patrons find read-alike selections, creating reading lists, etc.

Info Database Usage

A session starts when a patron connects to a database and ends when they disconnect. The count included databases funded locally.

Library Door Traffic

Also known as visits, this is the number of people (excluding library staff) who enter the facility for whatever purpose or use of service.

Library-Sponsored Programs

Number of public programs hosted and sponsored or staffed by the library and held on or off library premises.

Library Program Attendance

The total number of people who attended public programs hosted and sponsored or staffed by the library and held on or off library premises.

Number of Public Internet Sessions

A session is one hour or less of wired Internet use on a library-owned PC.

Number of Wireless Service Users

This is the estimated number of people who access library Internet service using their own PC or other Internet-ready device. What cannot be estimated is the number of people who connect to our service from outside the facility, on the facility's grounds, when the library is open or closed.

PUBLIC WORKS

Patching/Paving – Placing an overlay of on deteriorated sections of roadway or filling potholes as required by the roadway conditions. Measured in the number of tons of asphalt placed per day.

Curbing – Installing curb, placing fill material behind the new curb as required by site conditions, placing topsoil and seeding in areas adjacent to residential lawns to restore disturbed areas. Measured by the number of linear feet of curb installed.

Mowing – Mowing grass and weeds growing alongside the traveled portion of the roadway to improve sightline and reduce the hazards associated with grass and brush fires from cigarettes thrown from vehicles. Also included in this item is the mowing and maintaining of five (5) Town owned cemeteries. Measured by the number of man hours of mowing.

Maintain DPW Vehicles – The number of vehicles serviced and or repaired on any given day.

Pavement Markings – Painting crosswalks, stop bars and restriping parking lots. We also paint two municipal parking lots, the Board of Education, four schools, Town Hall, Library, DPW, and all three fire houses. Measured by the number of gallons of paint used in a day.

Emergency Operations – Plowing, sanding and salting of roads and parking lots or responding to other emergency conditions. This includes clearing downed trees and removing debris caused by weather related events on straight time or overtime. Measured in man hours.

Assisting other Departments – Responding to requests for service from other Departments. Measured in man hours required to complete the various tasks.

Signs – Installing, replacing and maintaining the street signs, speed limit, warning and guidance signs throughout town on local roads. Measured in man hours.

Drainage – Installing new drainage pipes, culverts or catch basins and cleaning of existing pipes, culverts and catch basins. Measured in man hours.

Grading/Maintaining Gravel Roads – Semi-annual regular maintenance of grading and ditch cleaning on gravel roads to remove debris and improve the surface of the gravel roads. Grading is performed as needed throughout the year to repair damage caused by large rain events. Measured in man hours.

Guiderail – Repairing, maintaining and installing new guiderail as needed throughout town. Measured in linear feet of guiderail repaired or installed.

Maintaining Gas/Diesel Pumps/Tanks – Daily record keeping of fuel reconciliation. Maintenance and annual testing of tanks, pumps and underground lines.

Transfer Station – Operation of the Transfer Station on Saturdays. Measured in the number of days the Transfer Station is open.

Sweeping – Sweeping roads to remove accumulated sand and debris in the spring and throughout the year as needed. Measured in man hours.

Tree Trimming and Removal – Remove trees as recommended by the Tree Warden from the Town's Right-of-Way. Measured in man hours.

Sidewalks – Repairing, maintaining sidewalks as required by Town ordinance. This includes sanding, salting and snow removal. Measured in man hours.

SENIOR CENTER

General membership – number of seniors registered in the myseniorcenter.com at the Senior Center

Meal Program - attendance for meals served at the Senior Center(CRT congregate meals & Meals On Wheels deliveries)

MAT Transportation (Dial A Ride) - number of one way rides per month

Enhanced Transportation - Senior Center bus rides (Trips not provided by Dial-A-Ride)

Volunteer Office Hours – number of hours covered by older adults to answer phones, register participants for activities, etc

TOWN OF EAST HAMPTON
GENERAL FUND REVENUES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Agenda Item: 7A
8/14/2012

FY 2011-2012

	Original Estimate	Adjustments	Revised Estimate	Actual YTD Revenue	% Collected	Balance	Projected Variance	Comment
40 Property taxes	28,796,113	-	28,796,113	29,045,504	100.87%	249,391	249,391	Back tax collections/interest (+\$327k). Current year taxes (-\$112). SMV (+40k)
41 Investment income	60,000	-	60,000	25,612	42.69%	(34,388)	(34,388)	Low interest rates.
42 License, permit & fees	403,000	-	403,000	398,999	99.01%	(4,001)	(4,001)	
43 Federal Grants	-	-	-	29,366		29,366	29,366	FEMA storm reimbursement
44 STATE & LOCAL GRANTS *	8,415,937	464,501	8,880,438	8,728,607	98.29%	(151,831)	(151,831)	Property tax relief grant -\$124K. Excess cost -36K
45 Local gov. payments	11,000	-	11,000	5,953	54.12%	(5,047)	-	Waiting for 2nd payment from Housing Authority
47 Other revenue	78,241	-	78,241	94,249	120.46%	16,008	16,358	
48 Oper. Transfers In	-	-	-	-	0.00%	-	-	
49 Other Fin. Sources	-	-	-	-	0.00%	-	-	
TOTAL GENERAL FUND	37,764,291	464,501	38,228,792	38,328,290	100.26%	99,498	104,895	

Forecasted variance..... 104,895
Estimated revenues..... \$ 38,333,687

* - Excess cost is appropriated back to the BOE on an annual basis. This amount is pending BOF and TC approval.

TOWN OF EAST HAMPTON
GENERAL FUND EXPENDITURES
Fiscal Year Ended June 30, 2012
FY 2011-2012

Agenda Item: 7B
8/14/2012

Department	Original Budget	Transfers / Adjustments	Revised Budget	YTD Expended / Encumbered	Available Budget	Projected Variance	Comment
Town Manager's Department	\$ 300,061	\$ -	\$ 300,061	\$ 264,022	\$ 36,039	\$ 36,039	Interim town manager
Town Council/Special Programs	35,464	-	35,464	31,252	4,212	4,212	
Facilities Administrator	114,523	-	114,523	114,411	112	112	
LEGAL FEES	125,000	-	125,000	172,309	(47,309)	(47,309)	
Town Hall/Annex	254,958	-	254,958	254,823	135	135	
Finance and Accounting	409,778	-	409,778	408,408	1,370	1,370	
Collector of Revenue	167,814	-	167,814	152,990	14,824	14,824	Part-time position vacant for part yr.
Assessor	175,344	-	175,344	162,437	12,907	12,907	Reduction in field inspection fees. PT Salaries down
Board of Assessment Appeal	323	-	323	754	(431)	(431)	
Town Clerk	177,016	-	177,016	171,175	5,841	5,841	
Registrars/Elections	48,841	-	48,841	33,391	15,450	15,450	Assumes one budget referendum
General Insurance	230,750	-	230,750	218,932	11,818	11,818	Favorable rates
Probate Court	12,527	-	12,527	12,906	(379)	(379)	
Employee Benefits	1,216,976	-	1,216,976	1,107,277	109,699	109,699	Favorable ins. rate / vacant positions
Contingency	100,000	-	100,000	-	100,000	100,000	
Information Technology	56,875	-	56,875	56,617	258	258	
Police Administration	280,897	-	280,897	290,487	(9,590)	(9,590)	Daigle IA report
Regular Patrol	1,313,044	-	1,313,044	1,315,664	(2,620)	(2,620)	Officer injuries and tropical storm
Lake Patrol	4,361	-	4,361	2,472	1,889	1,889	
Animal Control	32,188	-	32,188	40,888	(8,700)	(8,700)	Too much was reduced from proposed budget
Firefighting	231,703	-	231,703	229,998	1,705	1,705	
Fire Marshall	36,245	-	36,245	37,279	(1,034)	(1,034)	Bevin Bell fire
Town Center Fire System	10,260	-	10,260	9,105	1,155	1,155	
Ambulance	6,910	-	6,910	3,142	3,768	3,768	Building maintenance down
Civil Preparedness	8,550	-	8,550	8,549	1	1	
Communications	118,933	-	118,933	116,994	1,939	1,939	
Street Lighting	61,000	-	61,000	55,076	5,924	4,750	
Health Department	105,320	-	105,320	105,320	-	-	
Human Services	112,459	-	112,459	106,637	5,822	5,822	
Senior Center	106,345	-	106,345	105,146	1,199	1,199	
Transportation	54,100	-	54,100	52,600	1,500	1,500	
Community Services	3,800	-	3,800	4,200	(400)	(400)	
Building, Planning & Zonin	336,422	-	336,422	341,074	(4,652)	(4,652)	Employee on leave. Temp assistance needed.
Econ. Development Commissi	11,383	-	11,383	10,536	847	847	
Conservation & Lake Commission	16,211	-	16,211	5,160	11,051	11,051	Planned spending on prof. svcs. for Lake postponed
Redevelopment Agency	3,365	-	3,365	1,064	2,301	2,301	
Middle Haddam Historic District	1,770	-	1,770	1,631	139	139	
Public Works Admin.	1,240,065	-	1,240,065	1,185,771	54,294	54,294	Overtime balance was \$43K

TOWN OF EAST HAMPTON
GENERAL FUND EXPENDITURES
Fiscal Year Ended June 30, 2012
FY 2011-2012

Agenda Item: 7B
8/14/2012

Department	Original Budget	Transfers / Adjustments	Revised Budget	YTD Expended / Encumbered	Available Budget	Projected Variance	Comment
Engineering	60,000	-	60,000	69,006	(9,006)	(9,006)	Christopher Brook Culvert Replacement \$23K
Town Garage	53,617	-	53,617	52,109	1,508	1,508	
Townwide motor fuel	162,400	-	162,400	157,978	4,422	4,422	
Road Materials	348,856	-	348,856	334,965	13,891	13,891	
Transfer Station	146,770	-	146,770	124,612	22,158	22,158	Less bulky waste generated. Overtime down
Septage Disposal	11,250	-	11,250	11,260	(10)	(10)	
Park & Recreation	359,156	-	359,156	355,488	3,668	3,668	
Community Center	163,441	-	163,441	150,064	13,377	13,377	Electricity and Heating oil down \$13K
E Hampton Public Library	422,420	-	422,420	406,287	16,133	16,133	Vacant full time position
Middle Haddam Library	7,000	-	7,000	7,000	-	-	
General Obligation Bonds-P	585,000	-	585,000	585,000	-	-	
School Bonds-Prin	340,000	-	340,000	340,000	-	-	
General Obligation Bonds-I	205,590	-	205,590	205,589	1	1	
School Bonds-Int	94,708	-	94,708	45,308	49,400	49,400	Possibly move to Debt sinking in Cap. Res.
Operating Transfers Out	1,070,500	-	1,070,500	1,026,500	44,000	44,000	Full transfer to water system not needed
TOTAL	\$ 11,552,289	\$ -	\$ 11,552,289	\$ 11,061,663	\$ 490,626	\$ 489,452	

Town of East Hampton
Fund Balance Projection
June 30, 2012

Agenda Item: 7c
Updated: 8-14-12

	TOTAL
	Projected as of
	06/30/2012

Total Fund Balance at July 1, 2011 (Audited).....	\$ 4,350,654
Less: Fund balance restrictions.....	-
Unrestricted Fund Balance at July 1, 2011 (Audited).....	\$ 4,350,654
2011-2012	
Forecasted Revenues.....	38,333,687
Forecasted Expenditures.....	37,711,663
Net income / (loss).....	\$ 622,024
Forecasted ending fund balance.....	\$ 4,972,678
Unreserved Fund Balance* as a % of FY 2013 adopted budget.....	13.0%

Town of East Hampton, Connecticut

Debt Policy

INTRODUCTION

The purpose of a debt policy is to establish parameters and guidance for the Board of Finance and Town Council to make decisions on capital spending and issuance of debt as a means to fund them.

The Town recognizes the foundation of any well-managed debt program is a comprehensive debt policy. In addition to the general parameters, this policy provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt financing, methods of sale that may be used, and structural features that may be incorporated.

Finally, this debt policy is the Town's recognition of a binding commitment to full and timely repayment of all debt as an intrinsic requirement for entry into the capital markets. The policy helps to ensure that the Town maintains a sound debt position and that credit quality is protected.

In summary, the main advantages of a formal debt policy are as follows:

- Enhances the quality of decisions by imposing order and discipline, and promoting consistency and continuity in decision making;
- Rationalizes the decision-making process;
- Identifies objectives for staff to implement;
- Demonstrates a commitment to long-term financial planning objectives; and
- Is regarded positively by the rating agencies in reviewing credit quality.

INTEGRATION OF CAPITAL-PLANNING AND DEBT FINANCING ACTIVITIES

Multi Year Capital Plan. The Town prepares a multi-year Capital Improvement Program for consideration and adoption by the Board of Finance and Town Council as part of the Town's budget process. Annually, the capital budget identifies revenue sources and expenditures for the current year and the next succeeding four fiscal years. As part of the capital project planning process, the Town will evaluate the financial impact of each proposed project. The plan is updated annually.

Funding of the Capital Improvement Program. Whenever possible, the Town will first attempt to fund capital projects with Local Capital Improvement Program (LoCIP) grants as part of its broader capital improvement plan. If these grants are not available, the Town will use general revenues (pay-as-you go), excess surplus, bond financing, or a combination thereof. The Town is guided by three principles in selecting a funding source for capital improvements: equity, effectiveness and efficiency.

1 **Equity:** Whenever appropriate the beneficiaries of a project or service will pay for it. For example, if a project is a general function of government that benefits the entire community, such as a school, police station or library, the project will be paid for with general tax revenues or financed with general obligation bonds. If, however, the project benefits specific users, such as water and sewer facilities, the revenues will be derived through user fees or charges and assessments.

2 **Effectiveness:** In selecting a source or sources for financing projects the Town will select one or more financing options that effectively funds the total cost of the project. For example, funding a capital project or the debt service on a project with a user fee that does not provide sufficient funds to pay for the project is not an effective means of funding the project.

3 **Efficiency:** If grants or current revenues are not available to fund a project the Town will select a financing technique that provides for the lowest total cost consistent with acceptable risk factors and principals of equity and effectiveness. These methods currently consist of fixed-rate general obligation or revenue bonds issued by the Town.

Infrastructure Maintenance, Replacement and Renewal. The Town intends to set aside sufficient current revenues to finance ongoing maintenance needs and to provide periodic replacement and renewal consistent with its philosophy of keeping the Town's capital facilities and infrastructure systems in good repair and to maximize a capital asset's useful life. It is the Town's goal to encourage plans for scheduling this maintenance.

DEBT AUTHORIZATION (TOWN CHARTER REQUIREMENTS)

Agency	Comment
PLANNING AND ZONING COMMISSION	Proposed project must be referred to the local Planning and Zoning Commission for approval or a report (unless project is solely purchase of movable equipment). Planning and Zoning Commission should act on referral before Town Meeting is held. Action by Commission must be by majority vote of all its members, not just a majority of those present. C.G.S. Sections 8-24; 8-22.
BOARD OF FINANCE	Prior to Town Meeting, Board of Finance must recommend appropriation and bond and note authorization. Charter, Sections 5.1, 5.2; C.G.S. Section 7-348.
TOWN COUNCIL (If Town Council decides to submit an item to referendum the Town Clerk will need 30 days notice in order to prepare)	The Town Council must recommend appropriation and bond and note authorization and set date for Special Town Meeting to act on recommendation. Charter, Section 2.4; C.G.S. Section 7-3. The Town Council can submit any item to referendum by acting not less than five days prior to the Town Meeting. Charter, Section 4.4; C.G.S. Section 7-7.
NOTICE OF TOWN MEETING (Must be submitted 3 days before publication)	When the proceedings above are complete, the Notice of Town Meeting must be posted and published at least five days prior to meeting, and the Return of Notice must be filed with Town Clerk. Publication must be in a newspaper having a general and substantial circulation in the Town. Do not include day of meeting in counting five days for publishing and posting notice. Charter, Sections 2.4, 4.1; C.G.S. Sections 7-3, 7-4. Notice of referendum initiated by the Town Council should be included in notice of town meeting. Town meeting must be held within seven to fourteen days prior to referendum date. Charter, Section 4.4; C.G.S. Sections 7-7, 7-9c.
TOWN MEETING	Town Meeting held and full resolution authorizing appropriation, bonds and temporary notes, etc., read, moved, seconded and voted. Charter, Section 4.1. Votes on the resolution should be counted unless the votes are to be taken at a referendum initiated by the Town Council or at an adjourned town meeting pursuant to a petition filed under Charter, Section 4.4 and C.G.S. Section 7-7. If voting is to take place at a referendum or adjourned town meeting, ballot heading of referendum question is announced and the town meeting is adjourned to referendum to be held within seven to fourteen days of meeting.
ADJOURNED TOWN MEETING - REFERENDUM	Absentee ballots must be provided. C.G.S. Sections 9-135, 9-1(n), 9-369c.

PURPOSES FOR WHICH DEBT MAY BE ISSUED

- The Town will consider financing major capital improvements with a total cost exceeding \$100,000. Such costs may include any planning, design and land acquisition costs for such improvements.
- The Town will consider issuing debt to finance only those projects that have been included in the Five-Year Capital Improvement Program.
- The Town will not fund current operating expenditures through the issuance of debt.

REFUNDING OF EXISTING DEBT

A refunding is a bond financing procedure in which issuers refinance an outstanding bond issue by issuing new bonds. Most refundings are performed to take advantage of current interest rates that are lower than those rates on outstanding bonds. Such refundings are for interest rate savings. The Town may consider a refunding for three primary reasons:

- 1 To reduce interest costs;
- 2 To restructure debt service only if the present value of debt service savings exceeds two (2%) percent of the debt service amount of the refunded bonds; and
- 3 To eliminate old bond covenants that may have become restrictive.

OBJECTIVES OF ISSUING DEBT

- The Town will finance capital projects through the issuance of debt for the shortest period practical but will not exceed the useful life of the asset.
- The Town will evaluate debt-funding scenarios as part of its annual Five-Year Capital Improvement Program process in order to prioritize future financing needs.
- The Town will attempt to minimize its reliance on long-term debt.

LEGAL LIMITATIONS

- Connecticut General Statutes limit the amount of indebtedness the Town may have outstanding to seven times the total annual tax collections including interest and lien fees plus the reimbursement for revenue loss on tax relief programs.

TYPES OF DEBT PERMITTED TO BE ISSUED AND CRITERIA FOR ISSUANCE

TYPES

- Bond Anticipation Notes (B.A.N.'s)
- Tax Anticipation Notes (T.A.N.'s)
- General Obligation (G.O.) Bonds
- Revenue Bonds or Special Assessment Bonds
- Lease Purchase Financing
- Conduit/Tax Increment Financing (TIF)

CRITERIA

a. Short Term Debt

- 1 **Bond Anticipation Notes:** The Town may choose to issue Bond Anticipation Notes as a source of interim construction financing when deemed prudent. Before issuing such notes, the Finance Director will contact the Town's Financial Advisor, for consultation. Bond Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the Town.
- 2 **Tax Anticipation Notes:** The Town may choose to issue Tax Anticipation Notes to fund internal working capital cash flow needs. Before issuing such notes, cash flow projections will be prepared by the appropriate Town Departments and reviewed by the Finance Director. Tax Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the Town.
- 3 **Leasing:** Leasing is appropriate for procuring assets that are too expensive to fund with current receipts in any one year, but with useful lives too short (less than ten years) to finance with long-term debt. Leasing will be considered for assets that will be needed for only short periods of time, or which are subject to rapid technological obsolescence.

b. Long Term Debt

- 1 **General Obligation (G.O.) Bonds:** General obligation bonds are general obligations of the Town payable from general (ad valorem) taxes, subject to certain constitutional and statutory limitations. Bonding should be used to finance or refinance only capital improvements and long-term assets, or other costs directly associated with financing of a project, which has been determined to be beneficial to a significant proportion of the citizens of the Town, and for which repayment sources have been identified. Bonding should be used only after considering alternative funding sources, such as project revenues, Federal and State grants, and special assessments.
- 2 **Revenue Bonds:** Whenever possible, the Town will use revenue, self-supporting, or special assessment bonds instead of G.O. bonds. To enhance security, when issuing revenue bonds, the Town will issue "double-barreled" bonds, which are secured both by a dedicated revenue stream as well as by the general taxing powers the Town. The Town will strictly adhere to all provisions of the bond resolution or trust indenture including but not limited to covenants, additional bond tests, and operation and maintenance requirements. Revenue bonds are generally issued by Enterprise Funds.
- 3 **Conduit/Tax Increment Financing (TIF):** The Town may sponsor conduit financings for physical projects in areas designated for redevelopment, urban renewal, or municipal development that have a general public purpose and are consistent with the Town's overall service and policy objectives. Debt service on TIF bonds will be derived from the increase in tax revenues generated as a result of economic growth in the TIF district. Since the Town recognizes TIF bonds can be highly risky during periods of economic downturn, all such financing must insulate the Town completely from any credit risk or exposure.

Credit Enhancement: The Town shall seek to use credit enhancement (letters of credit, bond insurance, surety bonds etc.) when such credit enhancement improves marketability and cost-effectiveness.

RESTRICTION/LIMITATIONS ON DEBT ISSUANCE

Policy prohibits issuing G.O. debt for: current operations.

Policy prohibits the issuance of derivative securities.

STRUCTURAL FEATURES OF DEBT

Overview: The Town plans long-term and short-term debt issuances to finance the Town's capital program based on cash flow needs, sources of revenue, capital construction periods, available financing instruments and market conditions.

At the time of establishing the structure of a bond issue, the mill rate impact in the early years will be evaluated so as to minimize overall tax increases and maintain level principal payments where practical.

Debt Repayment: Generally, borrowings by the Town should be of a duration that does not exceed the economic life of the improvement that it finances and where feasible should be shorter than the projected economic life. Moreover, to the extent possible, the Town will design the repayment of the debt so as to recapture rapidly its credit capacity for future use. The Town will endeavor to repay, at a minimum, 50% of the Town's overall outstanding debt in the first ten years when structuring new bond issues.

CREDIT OBJECTIVES

Many analysts use debt ratios i.e. debt per capita to analyze debt levels. However, the Town recognizes overemphasis on debt ratios should be avoided because debt ratios are but one of many factors that influence bond ratings. Commonly used debt ratios of comparable sized Towns will provide one measure against which the Town can assess its debt burden. Another method is to compare ourselves against ratios developed by rating agencies, such as, *Standard & Poor's*. The analysis is not intended to review the Town's total financial position or to make projections of future expenditures other than debt service.

The Town will use the following debt ratios when reviewing the Town's capacity to issue debt:

Debt Burden Indicator	Definition	Standard & Poor's
Debt as a percentage of Net Taxable Grand List	A ratio of net debt to the taxable market value of the tax base	<ul style="list-style-type: none"> • Low - Below 3% • Moderate - 3%-6% • Moderately High - 6%-10% • High - Above 10%
Debt per capita	This ratio measures net debt to population.	<ul style="list-style-type: none"> • Very Low - Below \$1,000 • Low - \$1,000-\$2,000 • Moderate - \$2,000-\$5,000 • High - Above \$5,000
Debt Service Indicators		
Annual G.O. debt service as a percentage of General Fund operating budget expenditures	The portion of operating expenditures consumed by debt service costs	<ul style="list-style-type: none"> • Low - Below 8% • Moderate - 8%-15% • Elevated - 15%-20% • High - Above 25%
A retirement rate of 50% of principal in 10 years for new debt issuances		Median: Greater than 50%

Overlapping Debt

- There is no overlapping municipal debt in the Town.

METHOD OF SALE

Competitive Sale: The Town, as a matter of policy, shall seek to issue its debt obligations in a competitive sale unless it is determined by the Finance Director that such a sale method will not produce the best results for the Town. In such instances where the Town in a competitive bidding for its debt securities (whether general obligation or non-general obligation debt) deems the bids received as unsatisfactory or does not receive bids, it may, at the election of the Board of Finance, enter into negotiation for sale of the securities.

Negotiated Sale: When determined appropriate by the Finance Director and approved by the Board of Finance, the Town may elect to sell its debt obligations through a negotiated sale. Such determination may be made on an issue-by-issue basis, for a series of issues, or for part or all of a specific financing program. Selection of the underwriting team shall be made pursuant to selection procedures set forth in this debt policy under "Selection of Consultants and Service Providers".

Private Placement: When determined appropriate by the Finance Director and approved by the Board of Finance, the Town may elect to sell its debt obligations through a private placement of limited public offering. Selection of a placement agent shall be made pursuant to selection procedures developed by the Finance Director.

DISCLOSURE

Rating Agencies: Full disclosure of operations and open lines of communication shall be made to the rating agencies. Town staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies. A credit rating will be sought from Standard & Poor's and others as recommended by the Finance Director in conjunction with the Town's financial advisor.

POST ISSUANCE TAX & SECURITY LAW COMPLIANCE

The Finance Director will develop and implement written post-issuance compliance procedures that will enable the Town to adequately safeguard against post-issuance violations that may result in the loss of the tax-exempt status of their bonds.

Arbitrage: The Finance Director shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirement of the federal tax code. This effort shall include tracking investment earning on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebateable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the Town's outstanding debt issues. Additionally, general financial reporting and certification requirements embodied in bond covenants shall be monitored to ensure that all covenants are complied with.

Continuing Disclosure: The Town is committed to continuing disclosure of financial and pertinent credit information relevant to the Town's outstanding securities and will abide by the Provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosure.

SELECTION OF CONSULTANTS AND SERVICE PROVIDERS

The Town employs outside financial specialists to assist it in developing a bond issuance strategy preparing bond documents and marketing bonds to investors. The key players in the Town's financing transactions include its financial representatives (the Finance Director and staff, among others), Bond Counsel and a Financial Advisor. Other outside firms, such as those providing paying agent/registrars, trustee, credit enhancement, auditing, or printing services, are retained as required.

The Town's Finance Director shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the Town's debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing services at competitive prices.

INVESTMENT OF PROCEEDS

The investment of idle funds must be in conformance with federal laws, state statutes, the Town Charter, and internal policies and procedures.

SAFETY FIRST

Besides legality, the Town's foremost investment objective will be safety of principal.

LIQUIDITY

The Town will maintain sufficient liquidity to meet project expenditure requirements.

Approval:

APPROVED BY BOARD OF FINANCE: XX-XX-XX
APPROVED BY TOWN COUNCIL: XX-XX-XX



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

07/10/2012

NEWS RELEASE

For Information contact:
Stephen Gauthier (312) 977-9700

(Chicago)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **Town of East Hampton** by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s), department or agency designated by the government as primarily responsible for preparing the award-winning CAFR. This has been presented to:

Finance Department, Town of East Hampton

The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association serving approximately 17,500 government finance professionals with offices in Chicago, IL, and Washington, D.C.



EAST HAMPTON PUBLIC SCHOOLS
ADMINISTRATIVE OFFICES
94 Main Street
East Hampton, Connecticut 06424-1119
TELEPHONE (860) 365-4000
FAX (860) 365-4004

JUDITH A. GOLDEN, Ph.D.
Superintendent of Schools

LAURIE GONZALEZ
Director of Special Education &
Pupil Personnel Services

KEVIN M. REICH

KAREN HITCHCOCK ASETTA

August 8, 2012

Mr. Matt Walton
Board of Finance, Chairperson
19 Sherry Drive
East Hampton, CT. 06424

Re: Administrators' and Teachers' Collective Bargaining

Dear Mr. Walton:

Please be advised that the Board of Education will soon commence negotiations with the teachers' bargaining unit for a successor collective bargaining agreement and the administrators' bargaining unit regarding a reopener on wage and insurance for the final year of their current contract (2013-2014). As you are aware, the Board of Education must "meet and confer" with the Board of Finance of the Town regarding these negotiations within thirty days prior to their statutory commencement date. Pursuant to this statutory provision, representatives of the Board of Finance are welcome to meet with the Board of Education at its next regular meeting on August 27, in executive session at 6:30, in the high school library media center.

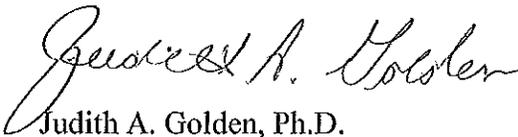
As you are aware, a member of the Board of Finance is entitled to attend and observe these negotiations which are confidential. If the negotiating parties proceed to arbitration, a representative of the Board of Finance shall be heard at the arbitration hearing regarding the financial capability of the school district. If a representative of the fiscal authority does not

appear and make a presentation at the arbitration hearing, the statute considers such non-appearance as a waiver of this opportunity. With revisions of the binding arbitration laws now mandating that the arbitration panel give priority to the "public interest" and the financial capability of a town, it is paramount that a town's financial representative be present to take advantage of this opportunity.

In this regard, it is important for school and town officials to present similar positions at an arbitration hearing. Therefore, we believe it is necessary to begin the process of obtaining information concerning the town's fiscal condition. Such information could include the need for roads or buildings, trends in commercial and industrial development, anticipated growth in the grand list, taxes, reduction in state aid, history of increases in mill rates, average per household income, layoffs in the area, business failure, bond rating, borrowing and any other helpful demographics. While no one relishes the idea of proceeding to arbitration, it is prudent to begin to prepare for such an eventuality now. With this in mind, I am enclosing a list of information prepared by our labor counsel which the Town should begin to develop. At our meeting we can develop a plan to coordinate our efforts in gathering this data.

Finally, for your information, I am enclosing a letter from our counsel outlining the statutory timetable for the upcoming negotiations. If you need any additional information on the negotiations process, please do not hesitate to contact me.

Very truly yours,



Judith A. Golden, Ph.D.
Superintendent of Schools

Enclosure

CC Jeff Jylkka, Finance Director
Donald Coolican, Personnel Committee Chairperson
Mark Laraia, Board of Education Chairperson
Susan Scott, Attorney

April 30, 2012

VIA ELECTRONIC AND FIRST CLASS MAIL

Dr. Judith A. Golden
Superintendent of Schools
East Hampton Public Schools
94 Main Street
East Hampton, CT 06424-1119

Re: Teachers' Negotiation Schedule

Dear Dr. Golden:

This letter is to summarize the statutory Teachers' negotiations timetable for the forthcoming negotiations pursuant to Connecticut General Statute 10-153f.

Based on a budget submission date for the East Hampton Board of Education of March 1, 2013 the following schedule applies to the Teachers' negotiations:

1. At least 210 days prior to the budget submission date, negotiations must begin. This date is August 3, 2012. Note that within thirty (30) days prior to negotiations, the Board of Education must "meet and confer with" the authority making appropriations. Therefore, at any time from July 4, 2012 up through August 2, 2012, representatives of the Board should meet with the fiscal authority of the Town. A member of the Town's fiscal authority is entitled to attend and observe the Teachers' negotiation sessions. If the negotiating parties proceed to arbitration, a representative of the fiscal authority may make a presentation at the arbitration hearing.
2. If no contract settlement is reached by the 160th day prior to the budget submission date, mediation begins. This date is September 22, 2012.

TOWN CLERK

Land Recordings - recording, indexing and scanning of land related documents as well as assisting customers locate deeds, maps, and educate the public on how to perform a title search.

Sport Licenses – sale of hunting and fishing licenses.

Dog Licenses - June is the month by State Statute when dog licenses are renewed for the current fiscal year. Individuals must license a dog when it reaches the age of (6) six months or 30 days after receipt of an older dog.

Marriage Licenses - issued to individuals that either reside in East Hampton at the time of the event or the event occurred in East Hampton.

Notary Services - act as an impartial witness to certain financial or legal transactions by officials who have been licensed by the state

Conveyance Tax Collected - A tax imposed on the transfer of real property at the state or municipal level.

WATER POLLUTION CONTROL AUTHORITY

After Hours Call outs - emergency visits after hours

New Sewer Permits - new sewer customers