

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

BOARD OF FINANCE

Monday, April 17, 2017
Town Hall Meeting Room

*Previously approved
minutes to be revisited.*

See page 2.

Approved Minutes

Present: Marc Lambert, Alannah Coshow, Dean Markham and Steve Ritchie

Not Present: Michael Rose, Janine Jiantonio and Alan Hurst

Other attendee(s): Jeffery Jylkka: Director of Finance and Patience Anderson: Town Council Chair

1-2. Vice-Chairman Lambert called the meeting to order at 6:33 p.m. followed by the Pledge of Allegiance.

3. Approval of Minutes:

- a) Regular Meeting 3/20/17
- b) Special Meeting 3/27/17
- c) Budget Workshop 3/31/17
- d) Public Hearing 4/3/17

*Ms. Coshow made a motion to approve all minutes as presented. The motion was seconded by Mr. Ritchie. **Vote: 4-0. Motion Passed.***

4. Public Remarks:

Patience Anderson – 17 Anderson Way: Thanked the Board Members for all their hard work and diligence during the budget deliberation process.

5. Financial Transactions:

None

6. Special Presentations:

None

7. Correspondence:

Board members acknowledged receipt of the petition submitted in support of the BOE budget as presented (331 signatures as of the afternoon of 3/10/17).

8. Status Reports [Financial]:

Mr. Jylkka provided an overview of the FY 2016-17 Revenues, Expenditures and Fund Balance.

a) 2016-2017 Revenue

Mr. Jylkka shared that collection of back taxes is still strong (total collection rate of 99.54%) which will assist with the lagging current tax collections (97.1% for current taxes). But, similar to last year, timing may come into play with delinquent accounts being settled in the

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next fiscal year. Licenses, permits and fees for both the Town Clerk and Building Department also continue to be strong. He also shared that more should be known about the ECS state grant cuts in May and reminded the Board of the use of fund balance for the EH 250 celebration, land purchase and the ½ year police officer position.

b) 2016-2017 Expenditures

Mr. Jylkka reminded the Board of the overages at the Town Hall/Annex primarily due to water damage in the Police Department and at the Community Center (re-wiring, etc.), as well as the Police OT due to Officer Burgin's injuries ~~and Canine Training for Officer Wilson.~~ (While Officer Burgin was on light duty over the past 1-2 months he is now out again undergoing more surgeries and the benefit of Officer DeRohen will not be realized until he is out of the academy [late 2017]). He also shared that Worker's Comp rates will be going up and that, while there will be some relief in employee benefits, it will not be as much as originally thought (due to employees not currently insured by the town switching to the town's new plan).

c) 2016-2017 Fund Balance

Mr. Jylkka shared that it is still anticipated that the fund balance will show a small net profit or just a minimal loss at the end of the year dependent on final state impacts.

9. New Business:

a) Auditor Appointment

In following with the of departure of Partners from the current contracted audit firm of CohnReznick resulting in their inability to fulfill the audit duties set forth by the contract, Mr. Jylkka presented the options available for appointing a new firm. While going out to bid is an option, Mr. Jylkka shared his prediction of what will occur. With the limited amount of qualified firms in the state (CohnReznick no longer has the expertise making them ineligible, Bloom Shapiro being bound by a non-compete clause for 2 years and comparable towns [ex. New London] recently going out to bid and receiving only one bid [PFK-O'Conner Davies]) coupled with the fact that our lead auditor from CohnReznick joined PFK-O'Conner Davies, Mr. Jylkka suggested that PFK-O'Conner Davies is the best avenue to go. He also shared that the proposed rates by the firm are very reasonable compared to the previous contract with CohnReznick.

After a brief discussion, *Mr. Markham made a motion that PFK-O'Conner Davies be the firm contracted to perform the FY2017 Financial Audit for the Town of East Hampton. The motion was seconded by Mr. Ritchie. **Vote: 4-0. Motion Passed.***

10. Continued Business:

a) 2017-2018 Budget Discussion & Deliberation

While the members did not feel the need to discuss the budget any further given the Town Council has yet to vote, a short discussion was had in regard to the potential Motor Vehicle Mill

Per the request of Ms. Coshaw, the meeting audio was revisited and resulted in the highlighted correction(s) to the previously approved minutes.

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Rate Cap of 32 mills being proposed by the State and how it may or may not even be a factor for the town this year (i.e. mill rate could end up being \leq 32 mills).

b) Citizens Guide to the Budget

Mr. Jylkka collected draft feedback from Ms. Coshow and Mr. Ritchie and the Board briefly discussed whether or not the publication should be held in order to include the Referendum date. Member's unanimously agreed that if the date is not known when ready to publish, TBD should be used. Once feedback is incorporated, drafts will be sent out via email to Board Members.

11. Liaison's Reports:

As a result of limited to no reports for the various boards and commissions, as well as the recent changes to BOF membership (resignations, new members, new assignments, etc.), Chairman Lambert suggested liaison assignments be discussed at the next BOF meeting. Present Members agreed.

- a) Town Council**
- b) Board of Education**
- c) Economic Development Commission**
- d) Lake/Conservation**
- e) Fire Commission**
- f) Brownfields/Redevelopment**
- g) Park & Rec. Advisory Board**
- h) Water Development Task Force**

12. Public Remarks

None

13. Town Manager's Report

None

14. Adjournment:

The motion to adjourn was made by Mr. Ritchie and was seconded by Ms. Coshow.

Vote: 4-0. Motion Passed. Meeting adjourned at 7:25 pm.

Respectfully submitted,

Renee Bafumi

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Recording Secretary