

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

BOARD OF FINANCE

Tuesday January 19, 2021

Virtual Meeting

Minutes

Present: Matthew Bennington, Ted Turner, Bob Hein, Eric Peterson Alannah Coshow, and Richard Brown

Not Present: Wes Jenks

Other attendee(s): Jeffery Jylkka, Director of Finance and Paul Smith, Superintendent of Schools

1-2. The meeting was called to order, by Chairman Bennington, at 7:02 p.m. followed by the Pledge of Allegiance.

3. Adoption of Agenda

Upon a motion from Mr. Hein, seconded by Dr. Brown and unanimously carried, the agenda was adopted as presented.

4. Approval of Minutes:

a) Regular Meeting 12/21/2020

Dr. Brown made a motion to approve the minutes as presented. The motion was seconded by Mr. Hein.

Vote: 6-0. Motion Passed.

5. Public Remarks:

None

6. Financial Transactions:

None

7. Special Presentation:

a) 2020 Audit Summary

Mr. Jylkka shared a 2-page document (see attached) that summarized the key audit findings. He also stated that the Audit Partner is scheduled to attend the February BOF Meeting to present the Audit findings in detail. Finally, Mr. Jylkka informed members that he will be sending a link to the pdf of the full audit as well as having hard copies available in the Finance Office at Town Hall.

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8. Correspondence:

None

9. Status Reports [Financial]:

a) Revenue:

Mr. Jylkka shared a YTD status of FY 2021 Revenue. He reported that a positive variance is still expected and provided the following highlights:

- Property taxes are \$1 million higher than the same period last year
- Investment income is still lagging (\$60,000 short) and is expected to carry over into FY22
- Licenses, permits and fees remain strong (over 100% already for FY21)
- ECS Grant will be more than expected (\$140,000 more)
- The Town will receive a COVID-19 payment, in 2021, from the State (\$96,000). Chatham Health District is requesting ~20%.

b) Expenditures:

Mr. Jylkka reported that there have been no significant changes since last month's update. He again highlighted savings due to various position vacancies but stated that it is still difficult to ascertain the full impact of COVID-19 on expenses (especially on the BOE side).

c) Fund Balance:

Mr. Jylkka shared a summary of the Fund Balance Projection (see attached) which showed an Unrestricted Fund Balance as a % of FY 2021 approved budget of 11.5%.

10. New Business:

None

11. Continued Business:

a) Nonlapsing Account for Unexpended Education Funds

Mr. Smith (Superintendent of Schools) was in attendance for the continued discussion from the December 21, 2020 BOF meeting. Mr. Jylkka shared some examples of how other towns have implemented this type of account and stated that the Town Attorney, while comfortable with the creation of such an account, is seeking legislative history to clarify some of the ambiguities around the implementation process and authorization once in place. Mr. Smith also shared his concerns with process and authorization clarity especially when BOF members change. Next steps:

- Mr. Smith will share the proposal with the Board of Education and assess interest.
- Town Attorney will provide Mr. Jylkka with findings from Legislative Research Library on ambiguities.
- Mr. Jylkka will begin drafting what such a policy could look like for East Hampton, if warranted, based on feedback from the Town Attorney and Mr. Smith / BOE.

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12. Liaison Appointments/Reports

a) Town Council (Hein)

Mr. Hein shared that a decision was made to split the fire house (HVAC) project into two projects for the bid process in order to meet competitive bid requirements. He also confirmed discussion was had around the Chatham Health District's request for a portion of COVID-19 money the Town is receiving from the state (requesting \$20,000). Discussion on this topic is to continue. Additional information was also requested in regard to a Resolution regarding a Building Committee for the HS Athletic Fields Project that was presented.

b) Board of Education (Bennington/Brown)

The Superintendent's Budget proposal was discussed. A 3.27% increase (including chrome books – 2.95% before chrome books) was presented.

c) Economic Development Commission (Turner)

Due to connection issues, Mr. Turner was unable to provide an update.

d) Conservation Lake Commission (Jenks)

No Report

e) Fire Commissioners (Peterson)

No Report

f) Brownfields/Redevelopment (Bennington)

No Report

g) Park & Rec. Advisory Board (Coshow)

Ms. Coshow shared that much discussion was had around the Master Plan they are working with a consulting firm to create. The plan will provide a future state look at programs, staff facilities, etc. (\$40,000 over 2 FYs). She also shared that interviews for the park maintainer opening are planned and that they are looking at a Grounds & Maintenance Budget increase. Finally, she shared that the Capital request total of the Park & Rec Department has decreased to \$125,000 (from \$220/\$200 previously reported).

h) Capital Committee (Brown/Turner)

While the Capital Committee has not met since last report, a meeting is scheduled for January 28, 2021.

13. Public Remarks:

None

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14. Adjournment:

The motion to adjourn was made by Dr. Brown and was seconded by Mr. Hein.

Vote: 6-0. Motion Passed. Meeting adjourned at 7:57 pm.

Respectfully submitted,

Renée Bafumi
Recording Secretary