

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

**BOARD OF FINANCE**

Tuesday, February 21, 2017  
EH Public Library Community Room

**Approved Minutes**

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

**Not Present:** Allison Tokarz, Janine Jiantonio and Alan Hurst

**Other attendee(s):** Jeffery Jylkka: Director of Finance, Michael Maniscalco: Town Manager and Patience Anderson: Town Council Chair

**1-2. Vice-Chairman Lambert called the meeting to order at 6:30 p.m. followed by the Pledge of Allegiance.**

**3. Approval of Minutes:**

**a) Regular Meeting 1/17/17**

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

**4. Public Remarks:**

**Patience Anderson – 17 Anderson Way:** Asked the Board members to positively consider item 5a on the agenda (Discuss and take possible action on a Capital Reserve Fund Transfer for the Town Hall/Police Department architect and related services). After noting the years and years of discussion and the multiple studies conducted, Ms. Anderson outlined the steps taken to date this time around and stated that a solution is long overdue. She encouraged the members to vote favorably on this item.

**5. Financial Transactions:**

**a) Discuss and take possible action on a Capital Reserve Fund Transfer for the Town Hall/Police Department architect and related services**

*To open the discussion Vice-Chair Lambert introduced the following resolution which was motioned to approve by Mr. Markham. The motion was then seconded by Vice-Chair Lambert.*

*RESOLVED,*

- 1. That the Town of East Hampton appropriated One Hundred Twenty-Eight Thousand Dollars (\$128,000) for costs with respect to the proposed new Town Hall/ Police Department facility. The appropriation may be spent for architectural, engineering, project management, construction management, legal fees and administrative costs related to pre-referendum project costs, including without limitation the preparation of schematic drawings and outline specifications for the project.*

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2. *That the Town transfer funds from the following Capital Reserve Fund Project to temporarily fund the project:*

- *Mill Rate Stabilization (13900) \$128,000*

3. *That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that project costs paid from such temporary advances are reasonably expected to be reimbursed from the appropriation for the full costs of the project including not in excess of \$128,000 of the proceeds of borrowings funding such appropriation, if and when approved.*

A lengthy discussion that lasted more than 30 minutes followed the motion. During this discussion, Mr. Maniscalco and Town Council Chair Anderson answered many question and clarified many points related to activities to date that lead to this resolution. Much of the information was provided in response to questions or requests by Mr. Ritchie and Ms. Coshow. Topics included, but were not limited to, satisfaction on the part of the town council that all possible locations were satisfactorily vetted, ranking process used to select the prevailing location, known specifics of location selected (site line from rt. 66, proximity from Village Center, etc.) and clarification of next steps.

*Once all members of the Board were satisfied with the responses provided, the motion went to a vote.*

***Vote: 4-0 Motion Passed.***

**b) FY 2017 Budget Transfer (Pension Contribution)**

Mr. Jylkka shared that the request on the table is to simply revert back to the previous process of budgeting for the Town's share of pension contributions in the employee benefits budget rather than continuing with the individual allocations being distributed across departments. He stated that as the Town continues to transition to a defined contribution plan from a defined benefit plan, the process has become overly complicated and cumbersome. Finally, Mr. Jylkka shared that in order to avoid the appearance that department budgets are decreasing in FY2018, he is proposing that the transfer occur now (FY2017). This will allow for comparative budgets from year to year.

*Ms. Coshow made a motion to approve the recommendation on the table to transfer the Town's share of pension contributions from department budgets to the employee benefits budget for FY2017 in order to allow for continued consolidated budgeting in future years. The motion was seconded by Mr. Ritchie. **Vote: 4-0. Motion Passed.***

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**6. Special Presentations:**

Mr. Jylkka provided an update on the scheduling of the Audit presentation. He explained that the Audit Firm sold off their municipal audit group and the Auditor that would do the presentation is now with a different firm. He stated that he is still working on scheduling him to come out and present but it is not as easy given he is with a new firm.

Mr. Jylkka also shared that State Representative Ziobron has offered to come and speak to the Board about state changes if they were interested.

Per the request of the Board, Mr. Jylkka will continue to do his best to coordinate schedules and have them both come as soon as they can.

Mr. Jylkka also provided various options in regard to Auditing Firms and having the current agreement met by the new firm or going out to bid. Discussion to continue after the Audit Presentation is complete.

**7. Correspondence:**

Mr. Jylkka verified that all Board members have been receiving the emails from the State referencing the budget changes and possible impacts to the town.

**8. Status Reports [Financial]:**

Mr. Jylkka provided a mid-year 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 following delinquent notices being sent out. He also shared as a reference that the top 4% of delinquent accounts make up 33% of the outstanding taxes which is why the focus is there. Licenses, permits and fees for both the Town Clerk and Building Department also continue to be strong. He also reiterated that the ECS state grant was cut 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 shared that in addition to the known overages at the Town Hall/Annex and in Street Lighting; the previously shared wiring issue at the library/community center is being addressed and will result in a \$8000-\$9000 deficit even with the possibility of Grants to assist (with hardware purchases).

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**c) 2016-2017 Fund Balance**

Mr. Jylkka shared that it is still anticipated that the fund balance will show a small profit at the end of the year.

**9. New Business:**

**a) Citizens Guide to the Budget**

Mr. Jylkka began the discussion by distributing the previous year's Citizens Guide and suggesting that, given all the work done last year, other than a few FY 2017/18 specifics (bifurcation of the budgets and 250<sup>th</sup> Anniversary references), he can update the numbers in the static portions of the document, have a draft created and distribute for review. Present members agreed with that approach and will talk with Mr. Jylkka offline about a few other suggested additions (Anticipated Town Hall Project Debt and Grand List vs. Mill Rate Growth). Finally, Mr. Jylkka verified that the cost for color copies is minimal (<.50 per guide) since it is printed in house. Updated draft to follow.

**Select an ex-officio member for the Town Facilities Building Committee**

Although discussion was had that the member should be someone whose term is not up next election, member availability/interest resulted in Vice-Chair Lambert being appointed.

**10. Continued Business:**

**a) High School Renovation Project Status**

Mr. Jylkka referenced handout included in the meeting to assist with discussion. He shared that the project to date project spend is \$46,000,000 with \$5,900,000 remaining to be spent. He went on to confirm that the completion is expected to be in July (with punch list items remaining to be addressed over the summer). He also shared that Snyder Engineering has been retained to address the water issues. Finally he confirmed that it is expected that the project will come in under budget.

**b) 2017-2018 Budget**

Mr. Jylkka shared an analysis of the expected State impacts (agenda packet item 10b) with focus on the ECS Grant/Special Education as well as LoCIP and the Teachers Retirement contributions line items.

**11. Liaison's Reports**

**a) Town Council**

No Report

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**b) Board of Education**

No Report

**c) Economic Development Commission**

Meeting occurring now at Town Hall Meeting Room

**d) Lake/Conservation**

No Report

**e) Fire Commission**

Mr. Ritchie was unable to attend the previous meeting but, based on the meeting minutes, shared that the new ladder truck was delivered the previous week. He also shared that a \$5, 000 savings was incurred through having the Public Works mechanics assist with maintenance on Tanker #3 rather than seeking assistance from an outside garage.

**f) Brownfields/Redevelopment**

No Report

**g) Park & Rec. Advisory Board**

No Report

**h) Water Development Task Force**

No Report

**12. Public Remarks**

**Patience Anderson – 17 Anderson Way:** Thanked the board for their vote and encouraged members to attend the Town Council Meetings in order to stay informed and share their thoughts (during public comment).

**13. Town Manager's Report**

Mr. Maniscalco thanked the Board for their vote on behalf of himself and all town employees prior to providing an update on the following projects:

- **Christopher Brook Project** – Project is dormant at the moment and will resume once the asphalt plants open since paving is what is left to complete. In the meantime, the Public Works department is maintaining the area as much as possible. There should not be any prolonged road closures for the remainder of the project which is slated to be completed by late spring.
- **13 Watrous** – Demolition of the property is complete but crews are still dealing with issues in the chambers under the building. Remediation is expected to cost

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\$6,000 but since the project is running under budget, it is expected to still fall within the allotted amount. Any grant money left will go towards paving the lot.

- **1 Watrous** – Upon notification that the Town was awarded ownership of the property, it was inspected. The building is full of an array of things (wood working equipment, vehicles, water equipment, paper, books, etc.) that the town does not own and is very structurally compromised. Legal actions have been filed to get it cleaned out with further structural assessment to follow.
- **Budget** – Working through the challenges as a result of state cuts.
- **Property Assessment** – In response to a question on status of the assessment of the property adjacent to the Middle School, he stated that he has yet to receive the results of the assessment.

**14. Adjournment:**

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

**Vote: 4-0. Motion Passed. Meeting adjourned at 7:50 pm.**

Respectfully submitted,

Renee Bafumi  
Recording Secretary