



Board of Finance  
November 13, 2024



# Board of Finance Presentation November 13, 2024

Kevin Gervais Jr.  
Finance Director

# Town - Status Update

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- ▶ Non-Affiliated Description of Benefits Discussions
- ▶ Capital Improvement Program Committee
- ▶ Town hired IT Engineer
- ▶ MUNIS Implementation – Slow but Progressing
- ▶ ADP Software – Time to make the switch? More to come.
- ▶ UPSEU Union Contract Negotiations starting soon
- ▶ Defined Contribution Investment Advisor 401(a) & 457
- ▶ Town-wide Radio Discussion (ahead of CIP Mtgs)
- ▶ Police Payroll Issues
- ▶ East Lyme Fire Service – Brush Fires and OT, Oh my!
- ▶ Dominion Building- meeting with reps upcoming

# YE 2025 Budget vs. Actual - Highlights

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- ▶ Finance Director met with each Department Head
  - ▶ Dan C and Denise invited to larger departments
- ▶ Discussions w/ Library on FY2026 Budget
  - ▶ Looking to create efficiencies between two organizations
    - ▶ Insurance
    - ▶ Pension Contribution (employer)
- ▶ Each department faces challenging budget constraints
- ▶ Fire Dept – Brush fires are depleting materials and OT
- ▶ Public Works – running under budget due to staffing
- ▶ Park and Rec – Seasonal help continues to be an issue

# Financial Statement Audits Update

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## ▶ Fiscal Year 2023

### ▶ Balancing & Reconciling

- ▶ Reconciling to subsidiary ledgers

### ▶ Auditors conducting preliminary field work week of July 15<sup>th</sup>

## ▶ Fiscal Year 2024

### ▶ Closing out Purchase Orders

### ▶ Compiling final budget transfers (BOS to have on agenda first week of August, August BOF Meeting)

# Timeline for FY23 and FY24 Audits

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Fiscal Year	Event	Date	Description
Fiscal Year 2023 Audit	Audit is finalized and published on the OPM EARS website	2/15/2025	
	CLA and TOEL discuss preliminary request list for FY23 audit and preliminary field work	7/5/2024	
	TOEL sends auditors information from Request list	7/17/2024	
	Auditors conduct preliminary Field work and assessments	9/15/2024	
	Auditors send updated request list	9/30/2024	
	TOEL sends auditors requested information from follow-up Request list	11/15/2024	
	Auditors conduct audit field work (Remote)	12/1/2024	
	Auditors conclude field work, send financial statements to technical review	1/31/2025	
	Auditors and TOEL meet to discuss any last minute issues holding up audit issuance	2/5/2025	
Fiscal Year 2024 Audit	CLA and TOEL discuss preliminary request list for FY23 audit and preliminary field work	3/1/2025	
	TOEL sends auditors information from Request list	3/15/2025	
	Auditors conduct preliminary Field work and assessments	3/20/2025	
	Auditors send updated request list	3/22/2025	
	TOEL sends auditors requested information from follow-up Request list	4/1/2025	
	Auditors conduct audit field work	4/5/2025	
	Auditors conclude field work, send financial statements to technical review	4/15/2025	
	Auditors and TOEL meet to discuss any last minute issues holding up audit issuance	4/15/2025	
	Audit is finalized and published on the OPM EARS website	5/15/2024	

# Capital Improvement Program Committee

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- ▶ Capital Committee
  - ▶ Collaboration between various boards
    - ▶ Research past practice within Town and blend in best practices
  - ▶ Finance Intern presented to Board of Selectman
    - ▶ Referenced surrounding towns current capital committee structures
  - ▶ Balancing what we can afford vs. capital needs in the next 5-10 years (and even longer)
    - ▶ Important factor in our 5-10 year operating budget plan
- ▶ First Meeting tomorrow!

# Comparing ourselves to our Peers

Towns	Fiscal Year 2023-24					% of Budget			
	BOE	TOWN	DEBT	CAPITAL	TOTAL	BOE	TOWN	DEBT	CAPITAL
Old Saybrook	\$ 28,829,506	\$ 17,633,594	\$ 3,071,844	\$ 741,800	\$ 50,276,744	57.34%	35.07%	6.11%	1.48%
Ledyard	\$ 35,908,368	\$ 23,551,203	\$ 4,403,850	\$ 1,653,735	\$ 65,517,156	54.81%	35.95%	6.72%	2.52%
Stonington	\$ 41,641,074	\$ 27,238,731	\$ 7,614,625	\$ 3,664,774	\$ 80,159,204	51.95%	33.98%	9.50%	4.57%
Waterford	\$ 54,193,983	\$ 37,812,994	\$ 8,148,250	\$ 1,917,971	\$ 102,073,198	53.09%	37.04%	7.98%	1.88%
Madison	\$ 61,775,694	\$ 25,318,532	\$ 1,694,125	\$ 5,578,268	\$ 94,366,619	65.46%	26.83%	1.80%	5.91%
Branford	\$ 62,911,644	\$ 54,181,621	\$ 9,378,646	\$ 3,843,857	\$ 130,315,768	48.28%	41.58%	7.20%	2.95%
Clinton	\$ 35,446,476	\$ 18,285,237	\$ 5,020,675	\$ 4,025,273	\$ 62,777,661	56.46%	29.13%	8.00%	6.41%
Salem	\$ 11,304,501	\$ 4,382,916	\$ 441,875	\$ 1,086,302	\$ 17,215,594	65.66%	25.46%	2.57%	6.31%
Colchester*	\$ 42,025,701	\$ 12,646,557	\$ 2,075,164	\$ 901,180	\$ 57,648,602	72.90%	21.94%	3.60%	1.56%
<b>East Lyme</b>	<b>\$ 57,789,852</b>	<b>\$ 21,520,155</b>	<b>\$ 6,198,189</b>	<b>\$ 499,522</b>	<b>\$ 86,007,718</b>	<b>67.19%</b>	<b>25.02%</b>	<b>7.21%</b>	<b>0.58%</b>
					AVG	59.31%	31.20%	6.07%	3.42%
					East Lyme compared to Peers	ABOVE	BELOW	ABOVE	BELOW

\*FY22-23 Data used



# Tasks to Complete

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- ▶ **Coastal Resiliency Fund**
  - ▶ Collaboration between Finance, First Selectman, Public Works and Land Use Offices
  - ▶ Reference Materials identified
  - ▶ Next steps: Drafting Ordinance
- ▶ **OPEB Trust**
  - ▶ Establish an OPEB Trust
  - ▶ Continue to fund OPEB Contribution

# Next Steps

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- ▶ Close Out and finalize FY2023 Audit
- ▶ Turn around FY2024 audit
- ▶ RFP Auditors for FY2025 – FY24 is final year of contract
- ▶ Explore Time and Attendance software
  - ▶ Novatime has been bought out by UKG/Kronos
    - ▶ Will honor our 5 year contract but after that we need to migrate to new software
    - ▶ Perfect time to explore MUNIS integration or another outside vendor

Questions?

