

**EAST LYME BOARD OF FINANCE
REGULAR MEETING MINUTES
Wednesday, JUNE 13th, 2018**

Members in Attendance: Lisa Picarazzi, Acting Chairperson
Camille Alberti
John Birmingham
Anne Santoro

Also In Attendance: Mark Nickerson, First Selectman
Anna Johnson, Finance Director
Joseph Bragaw, Director of Public Works
Michael Finkelstein, Chief of Police
Jeffrey Newton, Superintendent of Schools

Absent: William Weber, Chairman, Jason Pazzaglia

A. Call Meeting to Order

Acting Chairperson Picarazzi called this Regular Meeting of the East Lyme Board of Finance to order at 7:00 PM.

B. Pledge of Allegiance

The Pledge was observed.

FILED

C. Delegations

Ms. Picarazzi called for delegations.
There were no delegations.

June 19 2018 AT 10:05 AM/PM
Karen Gulm
EAST LYME TOWN CLERK

D. Approval of Minutes

Ms. Alberti said that she had not read the minutes and asked that they table them until the next meeting. The Board agreed to table the minutes to the next meeting.

Ms. Johnson asked that they remember to bring them with them as they would not be sent out again. The minutes from this meeting would be the only ones that they would receive.

Ms. Picarazzi asked that they hear from people under Reports next and then come back to New Business.

****MOTION (1)**

Ms. Santoro moved that they hear from people under Reports and then go back to New Business.
Mr. Birmingham seconded the motion.
Vote: 4 – 0 – 0. Motion passed.

E. New Business

a. Special Appropriation 2018/19 Vehicle Acquisition Town \$539,994.44
1 Automated Trash Truck PWD; 2 Kubota w/cab Loader/Plow PWD; 2 Police Interceptor Utility w/Equipment PD & 1 Police Interceptor Utility Detective PD.

Mr. Bragaw, Director of Public Works said that he has three items here – a trash truck as they have a 2007 one that is on its last legs and will be sold off and also two Kubotas as they have one plow that they got about seven years ago and Chuck had purchased two used to do sidewalks that they have had for many years that were 12 years old when they got them. He said that they have 14 miles of sidewalks to do and the two Kubotas are new with all the attachments.

Ms. Picarazzi said that she thought that they were moving towards a sidewalk ordinance.

Mr. Nickerson said that yes, they are however there are still a lot of municipal sidewalks that have to be done along with the Boardwalk.

Ms. Picarazzi asked if it was worth it to purchase these if the ordinance is under consideration.

Mr. Bragaw said that they have multiple uses and that they can get into tight spaces.

Chief Finkelstein said that they have five cars with over 100,000 miles on them and that they have put in for three this year as they have to replace the detective vehicle which is 13 years old. They would usually re-purpose a patrol car but they did not have one to do that with.

Ms. Santoro asked what the typical mileage was for end of life on a vehicle.

Chief Finkelstein said 100,000 but they have been going 110,000. It really depends on the vehicle.

Mr. Nickerson recalled to the Board that money is being put away so that they will be able to purchase vehicles for themselves in the future.

Ms. Johnson said that there is \$17,288 in that account now with another \$10,000 that has been billed out.

Ms. Alberti asked if they have a schedule for the purchase of vehicles.

Chief Finkelstein said ASAP as there is a 12-week window on them. They will arrive fully up-fitted equipment-wise in the manner that they need them. They have tried to have our staff do the outfitting but it is too cumbersome a process.

Ms. Alberti asked Mr. Bragaw what the timing of his purchase was.

Mr. Bragaw said that the garbage truck will take some three to four months and the Kubotas two to three months.

Ms. Alberti said that she thinks that the request for appropriation for these dollars is premature.

Mr. Nickerson said that this is for the 2018/2019 fiscal year and not now.

Chief Finkelstein said that for the police vehicles that they have to place the order by July first because all the other police departments are also putting their orders in. The longer they go the longer it takes to get the vehicles and it could be December before they see them.

Ms. Alberti suggested pushing this off for a month as she would feel better about it and also better knowing how the year will end up.

Mr. Bragaw said that he has to back up what Chief Finkelstein just said – if they get behind in ordering there is a delay in getting the products.

Mr. Nickerson asked Ms. Johnson to speak to how the acquisition program works.

Ms. Johnson said that the acquisition program is not the same as bonding. They sent out an RFP to seven different institutions who bid out the rates (the 3.07% cited in the motion). The institutions understand that there is a process and the rate expires once the meetings for the process are done (usually two weeks) and if they do not move forward they would have to start the process all over again. They are making a commitment over a five-year period to make these payments.

Ms. Alberti asked when they went out to bid.

Ms. Johnson said a month ago and that typically the rates are only good for 30 days.

Ms. Alberti said that she would be in favor of going through the process again next month or only appropriating a smaller amount.

Ms. Johnson said that would change a number of things –

Ms. Picarazzi said that she wonders why they would not shift this for a month –

Mr. Newton asked if there is a way to do this perhaps for the following year so that they have a heads up and would be able to plan for it as they have already done their budgets for this upcoming fiscal year.

Ms. Alberti asked about the \$625,000 going back to fund balance and why they would not just pay for this.

Mr. Nickerson said that they have been saying how they do not want to keep taking out of fund balance and how underfunded it is. He added that everything that they buy is a need.

Ms. Santoro said that they have discussed the fund balance and the auditor drove home the point of trying to grow the fund balance. They could maybe talk out the pros and cons of timing but with things already in process plus the fact that the Fed just raised the interest rates –

Ms. Alberti said that she would have to agree but there never seems to be time to discuss –

Mr. Bragaw said that he thinks that there are a lot of downsides to changing now – the interest rates could change, the cost of the vehicles escalates and a delay in getting the vehicles that they need. He suggested that they stay as they have been for now.

Ms. Johnson noted that they used to do this in the way that they are suggesting but it was changed to what they are doing now. However, they could re-visit it.

****MOTION (2)**

Mr. Birmingham moved that WHEREAS the Board of Selectmen has determined that a true and very real need exists for the acquisition of the vehicles and equipment described above presented at this meeting. BE IT RESOLVED to approve an appropriation in the amount of \$539,994.44 for the purpose of acquiring by way of lease or purchase various vehicles and equipment more particularly described in the Town's FY 2018/2019 Equipment Acquisition Plan, as evidenced by one or more agreements for the acquisition of said vehicles by lease or purchase or a combination thereof, for a total price of \$500,000 plus interest at the rate of 3.07% per annum, payable in annual installments of \$107,998.88 (\$8,999.91/month) over a period of five (5) years. The First Selectman is authorized, in the name and on behalf of the Town, to execute and deliver any documents that may be required in connection with said transactions.

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Note: This item requires Town Meeting approval

b. Special Appropriation 2018/19 BOE Technology \$237,597.55

Mr. Newton thanked them for leaving this as it is noting that it affects how they conduct their business. He noted that the items are listed that they would be purchasing.

Ms. Alberti asked if CAT 6 is the highest –

Pat Lannon, IT Director said that CAT 6 is the latest and greatest and that they had gone out for three bids. This is the lowest with the requirements that they need. They used a score card and the one with the best was awarded the bid.

****MOTION (3)**

Ms. Santoro moved WHEREAS, upon recommendation of the Board of Education, the Board of Selectmen has determined that a true and very real need exists for the acquisition of the equipment as described. BE IT RESOLVED, to approve an appropriation to the Board of Education in the amount of \$237,597.55 for the purpose of acquiring by way of lease or purchase or a combination thereof, various cabling, connectors, switches and wireless data distribution access points for the High School, Middle School, Niantic Center School, Lillie B Haynes, flinders School and the Central Office more particularly described in the East Lyme Public Schools Proposed Year One Technology Replacement Plan 2018/2019 for the total amount of \$220,000 plus interest at the rate of 3.07% per annum, payable in annual installments of \$47,519.51 (\$3,959.96/month) over a period of five (5) years.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Note: This item requires Town Meeting approval

c. Special Appropriation CNRE Projects \$89,121

Mr. Nickerson explained that this is for municipal projects which are seriously underfunded. They are taking the dollars from savings accounts for these purposes and moving them into CNRE.

Mr. Birmingham asked where this shows up.

Ms. Johnson said that it is a separate Fund 32.

Ms. Alberti asked for a list of every asset and liability in balance sheet format.

Ms. Johnson said that it is not one list – each fund has its own balance sheet.

Ms. Alberti asked what CNRE Fund 32 would look like.

Ms. Johnson said that it would show balances, transfers; there are about 20 different funds.

Ms. Picarazzi said that she would also like to see them to get a macroscopic view.

****MOTION (4)**

Ms. Alberti moved to approve a Special Appropriation for the following projects in CNRE Fund 32 which are consistent with the 2018/2019 Capital Improvement Plan: CNRE – Municipal Project – Town Projects

(Roofs) - \$10,000; HVAC Replacement town-wide - \$15,000; Town Projects – Various - \$27,060; Town-wide Servers - \$5,000; and Revaluation - \$32,061.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Note: This item requires Town Meeting approval

d. Bond Resolution Various Town Roads and Sidewalks \$950,000

Mr. Bragaw explained that they have been talking about the roads at Saunders Point for years but they were also looking at sewers so they did a sewer study and it was found to be too expensive. They did not want to do the roads before that as they would have had to tear them up if the sewer project had been found feasible. Now they will do the roads there. There is \$950,000 so they have some wiggle room for some sidewalks.

Ms. Santoro and Ms. Picarazzi asked if they are getting any TAR money.

Mr. Bragaw said that if they get the full complement of what they are saying that he has more projects on the list that there is money to do them.

Ms. Johnson explained that they only received 50% of the dollars that they were supposed to get so there is another \$160,000 out there that they have not seen yet. TAR dollars for FY 2018/2019 is \$322,187.

Ms. Picarazzi asked about the \$322,187 for FY 18/19 and if it is included in the \$950,000.

Mr. Bragaw said no.

Ms. Johnson added that whatever they receive, Mr. Bragaw has plenty of projects to spend it on. She noted that it can also be used for winter issues.

Mr. Bragaw said that the wall on Walnut Hill road is \$100,000. This year they cut a lot from their budget to help with the State reductions and they came up \$26,000 short.

Ms. Picarazzi asked if there is a way to save taxpayer money here and 'dial it back'.

Mr. Bragaw and Ms. Johnson said that the \$960,000 in bond funds Public Works has already planned out to do the work in the summer. They typically don't receive TAR funds until at least August so they do not have the money now to spend.

Mr. Birmingham asked Mr. Bragaw: hypothetically if they had unlimited funds – how much would he need to do all of the projects on the list.

Mr. Bragaw said that it comes to around \$8M to \$9M.

Mr. Birmingham said that Mr. Bragaw has prioritized the list and is doing what is crucial now and if more dollars come in he would move down the list to other items that are also in need of being done.

****MOTION (5)**

Ms. Alberti moved RESOLVED: That the resolution entitled "Resolution making an appropriation in the amount of \$950,000 for the rehabilitation of various Town roads and authorizing the issuance of \$950,000 bonds of the Town to meet said appropriation and pending the issuance thereof the making of temporary borrowings for such purpose", a copy of which is attached hereto, is hereby adopted and recommended for approval by the legal voters of the Town at Town Meeting.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Note: This item requires Town Meeting approval

e. Special Appropriation LoCIP Funds to CNRE up to \$403,567.36

Mr. Nickerson reviewed the list of LoCIP fund items.

Ms. Johnson noted that the LoCIP grant does not lapse at the end of the year and that they have to stay within the total amount of the funds available.

Mr. Nickerson added that it is based on a formula.

Ms. Johnson noted that there is some money in the account and if they don't get the \$138,782 that the \$264,785.36 is there.

****MOTION (6)**

Ms. Alberti moved to approve a Special Appropriation of up to \$403,567.36 into CNRE Fund 32 for Town Allocated Funds in the State of Connecticut LoCIP Program as follows: \$264,785.36 effective July 1, 2018

and \$138,782.00 effective March 1, 2019. In addition, make the following project appropriations from the funds noted above, consistent with the 2018/2019 CIP:

- \$15,000 – ELCC Front Vestibule
- \$20,000 – ELCC Reseal & Restripe Parking Lot
- \$60,000 – ELPD Roof Repair
- \$60,000 – Transfer Station – New Scale House, Loader Shed & Drainage Improvements
- \$20,000 – Maintenance of Town owned Dams
- \$20,000 – Town Owned Bridge/Culvert Repairs
- \$30,000 – Niantic River Boardwalk

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed. *Note: This item requires Town Meeting approval*

f. Special Appropriation NSEP Fund \$30,195.15 Communications Equipment

Chief Finkelstein explained that this is for dual purpose items and that they will be at no cost to the Town as it comes from a NSEP Grant for such purpose.

****MOTION (7)**

Mr. Birmingham moved to approve a Special Appropriation in the amount of \$30,195.15 to revenue account 01-04-400-401 (NSEP) Grant and budget account 01-70-725-224-006 (NSEP Equipment), for the purchase of portable radios, mobile Police scanners and miscellaneous equipment for the EOC to be used in the field during disasters.

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Note: This item requires Town Meeting approval

g. Budget Transfers within Department \$23,218.52

Ms. Johnson explained that these are transfers within departments done for various reasons.

Ms. Alberti said that it seems low in relation to past years and asked if there would be more coming.

Ms. Johnson said that there would be more coming next month.

Ms. Santoro asked about Knox the dog –

Ms. Johnson said that they did seek bids and worked within their budget to cover the expense.

Mr. Birmingham asked if the vet was local.

Ms. Johnson said no, Middletown had come in with the best bid.

****MOTION (8)**

Mr. Birmingham moved to ratify departmental transfers in the amount of \$23,218.52 processed for fiscal year end June 30, 2018.

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

h. Appoint Auditor for 6/30/18 Audit

Ms. Johnson said that they had done an RFP in 2016 and that it was for three years guaranteed with the option for two additional years. \$47,000 is the price for year two and the total with the BOE and water & sewer items is \$59,000.

Ms. Santoro asked where they are in the contract.

Ms. Johnson said year two.

Ms. Santoro asked if there is a rotation of partners.

Ms. Johnson said that there are staff/associates who work on it in rotation as well as project managers.

Ms. Santoro asked Ms. Johnson about her satisfaction with RSM.

Ms. Johnson said that she thinks that they are good to work with and they respond quickly. They are also helpful with ideas on how to work on specific items.

Ms. Santoro said that she would have liked to have had the letter to the board upfront so that they would have been able to review it prior to the audit. She also suggested that perhaps a mid-year visit by the auditor would be good so that they could ask questions.

Ms. Alberti said that she was involved with going out to bid and they only had two bids and they felt comfortable with RSM. She asked Ms. Johnson if the engagement letter details items.

Ms. Johnson said that it does and that she would put a copy in their green folder for an upcoming meeting.

****MOTION (9)**

Mr. Birmingham moved to appoint RSM as the Auditor for the June 30, 2018 Audit.

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

F. Reports

◆ **Board of Education**

Candace Carlson, BOE Member said that her daughter Alexandra would also update them this evening. They synopsized the events leading up to the elementary school renovations which would begin as soon as school is out for the summer. They noted that the trailers are already in place around the sites and reported on graduation dates and 'pack-up' dates. Ms. Carlson additionally explained that they use an on-line program for their documents.

Mr. Newton noted that there is a fee associated with it. They can see what it is like by going to the school website and accessing through the BOE public button.

Ms. Picarazzi asked if the Board members are expected to print off what they need.

Ms. Carlson said that they bring their laptops and can make notes while they are reading.

Mr. Newton reported that the re-districting boundaries have been completed and could be found on-line. He said that it is a rather large map.

◆ **First Selectman**

Mr. Nickerson reported on the following:

- The budget process is behind them and tonight they would be getting the financing in order for the items for the new fiscal year.

- The Park downtown is being prepared for completion and a brick can be purchased through this Friday as they need to have them done so that they can be placed at the site. The ribbon cutting will be July 21, 2018 – Celebrate East Lyme Day – early in the morning before all of the events begin.

- They are working on the utilities for the bathrooms at Cini Park and have received approval to use STEAP Grant dollars for the park items.

Ms. Picarazzi asked if they would be pumping up hill for the facilities at Cini Park.

Mr. Nickerson said yes, he added that they would winterize the piping and the trailer would be hauled away. He said that they are also reviewing the prospect of running water to the docks there.

◆ **Finance Director**

Ms. Johnson said that she had provided them with updated reports as some of the postings were not available at the time of the packet preparation. She said that they are looking at using about \$50,000 of fund balance to finish the year provided the estimates that they are looking at now do happen. They had originally estimated using \$350,000.

Ms. Alberti asked where the savings came from.

Ms. Johnson said that the BOE had frozen areas of their budget and did not release those dollars and will hold where they are. Also some of the departments are coming in with better numbers.

Ms. Alberti noted that the reports that they had received this evening are different from what they had received and that there appears to be a \$3M difference.

Ms. Johnson said that is the BOE.

Ms. Alberti said that she had watched a tape of the last meeting and the Auditor had expressed that postings were not made in the correct period.

Ms. Johnson explained that what they were talking about was a payable that was done in June but posted in July. It was approximately \$100,000 and they are working with the staff person regarding utilizing the (invoice) correct date.

Ms. Alberti asked if it is a documented policy that the invoice date should be used.

Mr. Nickerson and Ms. Johnson said yes.

Ms. Picarazzi said that they had estimated using \$350,000 from fund balance but would only be using \$50,000 –

Ms. Johnson explained that they had estimated using \$675,000 from fund balance for the budget so they would now not be using \$625,000 of that.

Ms. Picarazzi said that she is still thinking about the taxpayers –

Mr. Nickerson noted that the Health Insurance has taken a huge increase in claimants' amounts and that he and the insurance people will be meeting with the Town and BOE regarding this increase in costs.

Ms. Picarazzi asked if they try to incentivize insurance programs.

Ms. Johnson said that they started trying to but they have to go through a doctor as it involves blood work – in the end there could be a 1% decrease.

Ms. Alberti asked about administrative fees and if they are fixed by Aetna.

Ms. Johnson said that it is a fixed fee per person and is for the premium on the stop loss.

Ms. Alberti asked if Ms. Johnson was saying that Aetna also handles the stop-loss for us.

Ms. Johnson said that the consultant (Brown & Brown) solicits bids. They also went out for bids for other insurance companies and they came back and said that it did not make sense to change at this point. The administrative fees are \$950,000.

Ms. Alberti asked the net position of the health fund at year end.

Ms. Johnson said that the net position of the fund will be a negative \$1.5M.

Ms. Alberti asked how they would make that up.

Ms. Johnson said that the increase in premiums was going to be 17% and it would not be 28%. The fund had negative operating results of \$845,000 last year so the only way to make it work is to raise the premiums.

Ms. Alberti asked if they could use some of the fund balance to reduce the \$1.5M liability.

Ms. Johnson explained that was discussed however it does not equally share the burden and the employees would not be sharing it appropriately.

Ms. Picarazzi asked how much of a deficit for next year would they be projecting with the 28% increase.

Ms. Johnson said that she would work on that and have the information for the next meeting. She added that she had asked the same question on what would happen if they increase the premiums to 28%.

Ms. Picarazzi asked if the 28% does not get us to where we need to be where they would go from there.

Mr. Nickerson said that they would have to cut services as they cannot bump up taxes.

Ms. Picarazzi said that if this information was known earlier that it would have helped with the budget preparation instead of having this discussion afterwards.

Ms. Johnson said that the remedy to that is that now they will be discussing it on a regular basis.

G. Old Business

▪ Discussion – Board of Finance Action List Budget

Ms. Picarazzi asked that they add to the list – Acquisition items and timing with a date of September 2018.

Ms. Johnson noted Item 6 – Other Town wages and benefits and deliverables.

Ms. Picarazzi said that the intent was what department managers in other Towns get paid and what their benefits are so that it could be used as a benchmark.

Ms. Alberti recalled that they had some of that information on a worksheet some months ago.

Ms. Johnson said that information did not have other Towns; she said that she thought that September 2018 would be more realistic of a date for it.

Ms. Alberti asked about the audit seven points.

Ms. Johnson said that Item 8 on the list has those items included and that it would be addressed quarterly.

Ms. Alberti said that she would like them listed there and that they should also make sure that there is a segregation of duties as she had heard it noted on the tape. Things should be handled by different hands and the policy and procedures document is a working document.

Ms. Johnson said that they do have segregation of duties and that different people do handle the items. She said that she thought that they were referring to having more items look over things for a checks and balance. She said that the project manager Lauren Davis will meet with her in July and go over the items.

Ms. Alberti said that with respect to the PO's that if they have a policy that is not being followed that they need to document that and it needs to be part of the department head performance review. She said that she would be willing to speak to those individuals.

Ms. Johnson said that Ms. Davis indicated that just about every Town gets that comment.

Ms. Alberti said that if there is no repercussion then it is no big deal to them.

Mr. Nickerson said that it has been cleared up as the audit goes back to a previous year so they have worked it out.

Ms. Picarazzi said that the list will be maintained and that as the items come up they will become agenda items.

▪ **Purchasing Policy**

Ms. Santoro and Ms. Picarazzi suggested that they review the document and email Mr. Weber and/or Ms. Santoro their comments for further review and discussion at an upcoming meeting.

The Committee members were noted and thanked for all their hard work on the document – William Weber, Anne Santoro, Peter DeRosa, Marc Salemo and Dan Cunningham.

Ms. Santoro said that it is a working document and that even once it is approved things may be amended or changed from time to time as necessary.

H. Public Discussion

Ms. Picarazzi called for Public Discussion.

There was none.

I. Board Comments

Ms. Picarazzi noted that Ms. Johnson would provide them with a balance sheet of all funds; would ask RSM for the Board letter earlier and would provide the segregation of duties for Ms. Alberti.

J. Adjournment

Ms. Picarazzi called for a motion to adjourn.

****MOTION (10)**

Ms. Alberti moved to adjourn this Regular Meeting of the East Lyme Board of Finance at 10:07 PM.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

East Lyme Board of Education
Detailed List of Technology 2018/19

Type of Internal Connectio	Type of Product	Make	Model	Quantity	
Cabling/Connectors	Connectors	Other	999	2	50.00
Cabling/Connectors	Connectors	Other	1000	1	20.00
Cabling/Connectors	Connectors	Other	1009	9	300.00
Cabling/Connectors	Connectors	Other	1010	1	25.00
Cabling/Connectors	Connectors	Other	23828	1152	2,300.00
Cabling/Connectors	Connectors	Other	26260	11	50.00
Cabling/Connectors	Connectors	Other	29920	4	130.00
Cabling/Connectors	Connectors	Other	33045	9	150.00
Data Distribution	Switch	Cisco Systems	C2960X-STACK	15	9,000.00
Data Distribution	Switch	Cisco Systems	C3850-NM-4-10G	9	18,000.00
Cabling/Connectors	Connectors	Cisco Systems	CAB-CONSOLE-USB	7	375.00
Data Distribution	Switch	Cisco Systems	CAB-CONSOLE-USB	1	500.00
Cabling/Connectors	Connectors	Cisco Systems	CAB-SPWR-30CM	8	1,000.00
Wireless Data Distribution	Access Point	Meraki	LIC-ENT-5YR	24	6,300.00
Wireless Data Distribution	Access Point	Meraki	MR42-HW	24	15,000.00
Data Distribution	Switch	Cisco Systems	PWR-C1-715WAC/2.	5	3,000.00
Data Distribution	Switch	Cisco Systems	SFP-10G-LR=	7	14,000.00
Data Distribution	Switch	Cisco Systems	SFP-10G-LRM=	26	15,000.00
Cabling/Connectors	Connectors	Cisco Systems	STACK-T1-50CM	7	400.00
Data Distribution	Switch	Cisco Systems	STACK-T1-50CM	1	400.00
Data Distribution	Switch	Cisco Systems	WS-C2960X-48FPD-L	15	51,000.00
Data Distribution	Switch	Cisco Systems	WS-C3850-48P-E	9	83,000.00
					220,000.00

Attachment BOT 6/13/18 Item 5.6.

RESOLUTION MAKING AN APPROPRIATION IN THE AMOUNT OF \$950,000 FOR THE REHABILITATION OF VARIOUS TOWN ROADS AND AUTHORIZING THE ISSUANCE OF \$950,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$950,000 is hereby appropriated by the Town of East Lyme, Connecticut (the "Town") for the rehabilitation of various Town roads, including reconstruction, grinding and overlay, micropaving, chipsealing and cracksealing, and administrative, financing and costs of issuance related thereto, said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof (the "Project").

Section 2. To meet said appropriation, \$950,000 bonds of the Town or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). Said bonds may be issued in one or more series as determined by the First Selectman and the Town Treasurer, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amounts of State and Federal grants-in-aid of the Project, or the actual amounts thereof, if this be ascertainable and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, financing, legal and other costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Town Treasurer, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds including the rate or rates of interest shall be determined by the First Selectman and the Town Treasurer, in the best interest of the Town, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman in a competitive offering or by negotiation, in his discretion. If sold in a competitive offering, the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation, the purchase agreement shall be approved and signed by the First Selectman and the Town Treasurer.

Section 4. The Town Treasurer is authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the First Selectman and the Town Treasurer, have the seal of the Town affixed, be payable at a bank or trust company

designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. They shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing the notes, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount and for the Project with the proceeds of bonds, notes, or other obligations ("Tax Exempt Obligations") authorized to be issued by the Town. The Tax Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The First Selectman or his designee is authorized to pay Project expenses in accordance with this resolution pending the issuance of Tax Exempt Obligations.

Section 6. The First Selectman, Director of Finance and the Town Treasurer are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 7. The First Selectman and the Town Treasurer, or either of them, are hereby authorized, on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

**Town of East Lyme
Budget Transfers
Fiscal Year 2017/18**

To Account

From Account

Date	Dept	Account #	Description	Account #	Description	Amount	Reason for Transfer
2/16/2018	Police	01-25-216-300-321	Canine Maintenance	01-25-216-200-213	Mobile Radio Serv	1,334.00	One of the Police Canine Patrol dogs became ill and required extensive veterinary care. The officer called and took the dog to the vet that offered the most favorable pricing and discounting. Knox was at the Vet for several days. The Police Department made internal transfers to take care of this un-planned expenditure.
		01-25-216-300-321	Canine Maintenance	01-25-216-100-512	PT Constable	1,500.00	
		01-25-216-300-321	Canine Maintenance	01-25-216-100-517	Training PR	3,000.00	
		01-25-216-300-321	Canine Maintenance	01-25-216-300-326	Training Support	500.00	
3/15/2018	NFD	01-25-218-100-614	OT	01-25-218-100-611	Firefighters	2,000.00	FT ordered in multiple storms & during loss of radio comm w/dispach.
4/12/2018	Bldg Maint	01-01-113-300-317	Custodial Supplies	01-01-113-100-311	Custodians	8,000.00	To deal with the reduction in State Aid as employees when the PT Custodian transferred to another town dept, we eliminated. As such, we purchased a machine to do the floors at the ELCC for our staff to be more efficient.
		01-01-113-300-317	Custodial Supplies	01-01-113-300-201	Telephones	1,400.00	
4/25/2018	Bldg	01-01-104-300-246	Transportation	01-01-104-200-293	Permit Refunds	500.00	Heavy inspec schedules for two officials with one town vehicle. And vehicle is constantly breaking down requiring use of second personal vehicle.
5/15/2018	Police	01-25-216-300-326	Training Supplies	01-25-216-100-517	Training PR	1,795.38	Tuition for Police Training Programs
5/29/2018	GG & Misc	01-01-114-200-290	Insurance P D & L	01-01-114-100-121	FICAM/Medicare	1,200.50	Deductible paid by CIRMA for Public Officials Claim - Zoning (Matvey Sokilovsky)
5/30/2018	NFD	01-25-218-200-223	Small Equipment	01-25-218-300-320	Misc Supplies	73.18	Funds needed to be able to make purchase of Small Equipment.
		01-25-218-200-223	Small Equipment	01-25-218-200-221	Radios	31.82	
5/31/2018	Police	01-25-216-300-326	Training Supplies	01-25-216-100-517	Training PR	1,883.64	Tuition for Police Training Programs

TOTAL \$ 23,218.52

BoF
V-9
6/13/2018

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Attachment

BoF 6/13/18

Item 5.g.