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*J. R. [Signature]*  
HEBRON TOWN CLERK

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## TOWN OF HEBRON BOARD OF FINANCE SPECIAL MEETING

Thursday, November 10<sup>th</sup>, 2022

7:00 P.M.

### AGENDA

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1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. PUBLIC COMMENT
  - a. This section of the agenda is reserved for persons in attendance who wish to briefly address the Board of Finance. The Board requests that the comments be limited to three minutes or less. Persons wishing to address the Board regarding agenda items should request clarification from the Chair as to whether or not they should speak during the public comment portion of the meeting or at the time the agenda item is considered. Persons wishing to comment should type "comment" and your name in the chat box and you will be recognized.
4. FINANCE DIRECTOR'S REPORT – 2022 Audit Update, Office Operation Update
5. CONSENT AGENDA – Minutes Approval – August 11<sup>th</sup> & 25<sup>th</sup>, 2022
6. OLD BUSINESS –
  - a. Wall Street Sidewalk project update
  - b. BOE Non-lapsing request
7. NEW BUSINESS –
  - a. Other new business
8. LIAISON REPORTS
9. ADJOURNMENT

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*[Signature]*  
HEBRON TOWN CLERK

TOWN OF HEBRON  
BOARD OF FINANCE  
Special Meeting

Thursday, August 11, 2022

7:00 p.m.

MINUTES

**Board of Finance Present:** D.DelRosso, D.Veschi, M.Leichter, J.Fodaski,  
M.McCormack

**Board of Finance NOT Present:**

**Board of Selectmen Present:** P.Kasper, T.Thiele

**Staff Present:** E.Griffin

**Guests:** Erin Smith, Jen Sanford, Michael Sinkewicz

1. **CALL TO ORDER** – D.DelRosso called the meeting to order at 7:00pm.
2. **PLEDGE OF ALLEGIANCE** – was recited.
3. **PUBLIC COMMENT**  
**E.Smith – 25 Church St.** - wanted to highlight benefits of the preschool program, and support for adding another class. Discussion points included the benefits to the children due to the integration of the program within the school, improved performance outcomes for students who have early education services, impact of education programs to town's rating for people looking to move to Hebron.
4. **CONSENT AGENDA**  
BOF members agreed to table the minutes approval until the August 2022 regular meeting.
5. **NEW BUSINESS**

**A. Unassigned Fund Balance**

D.DelRosso gave an introduction and overview of this topic:  
This discussion was requested once the audited financial statements were completed for the prior year, and 2021 has been completed with a presentation done by the auditors.

Projected Fund Balance - June 30, 2022 \$7,964,190 (21.33%).

The estimated fund balance document also noted: *Please keep in mind that the Auditors report a percentage retention of 10% to 15% in the unassigned fund balance which is maintained with a reserve of 1 & 1/2 month of the 2021-2022 and proposed 2022-2023 budgets. This also provides compliance with our General Fund Policy.*

E.Griffin has been meeting with Superintendent Baird and K.O'Leary. The \$228K has not been moved from fund balance into the new fund; this reduces the June 30<sup>th</sup> projected amount down to 20.90%, and the utilization figure would be

\$2,448,059. The 14.29% rate was used based on the increase of the budget, and based on the conversation with the auditor during the presentation who suggested to lean more towards 15%. She noted that this is a good point to be at for maintaining the reserves.

The Board of Education submitted a request (request date 8/11/22) for their remaining surplus for the July 2022 fiscal year end; the auditors would prefer that the request is made prior to the completion of the audit so that it can be posted in the appropriate fiscal year – this request should be included in the 2022 fiscal year since the formal action for approval was after the audit was completed in each fiscal year – this will also be the new process going forward. The auditors suggested the BOE not request the full surplus dollars in case there should be any adjustment entries that are necessary, but they want it to be requested closer to the end of the fiscal year rather than the completion of the audit so that it can be posted in the appropriate fiscal year. Further discussion on this topic will be tabled until the next meeting.

Funds available for utilization maintaining 1 & 1/2 month reserve \$2,676,059. D.DelRosso opened discussion by asking if the BOF is amenable to moving a portion of these funds to the debt management fund. The Debt Management Fund is moving funds to be used in the future, against expenses, principal, and/or interest of issued debt for large capital projects on behalf of the Town. There currently is a balance, and the town is looking at some major projects in the future. It is recommended from the auditors that the town maintain the policy of moving unassigned fund balance beyond 15% to the debt management fund to be used in the future, and offset any tax collection in future years for those types of expenses. The process is that the BOF would make a recommendation to the Board of Selectmen who would then approve it and then it would go to a public meeting for a vote. There is currently a little over \$1.8million. ARPA funds are not included in this amount – ARPA funds are handled completely separately; they cannot be co-mingled with the operating funds of the town. J.Fodaski brought up the topic of the funds for the sidewalk project – the discussion for this will be tabled until the next meeting.

M.Leichter made the following motion, J.Fodaski seconded the motion:

Move that the Hebron Board of Finance recommend to the Board of Selectmen that the town move \$1 million dollars from the unassigned fund balance to the debt management fund upon approval from the town meeting.

The motion passed with all in favor.

#### **B. BOE Supplemental Appropriation Action**

D.DelRosso summarized the request:

The Board of Education is requesting a supplemental appropriation in the amount of \$252,372; the purpose of the funding would be to accommodate their growing enrollment in preschool. Kindergarten through grade six enrollment has grown by 10% over the past two years, and the needs in the community for high quality preschool education is also growing. They currently have 20 students on the waiting list for preschool openings, and it is their collective opinion the Town has

responsibility to serve the need. The BOE are saying that their preschool program is very popular in the community because it is a high quality program.

The Board of Selectmen submitted a letter recommending that the BOF do not approve the request at this time. Board members provided thoughts on this topic. D.DelRosso agreed that expanding the pre-k program outside of the budgetary process is not something that she would approve of. D.Veschi also agreed with the BOS recommendation; the voters passed the current budget, and there still is uncertainty about enrollment numbers. M.McCormack agreed with the BOS recommendation, and to approve this request would be overriding the voters who passed the budget, and this is not based on the merits of the program. J.Fodaski also agreed, noting that this is about budgets and not about preschool. M.Leichter also agreed, and would support the BOE adding this to their next budget and supports the program, but based on the budget process agrees with the BOS recommendation.

D.DelRosso made the following motion, D.Veschi seconded the motion:

Motion that the BOF will decline the approval of the supplemental appropriation for the Board of Education.

The motion passed with all in favor.

### **C. ARPA LISTING UPDATE**

E.Griffin gave an update on the ARPA project list. Some projects (indicated with checkmarks on the list provided in the agenda packet) have been approved to move forward. The sidewalk project will be part of phase II. There was discussion about the status of other projects, including: skate park, pickleball court – nothing is off the list, but a lot more information has to be gathered for many of the projects.

## **6. LIAISON REPORTS**

**WPCA – M.McCormack** - Town of Lebanon dispute over meter reading was discussed – still under dispute, will be subject of litigation, new court dates in October. The potential for requiring an additional connection charge for accessory apartments to hook up to the sewer system was discussed.

**BOARD OF SELECTMEN – D.DelRosso** – Gave an update on the sidewalk project, that costs were much higher than originally anticipated.

## **ADJOURNMENT**

D.DelRosso noted that there will still be a regular meeting on August 25<sup>th</sup>.

M.McCormack moved to adjourn the meeting at 7:54pm, J.Fodaski seconded the motion. The motion passed with all in favor.

Respectfully Submitted,  
Kathryn Huntington

TOWN OF HEBRON  
BOARD OF FINANCE  
Regular Meeting

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*Carl A. Thompson*

2022 SEP -1 P 2:40 7:00 p.m.

Thursday, August 25, 2022

MINUTES

HEBRON TOWN CLERK

Board of Finance Present: D.Del Rosso, D.Veschi, M.Leichter, M.McCormack

Board of Finance NOT Present: J.Fodaski

Board of Selectmen Present:

Staff Present: E.Griffin

Guests:

1. CALL TO ORDER – D.DelRosso called the meeting to order at 7:00pm.
2. PLEDGE OF ALLEGIANCE – was recited.
3. PUBLIC COMMENT
4. FINANCE DIRECTOR'S REPORT  
E.Griffin gave the Finance Director's Report.

**A. 2021-2022 Budget Update**

FINANCE DIRECTOR'S REPORT August 18th, 2022, read by E.Griffin:

The revenue budget in the amount of \$37,016,920 is at 43.24% or \$16,006,618 collection. Tax revenue is at 53.31% or \$15,334,770. Back tax collection is at 22.89% or \$143,127.

The expense budget also in the amount of \$37,016,920 is at 23% or \$8,567,410 including blanket yearly encumbrances. Overages are already apparent with rationalization outlined below:

Dept 1000- Recreation full time payroll line is overdrawn by \$5,170 due to a salary increase for an employee that now possesses turf and fertilization certifications necessary by State mandate.

All electricity lines are overdrawn due to the unbudgeted rate hike that went into effect July 1st •

Dept 2001- State Trooper Services will have an approximate \$11,000 surplus due to a reduction in the fringe benefit percentage required by the Town.

All other expense lines are on target.

5. CONSENT AGENDA

Minutes Approval –

**April 19<sup>th</sup>, 2022, Regular Meeting**

**CORRECTIONS:**

Paragraph 2 line 5 (starts "being cut") – missing word - NOT – from cutting programs.

D.DelRosso moved to approve the April 19<sup>th</sup>, 2022 Regular Meeting minutes as amended, M.McCormack seconded the motion. The motion passed with all in favor.

**May 26<sup>th</sup>, 2022, Regular Meeting**

M.McCormack moved to approve the May 26<sup>th</sup>, 2022 Regular Meeting minutes as amended, M.Leichter seconded the motion. The motion passed with all in favor.

**June 23<sup>rd</sup>, 2022, Regular Meeting**

**CORRECTIONS:**

Agenda item 4A, first line. Expenditure budget should be 94% expended (*percentage sign was missing*).

Agenda item 6B - An executive summary was sent on June 23<sup>rd</sup>. S.Carta said that he would send the management letter to the BOF members after the meeting (*has not yet been received*). Last sentence should state that S.Carta will participate in the October 27<sup>th</sup>, 2022 BOF meeting.

D.DelRosso moved to approve the June 23<sup>rd</sup>, 2022 Regular Meeting minutes as amended, M.McCormack seconded the motion. The motion passed with all in favor.

**July 21<sup>st</sup>, 2022, Regular Meeting**

M.Leichter moved to approve the May 26<sup>th</sup>, 2022 Regular Meeting minutes as amended, D.Veschi seconded the motion. The motion passed with all in favor (one abstention – M.McCormack).

**6. NEW BUSINESS**

**A. Wall Street Sidewalk Update**

Tabled until the next meeting when all board members will be in attendance.

**B. BOE SRO Request**

A request from the BOE was received for an additional SRO officer. D.DelRosso and P.Kasper gave an overview of this topic. This request was discussed at the BOS meeting on 8/18/2022. After discussion, the BOS decided that A.Tierney and M.Rubera would work together to gather information and provide an update on this topic at the next meeting. The initial request was submitted as an APRA request, however funding for future years will have to be considered for future years' budgets. Interim measures to help bolster SRO support while this request works through the process are being discussed. The total budgetary expense for this request is \$176,296.48.

**C. BOE Non-Lapsing Fund Request**

D.DelRosso gave an overview of this issue. On August 11<sup>th</sup> BOE Chair Heather Petit sent a request that the unexpended funds from June 30<sup>th</sup>, 2022 in the amount of \$33,478.70 be transferred into the non-lapsing account. Additionally, the auditors requested that these types of transactions be requested prior to the audit conclusion so that they can be part of the audited record of the fiscal year. The letter stated that this money was in the budget to replace the clocks, and this project was put on hold until the result of the engineering study. D.DelRosso noted that the school needs the updates to the clock system, and it would result in this expense being budgeted again in the future. The auditors also recommended that the BOE not request the full amount of any excess funding, but should leave some in case of any necessary adjustments. There was discussion about possible scenarios and timing that could result in possible overspending of the budget or findings on the audit. BOF members expressed concerns about approving this request before the audit is completed. There was discussion about the initial setup of the non-lapsing account, and the functions and procedures of this account. E.Griffin will pose the question as to if this type of transaction would result in an audit finding.

M.Leichter made a motion to suspend discussion on this topic pending answers on some of the questions that have been raised and ask the Finance Director to make inquiries with the Auditor as to what situation could develop and what the results would be in terms of the town. D.DelRosso seconded the motion. The motion passed unanimously.

BOF members agreed to move the September 22<sup>nd</sup>, 2022 meeting to September 29, 2022.

Regarding the non-lapsing account, the statute states, "Educational Purposes only" and authorized by the BOE. D.DelRosso asked if the term "Educational Purposes" is defined in the state statute. If there is no current definition, could the town attorney give guidance as to what is and isn't considered "educational purposes".

## **7. LIAISON REPORTS**

**AHM – M.Leichter** – have been experiencing facilities issues – have updated heating and cooling system. The town has offered technical guidance on this issue.

**D.DelRosso - BOS** – Gave update during SRO discussion.

## **ADJOURNMENT**

M.Leichter moved to adjourn the meeting at 8:10pm, D.DelRosso seconded the motion. The motion passed with all in favor.

Respectfully Submitted,  
Kathryn Huntington

MEMORANDUM

TO: Board of Finance  
FROM: Elaine Griffin, Finance Director  
DATE: August 16<sup>th</sup>, 2022  
SUBJECT: Wall Street Sidewalk Project

This project coincided with the RHAM Campus Project with funding from DOT Grants for the initial design and construction cost estimates provided from Engineering firm Luchs Consulting Engineers.

The State Historic Preservation Office (SHPO) involvement determined that the project scope needed to be expanded and specific criteria met with the construction, obviously increasing the cost as well. Construction costs are estimated to now be around \$380,000 contingent on bid results.

A Small-Town Economic Assistance Project (STEAP) grant has been awarded in the amount of \$128,020. CIP dollars have been budgeted for in the amount of \$159,000. \$25,000 was allocated in the 2018-2019 fiscal year and expended with the RHAM Campus project. \$134,000 was allocated in fiscal year 2020-2021 with \$27,370 expended to date for the additional design costs per SHPO with a balance of \$106,630.00 remaining. The additional design was also contracted with Luch's as they had performed the initial design.

In summation another \$146,000 may be necessary from ARPA funds to complete this project.



Elaine Griffin

---

**From:** Andy Tierney  
**Sent:** Tuesday, September 13, 2022 8:25 PM  
**To:** Elaine Griffin  
**Subject:** Fwd: Education Purposes and Non-lapsing education fund statute

Sent from my iPhone

Begin forwarded message:

**From:** "Kenneth R. Slater, Jr." <Slater@halloransage.com>  
**Date:** September 13, 2022 at 5:00:01 PM EDT  
**To:** Andy Tierney <atierney@hebronct.com>  
**Subject:** Education Purposes and Non-lapsing education fund statute

Andy,

I reviewed the questions discussed by the board.

There is no definition of what constitutes an expenditure for "educational purposes" in the non-lapsing unexpended education funds account statute, Conn. Gen. Stat. § 10-248a, or elsewhere in the general statutes.

The general statutes do define the powers of a board of education as follows:

*§ 10-241. Powers of school districts*

*Each school district shall be a body corporate and shall have power to sue and be sued; to purchase, receive, hold and convey real and personal property for school purposes; to build, equip, purchase and rent schoolhouses and make major repairs thereto and to supply them with fuel, furniture and other appendages and accommodations; to establish and maintain schools of different grades; to establish and maintain a school library; to lay taxes and to borrow money for the purposes herein set forth; to make agreements and regulations for the establishing and conducting of schools not inconsistent with the regulations of the town having jurisdiction of the schools in such district; and to employ teachers, in accordance with the provisions of section 10-151, and pay their salaries. When such board appoints a superintendent, such superintendent may, with the approval of such board, employ the teachers.*

That statute creates a framework of the powers of the school district. If an expenditure relates to any of those powers, it would be an expenditure for educational purposes. A school board exists for no purpose unrelated to educational purposes. Connecticut courts have consistently left the question of what expenditures are required for the purposes of education to the local school board and not to general municipal government boards such as board of finance or board of selectman. *Bd. of Ed. of Town of Ellington v. Town of Ellington*, 151 Conn. 1, 6 (1963) ("A town board of education is an agency of the state in charge of education in the town, and broad powers are granted it by the legislature to that end. In the exercise of those powers or in the incurring of expense necessitated thereby to be paid by the town, the board of education is beyond control by the town or any of its officers except as limitations are found in statutory provisions.")

I do not read the inclusion of the limitation that the funds in the non-lapsing account be for "educational purposes" to mean that the school has the power to make expenditures on educational and non-education purposes. It merely restates the inherent limitation that the school board cannot expend funds unrelated to education.

Regards,

Ken

## Elaine Griffin

---

**From:** Andy Tierney  
**Sent:** Wednesday, September 14, 2022 8:11 AM  
**To:** Elaine Griffin  
**Subject:** FW: Education Purposes and Non-lapsing education fund statute

fyi

**From:** Kenneth R. Slater, Jr. <Slater@halloransage.com>  
**Sent:** Wednesday, September 14, 2022 8:11 AM  
**To:** Andy Tierney <atierney@hebronct.com>  
**Subject:** RE: Education Purposes and Non-lapsing education fund statute

I had a paragraph that I eliminated that, essentially, state that while it is unlikely that a board's expenditure would be totally unrelated to education, if that ever occurred there could be legal action by the town to have a court declare that the expenditure was outside the legal authority of the board. Never heard of such a case, but is possible.

**HALLORAN  
& SAGE**

Kenneth R. Slater, Jr., Esq.  
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Hartford, CT 06103-4303

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**From:** Andy Tierney <atierney@hebronct.com>  
**Sent:** Wednesday, September 14, 2022 8:02 AM  
**To:** Kenneth R. Slater, Jr. <Slater@halloransage.com>  
**Subject:** RE: Education Purposes and Non-lapsing education fund statute

Thank you ken

**From:** Kenneth R. Slater, Jr. <Slater@halloransage.com>  
**Sent:** Tuesday, September 13, 2022 5:00 PM  
**To:** Andy Tierney <atierney@hebronct.com>

## Elaine Griffin

---

**From:** Elaine Griffin  
**Sent:** Wednesday, September 7, 2022 10:43 AM  
**To:** Kenneth R. Slater, Jr.  
**Subject:** FW: Letter to Town of Hebron  
**Attachments:** Scanned from a Xerox Multifunction Printer.pdf

Good morning Ken,

Attached is your opinion on the establishment of a non-lapsing account by the BOF for the BOE. Now the BOF would like an opinion (or reference to another state statute if it exists) on what constitutes usage of these dollars as "educational purposes" as outlined in CGS §10-248a. The next BOF meeting is scheduled for 9-29 and whatever you can provide me with prior to the meeting would be greatly appreciated. Thanks!

Elaine M Griffin  
Finance Director  
Town of Hebron  
15 Gilead Street  
Hebron, CT 06248  
(860) 228-5971 x131 (PH)  
(860) 228-4859 (Fax)  
egriffin@hebronct.com

**From:** Kenneth R. Slater, Jr. <Slater@halloransage.com>  
**Sent:** Wednesday, January 27, 2021 4:19 PM  
**To:** Elaine Griffin <EGriffin@hebronct.com>  
**Subject:** FW: Letter to Town of Hebron

Elaine,

Attached is my opinion regarding the non-lapsing account. Let me know if it misses any issue the board was concerned with and I can revise it.

Ken



Kenneth R. Slater, Jr., Esq.  
Halloran & Sage LLP  
One Goodwin Square, 225 Asylum Street  
Hartford, CT 06103-4303

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