



TOWN OF LEDYARD

Finance Committee

Meeting Minutes

741 Colonel Ledyard Highway
Ledyard, Connecticut 06339

Chairman S. Naomi
Rodriguez

Regular Meeting

Wednesday, April 2, 2025

5:00 PM

Town Hall Annex Building - Hybrid Format

In -Person: Council Chambers, Town Hall Annex Building

Remote Participation: Information Noted Below:

Join Zoom Meeting from your Computer, Smart Phone or Tablet:

<https://us06web.zoom.us/j/81105593030?pwd=42li3w9tA0kEK0ReszUFCgWIXEgPsh.1>

by Audio only: Telephone: +1 646 558 8656; Meeting ID: 811 0559 3030; Passcode: 714984

I CALL TO ORDER

the Meeting was called to order by Committee Chairman Councilor Saccone at 5:00 p.m. at the Council Chambers Town Hall Annex Building.

Councilor Saccone welcomed all to the Hybrid Meeting. He stated for the Town Council Finance Committee and members of the Public who were participating via video conference that the remote meeting information was available on the Agenda that was posted on the Town's Website - Granicus-Legistar Meeting Portal.

II. ROLL CALL

Present: Tony Saccone

Jessica Buhle

Excused: Tim Ryan

II.

In addition, the following were present:

S. Naomi Rodriguez Town Council Chairman
Fred Allyn, IIIMayor
Matthew Bonin Finance Director
John RicPolice Chief
Jon ManLedyard Center Fire Chief
Branden Gruber Board of Education Member

Roxanne Maher Administrative Assistant

III. RESIDENTS & PROPERTY OWNERS COMMENTS

None.

IV. PRESENTATIONS / INFORMATIONAL ITEMS

None.

V. APPROVAL OF MINUTES

MOTION to approve the following Finance Committee Minutes:

- Budget Work Session Minutes of March 18, 2025
- Meeting Minutes of March 19, 2025

Moved by Councilor Buhle, seconded by Councilor Saccone

VOTE: 2 - 0 Approved and so declared

MOTION to approve the Finance Committee Minutes of February 19, 2025

Moved by Councilor Buhle, seconded by Councilor Saccone

VOTE: 2 - 0 Approved and so declared

RESULT: APPROVED AND SO DECLARED

MOVER: Jessica Buhle

SECONDER: Tony Saccone

VI. Finance Director's Report

Finance Director Matthew Bonin addressed the following (1) Juliet W. Long Heating Ventilation & Air Condition Installation (HVAC) Bid # LPS-24-9 (Ledyard Public Schools HVAC Replacement) - Mr. Bonin stated this was the third time bid were solicited for Juliet W. Long School HVAC Project, noting that the town receive the required three bids. He noted that the Nutmeg Companies, Inc., was the low bid in the amount of \$2,673,520; however, the bid was \$1,250,000 more than the projected estimated cost. Therefore, he explained in accordance with the Chapter VII; Section 7 of the Town Charter the town was required to go back a Referendum to request the townspeople to increase the current \$8,550,000 Bond Authorization for the Board of Education Roof Replacement & Various Projects by an additional \$1,250,000; bringing the total Bond Authorization to \$9,800,000. He noted that a request would be submitted for the Finance Committee's April 16, 2025 Agenda to review, approve, and to forward a recommendation to be included on the May 20, 2025 Fiscal Year 2025/2026 Referendum for the townspeople to authorize increasing the Board of Education Roof Replacement & Various Projects by \$1,250,000; for a total bringing the total requested Bond Authorization to \$9,800,000. He went on to explain that the State approved a 61.78% Grant Reimbursement for a HVAC project cost of \$2.25 million, noting any costs over that amount would not be eligible for grant reimbursement; (2) Finance Department Accounts Payable Retirement - Mr. Bonin stated after 31-years of service

that Accounts Payable Ms. Sheryl Trocchio has submitted her retirement to be effective on April 7, 2025. He stated that Ms. Nancy Clang who was currently working in the Assessor's Office would be moving into the Accounts Payable position; (3) American Rescue Plan Act (ARPA) Funding - Mr. Bonin noted the Town received a letter from the US Treasury stating that they intended to vigorously monitor Recipients' methods of obligating the ARPA Funds to ensure that Project funds were obligated by the December 31, 2024 Deadline. He stated the US Treasury was expecting to pull money back from those who did not properly obligate their ARPA Funding by the December 31, 2024 Deadline. Mr. Bonin stated that he was confident that Ledyard has met the ARPA Requirements; and that he did not foresee Ledyard having to return any ARPA Funding back to the US Treasury.

Chairman Rodriguez addressed the Board of Education Roof Replacement & Various Projects noting that this would be the third time these projects were being presented to the townspeople to vote on. She stated the First Referendum in the amount of \$8,367,500 was held on February 22, 2022; and the Second Referendum to increase the amount by \$1,825,000 for a revised total of \$8,550,000 was held on October 17, 2023. Therefore, she questioned whether any of the roof projects were coming in under budget and if they could those funds to offset the increased cost of the Juliet W. Long HVAC Project.

Finance Director Matthew Bonin stated that at this point in time they were expecting the Projects to fall within the budgeted amount. However, he stated the Projects were still not complete; noting there were some contract issues and some issues with the installation of the Gales Ferry School Roof. He stated should some projects come in under budget that there would not be enough funding remaining to close the \$1,250,000 gap for the increased cost of the Juliet W. Long HVAC.

Mayor Allyn, III, explained to try to reduce the cost of the Juliet W. Long HVAC Project that Bid # LPS-24-9 (Ledyard Public Schools HVAC Replacement) included some "Alternates" such as not installing the air conditioning in the Gym or Assembly Room, which provided a savings of about \$147,000. Finance Director Matthew Bonin stated that it was his understanding that the PMBC decided not to exercise the Alternates.

Mayor Allyn went on to note at the March 26, 2025 Town Council Meeting that he mentioned that the low bid for the Juliet W. Long HVAC Project came in about \$500,000 higher than the estimated project cost. However, he stated that the total amount of the low bid was \$1,250,000 over the estimated costs, explaining that the total costs of the project included expenses such as Borrowing Costs; Builders Risk Insurance Policy which would provide coverage during the construction; and Connecticut Interlocal Risk Management Agency (CIRMA).

Councilor Buhle questioned the reason the cost of the CIRMA Premium would be included in the bonding and whether the town would see an increase in their CIRMA Premium in their annual insurance coverage. Mayor Allyn explained because there

would be an increased value of the building that the additional premium would be for the replacement of the building; should there be a catastrophic failure of the building.

Councilor Saccone stated that we have all been in town for many years, noting that Ledyard has continuously kicked the can down the road in addressing needed repairs and improvements. He stated the town was spending \$8,550,000 for these Board of Education Various School Projects. Therefore, he stated that when they were spending this much money it did not make sense to only do 9/10 of the project and not include air conditioning/climate control in the Gym, Assembly Room and Cafeteria to save a \$110,000. He stated that he understands that these projects were a lot of money; and that taxpayers do not like to have their taxes increase. However, he stated that they have to look at the Big Picture.

Mayor Allyn addressed the timing of the HVAC Project at Juliet W. Long School. He stated that the Projects would need to be completed by December, 2026 for the town to be eligible to receive the Grant Reimbursement in the amount of 61.78% of the total costs of the HVAC Project, noting that the State has already granted Ledyard an extension to complete these Projects. He stated in an effort to meet the December, 2026 Project Completion Deadline that the Contractor has stated that they would need two summers; which was the reason the Permanent Municipal Building Committee was looking to include this request to increase the Bond Authorization on the May 20, 2025 Fiscal Year 2025/2026 Budget Referendum, so that they could begin work when school lets out in June, 2025.

Chairman Rodriguez questioned if they present this supplemental authorization request in the amount of \$1,250,000 to the townspeople at the May 20, 2025 Annual Budget Referendum, whether the Contractor has guaranteed that they would start the Juliet W. Long School HVAC Project in June, 2025.

Mayor Allyn replied to Chairman Rodriguez stating that they do not have a guarantee that the Contractor could even get the materials on-site by June, 2025. However, he stated if the town does not complete the job by December, 2026 that they would not be eligible for the Grant Reimbursement. Therefore, he stated that they were trying to get some work done between June and August of this year (2025) ; and June and August of the following year (2026). He stated although they do not have a guarantee, that the Contractor indicated that they were going to do the work, and that they may have to adjust their schedule to work during the School's Christmas breaks, and other school breaks, etc., and that they may possibly have to do some work on the roof while the kids were in school, so they had things prepped and ready.

Chairman Rodriguez noted that the Contractor has talked about alternatives on how they could complete the job. However, she stated in looking at the last two Referendums for the Board of Education Various Projects that the First Referendum in the amount of \$8,367,500 was held on February 22, 2022; and the Second Referendum to increase the amount by \$1,825,000 for a revised total of \$8,550,000 was held on October 17, 2023. She stated that she has never seen the town ask the townspeople to vote on a Project during the May Annual Budget Referendum.

Mayor Allyn stated that the town has included financial questions on the Annual Budget Referendum in past years. He stated that the Permanent Municipal Building Committee (PMBC) would be forwarding their recommendation/request to the Town Council to increase the current \$8,550,000 Bond Authorization for the Board of Education Roof Replacements & Various Projects by an additional \$1,250,000; bringing the total requested Bond Authorization to \$9,800,000 to facilitate the Juliet W. Long HVAC Project. However, he stated that the Finance Committee and the Town Council would decide whether to forward the request to the townspeople to advance the Juliet W. Long HVAC Project.

Mayor Allyn went on to state that this was the third time they have solicited bids for the Juliet W. Long School HVAC Project. He noted that the second time they solicited bids only one bid received. He explained that the Architect later told the PMBC that the reason they only received one bid was because the Contractors were not confident they could complete the job in one summer. Therefore, he stated with splitting the Project the town received the required three bids.

Councilor Saccone noted at the March 26, 2025 Town Council meeting they transferred the Board of Education's Fiscal Year 2024/2025 audited surplus in the amount of \$118,629 to the BOE Reserve Fund. Therefore, he stated that perhaps the Board of Education would consider using those funds to install the air conditioning in the Gym area.

VII. Financial Reports

None.

VIII. OLD BUSINESS

1. Discussion regarding potential uses for the funding received from the National Opioid Settlement Payments.

RESULT: CONTINUE

* MOTION to allocate up to \$12,500 from the National Opioid Settlement Funding (account # 20810201-58206-24206) to support the Fiscal Year 2025/2026 administration of the DARE Program in Ledyard Public Schools.

Moved by Councilor Saccone, seconded by Councilor Buhle
Discussion: Police Chief John Rich stated the Police Department worked with the Board of Education and Middle School Principal Earley to reinstitute the Drug Abuse Resistance Education (DARE) Program. He stated about 180 students participated and completed the program this year. He stated because the DARE Program was very well received, they decided that they wanted to continue it.

Police Chief John Rich went on to state during the course of the Police Department preparing their Fiscal Year 2025/2026 Budget, that Finance Director Matthew Bonin

asked that he provide a breakdown of the cost to administer the DARE Program. Chief Rich stated that because many of the supplies such as the workbooks, materials, and merchandise that goes to the kids were donated; that most of the Police Department's costs to administer the 10-week program was for personnel which required about 133-man-hours.

Chief Rich stated that his initial request was slightly lower, however, the Mayor wanted to ensure that that would have the workbooks and other supplies in case the donations did not come through; and that he also included some funding for the fringe benefits. Therefore, he stated the request this evening to support the DARE Program was \$12,500.

Councilor Saccone requested clarification, noting that the funding to administer the DARE Program was not included in the Fiscal Year 2025/2026 Budget. Finance Director Matthew Boning stated that Councilor Saccone's understanding was correct, noting that this allocation was coming out of the National Opioid Settlement Payments and would be outside the town budget.

Councilor Buhle, attending remotely via Zoom, noted that she loved the idea to support the DARE Program with the National Opioid Settlement Funding.

VOTE: 2-0 Approved and so declared

RESULT: RECOMMENDED FOR APPROVAL

MOVED: Tony Saccone

SECONDER: Jessica Buhle

AYE: 2 Saccone and Buhle

EXCUSED: 1 Ryan

2. Continued discussion regarding the status and possible changes to Capital Improvement Plan (CIP) and Capital Non-Recurring (CNR) Fund based on the American Rescue Act Funding (ARPA) and the process to approve ARPA Projects and expend ARPA Funding.

Councilor Saccone noted that Finance Director Matthew Bonin mentioned during his report earlier this evening that the town received a letter from the US Treasury regarding the requirement to obligate the ARPA Funding by their December 24, 2024 Deadline; and that Town had all their contracts in place by the Treasury's deadline.

Finance Director Matthew Bonin stated that the town recently paid some invoices for the Ledyard Center Sewer Line Extension Projects, and therefore, he wanted to review the ARPA Project's Spreadsheet with Public Works Director/Town Engineer Steve Masalin to make sure the invoices were all being applied toward the appropriate Phases of the Sewer Projects.

RESULT: CONTINUE

3. Continued discussion regarding upcoming potential Grant Opportunities.

Councilor Buhle stated last week she received a call from Senator Richard Blumenthal's Office noting that her understanding of the Continuing Resolution that was passed, did not fund the Congressionally Directed Spending Program for Community Projects that had been submitted for the current fiscal year (fy 24/25). However, she stated that Senator Blumenthal's Office explained that should Ledyard choose to resubmit their request in 2026 for the COPS Technology Grant in the amount of \$239,000 for the replacement of the Dispatch Base Station Radio, which was a computer aided dispatch system that would enable the Police Department to integrate with the Fire Departments and with other partner towns, that their Application would have top priority at the top of the list. However, she stated that Senator Blumenthal's Office was not sure how the Congressionally Directed Spending Projects would be funded going forward. She stated it was disappointing that Ledyard's Project successfully moved through Appropriations Committee and now there was no funding available.

Mayor Allyn thanked Councilor Buhle for the unfortunate news regarding the Town's Congressionally Directed Spending Grant Application. He went on to note that tomorrow the Governor's Office would be sending an email, which was like a Press Release that would list the Towns whose projects were approved for the 2025 Small Town Economic Assistance Program (STEAP). He stated that this announcement was only for the Project approval and not for the approval of the Funding. He continued by explaining the process noting that the email would include hyperlinks listing each town, and what projects were approved. He stated then the Governor's Office would allocate all the various projects that the Department of Energy & Environmental Protection and the other State Agencies oversee; before the towns would be notified about the STEAP Grant Funding. He stated if the town does receive the Grant Funding then the State would assign the Town a Grant Administrator; at which time the Town could then start the process. Therefore, he stated there was still about two more months of paperwork to be completed before they would be ready to proceed with the Playscape Projects, and he noted that this was only if Ledyard's 2025 STEAP Grant Application was approved.

RESULT: CONTINUE

4. Any Old Business proper to come before the Committee.

None.

IX. NEW BUSINESS

1. MOTION to authorize overspending of account # 10120501-54300 Ledyard Fire Repairs and Maintenance by an amount not to exceed \$6,000.

Moved by Councilor Saccone, seconded by Councilor Buhle

Discussion: Ledyard Center Fire Chief Jon Mann explained that this past year they had some unfortunate repairs ranging from the replacement of new tires on one truck,

to corrosion issues, and having to replace valves. He stated because the Department used up their maintenance budget; that he transferred funding from other accounts within their budget. However, he stated they learned that the Air Tanks on R-11 for the Air Brakes need to be replaced. He stated the cost to replace the Air Tanks was \$3,500 noting because this was a safety issue that they could not put this repair off, stating that they would not want to have an accident with this piece of apparatus. Mr. Mann went on to explain the remaining \$2,500 would be a contingency in case they found something else when they were replacing the Air Tanks. He stated although the Fire Department still had some needed repairs to do, that they planned to put them off until next fiscal year.

Councilor Saccone questioned the age of R-11. Mr. Mann stated that R-11 was purchased in 2011; however, he explained that this was the truck that had problems with the engine. Therefore, he stated that R-11 sat for a couple of years while they were working out how to proceed with the replacement of the truck's engine. He went on to explain that when a vehicle sits for a while that Air Tanks develop moisture which leads to corrosion issues.

Councilor Saccone stated that he appreciated what the Ledyard Center Fire Department was doing in this situation. He stated especially when they were dealing with the Air Tank that involved the Air Brakes. He stated should the Air Breaks go, they could have a catastrophic event that they do not want to have happen. Therefore, he stated that this would be money well spent.

VOTE: 2-0 Approved and so declared

RESULT: RECOMMENDED FOR APPROVAL

MOVED: Tony Saccone

SECONDER: Jessica Buhle

AYE: 2 Saccone and Buhle

EXCUSED: 1 Ryan

2. MOTION to approve a proposed “Amendment 2025-1 to the Town of Ledyard 401(a) Plan” Pertaining to Employees eligible for Matching Contributions; as presented by the Retirement Board in the draft dated March 18, 2025.

DRAFT: 3/18/2025

**AMENDMENT 2025-1 TO THE
TOWN OF LEDYARD 401(a) PLAN**

Amended and Restated January 1, 2014

WHEREAS, The Town of Ledyard, hereinafter referred to as the “Employer” established a Plan which reserves in Section 6.1, the Employer’s right and authority to amend the Plan; and

NOW THEREFORE, effective _____, the Employer hereby amends the Plan as follows:

Matching Contributions: Money Purchase Pension Plan is hereby

amended to read as follows:

Matching Contributions ARE permitted under the

Plan Employees eligible for Matching

Contributions:

All employees hired after July 1, 2009 whose participation in the Town 401(a) Defined Contribution Plan has either been approved by action of the Town Council or is mandated under a collective bargaining agreement between the Town and a collective bargaining unit.

~~Employees who were participants in or drawing benefits from the Retirement Plan for full time Employees of the Town of Ledyard (Defined Benefit Plan) who are rehired are NOT eligible for Matching Contributions under the Plan.~~

Approved by the Ledyard Town Council on _____

S. Naomi Rodriguez, Chairman

Moved by Councilor Saccone, seconded by Councilor Buhle

Discussion: Mayor Allyn, III, stated the Retirement Board has been working with their Consultant to clean up the Retirement Plan Documents in preparation for the Restating of the Plan.

Mayor Allyn went on to state the proposed amendment to the “*Defined Contribution 401(a) Plan*” as presented in the draft dated March 18, 2025 was just one component of updating the Plan Document. He explained that currently if a Town Employee retired and was rehired by the Town that they could not participate in the Defined Contribution (DC) Plan *401(a) Plan* and accrue new retirement benefits. Therefore, he stated the Retirement Board has forwarded the proposed Amendment to remove the language that prevented rehired employees the ability to participate in the Defined Contribution (DC) Retirement Plan. He noted that the Town may have an employee that retires at their full retirement age, with 10, 15, 20 years of gainful experience in town. He stated the way the language was currently written that it rehired employees could not participate in the Defined Contribution (DC) Retirement Plan. However he stated the employee could go to a neighboring town and participate in a retirement Plan. He stated the only difference would be that neighboring town would be the beneficiary of the 10 to 20 years of incredible experience that Ledyard would lose by not allowing their rehired employees to participate in their Defined Contribution (DC) Plan. He stated in a Employment Market in which it was challenging to find good qualified candidates that it was important for Ledyard to retain their experienced employees.

Mayor Allyn noted an article that was published yesterday that reported throughout the State of Connecticut they were suffering with the number of open positions because of the inability to find qualified people. He stated because Ledyard had qualified people stepping forward to fill these roles that the Retirement Board has recommended the proposed Amendment to the DC 401(a) Plan that would provide Ledyard's rehired employees the same opportunity to participate in the Retirement Plan that they would have provided to all other employees.

Mayor Allyn continued by noting that Ledyard has rehired a few employees after they retired from the town. He provided the following examples: Firefighter Jerry Watkins retired and was rehired by the Town to work in the Public Works Department, Police Officer Ken Kreutz retired and was rehired by the Police Department in the capacity as a Captain; and Public Works Director/Town Engineer Steve Masalin retired and was rehired in the same position. He stated these three employees have donated a lot of time, effort and commitment to their jobs, which the Town valued. He stated for these reasons it was an important to allow them to earn a retirement benefit.

Councilor Saccone questioned when the retired employees were rehired whether they were collecting their retirement. Mayor Allyn explained that depending on their age, they might be in the former Defined Benefit (DB) Plan; or they might be in the Defined Contribution Plan. However, he stated if the employee was contributing to the Defined Contribution (DC) Plan that the proposed Amendment would allow them to receive a match.

Councilor Buhle stated that she agreed with the proposed Defined Contribution (DC) 410(a) Plan Amendment. She stated if the Town was offering a match through the Defined Contribution 401 (a) Plan that it should be offered to all employees who were participating in the Plan, regardless of how they became an employee.

VOTE: 2-0 Approved and so declared

RESULT: RECOMMENDED FOR APPROVAL

MOVER: Tony Saccone

SECONDER: Jessica Buhle

AYE: 2 Saccone and Buhle

EXCUSED: 1 Ryan

3. MOTION to adopt a proposed Fiscal Year 2025/2026 Budget in the amount of \$71,062,240 comprised of:

- General Government: \$30,395,998
- Board of Education: \$40,667,262 .

Councilor Buhle stated that she believed the Finance Committee was a great team noting that three members all asked different questions during the Work Sessions with Department Heads. She stated that she looked forward to the Committee's deliberations regarding the Fiscal Year 2025/2026 Budget at their Special Meeting

scheduled for April 7, 2025 at 3:30 p.m.

Councilor Saccone stated that he 100% supported the proposal to move the Board of Education Employees Healthcare expenses back to the Education side of the budget ledger. He stated this dollar figure should be recorded where the money was being spent. He stated that this should also apply to the School Nurses once their contract ends next year (fy 26/27); noting that it would give the Board of Education and School Superintendent Hartling 18 months to evaluate the program, and what their needs were. He stated these expenses were for the Board of Education Employees; and therefore, that was where the expenses should be recorded on the Education side of the ledger.

Councilor Saccone went on to note, as he stated at the March 12, 2025 Town Council Meeting, that other Board of Education expenses such as the School Bus Contract was not recorded on the General Government side of the budget ledger. Therefore, he questioned why it would make sense to record the Board of Education Employees Healthcare, or any other School District expenses, on the General Government side of the budget ledger. He stated expenses related to the operation of the School District belonged in the Board of Education's budget, and that was where the funding and expenses should be recorded.

RESULT: CONTINUE

4. Any New Business proper to come before the Committee
None.

X. ADJOURNMENT

Councilor Buhle moved the meeting be adjourned, seconded by Councilor Saccone
VOTE: 2 - 0 Approved and so declared, the meeting was adjourned at 5:28 p.m.

Respectfully submitted,

DISCLAIMER: Although we try to be timely and accurate these are not official records of the Town.