

**MINUTES
REGULAR MEETING
TOWN OF KILLINGWORTH
BOARD OF FINANCE
Tuesday, May 12, 2026 at 7:00 p.m.
Killingworth Town Hall**

BOF Members in Attendance: Marcel Couture, William Kosturko, John Mancini, Stephen Reeps, and Annie Stirna (Chair)

BOF Members Absent: Michael Kovacs

Staff in Attendance: First Selectman Eric Couture, Jamie Sciascia (Clerk/Via Remote)

Visitors: Eileen Blewett

Called to Order: Chair Annie Stirna Called the Meeting to Order at 7:00 p.m.

Chair Stirna stated that the meeting is being recorded.

Visitors: Eileen Blewett raised questions regarding the annual report approval process and any implications if the Town had not approved it. Chair Stirna confirmed the matter was on the agenda and would be addressed during the meeting. Ms. Blewett also commented on the draft minutes, noting that Tim Gagnon's attendance was not reflected. While she appreciated the level of detail, she questioned whether portions of the discussion occurred after the Parmelee Farm group had left and requested clarification on the timing and accuracy of those sections.

Reports:

First Selectman - A legislative update was provided noting the session has concluded, with approximately \$119,000 in additional funding expected for distribution on October 1st, subject to confirmation. Information from a legislative committee meeting referenced education supplemental funding and property tax stabilization, with future sessions expected to continue focusing on municipal funding protections. It was noted there is no statutory penalty for delayed annual reports, though timely completion is considered best practice. The Town is addressing outstanding reports, with most previously pending items already approved and one remaining item to be finalized following this meeting.

Clarification was provided regarding agenda procedures, noting that items may be removed but not added without proper notice. The Board's role at Town Meeting was described as informational, with no ability to add items once posted.

Finance Director: Chair Stirna reported that the Director of Finance Regolo's report had been distributed in advance. No questions were raised by the Board.

Tax Collector: The Tax Collector’s report was distributed to the Board in advance of the meeting. No questions were raised by the Board.

Approval of Meeting and Special Meeting Minutes:

Motion #1 - Marcel Couture *Moved* and Chair Stirna *Seconded* a motion to approve the Minutes from the following Regular and Special Meetings of the Board of the Finance: January 13, 2026, April 14, 2026, April 23, 2026, April 27, 2026 and May 1, 2026 as presented.

Motion unanimously passed [5-0-0].

RSD17 Budget Discussion:

The Board discussed the recent school budget referendum results, noting that the budget failed in both towns by a relatively small margin and that voter turnout was approximately 22 percent. The Board was invited to provide comments or input regarding the outcome; however, no substantive discussion or recommendations followed.

Discussion and Approval of Current Annual Report:

The Board reviewed and discussed the 2024–2025 Annual Report. A minor correction to wording and formatting within the document was noted and confirmed as resolved. The Board expressed appreciation for the work completed by Elizabeth Disbrow for preparing the Annual Report. Copies of the report were noted as being available on the Town website and through the Town Clerk’s office. Clarification was also provided regarding prior annual report billing and payment records, noting that a previous payment had been attributed to the 2023–2024 report rather than the current fiscal year report.

The Board discussed the Volunteer Fire Company pension liability reflected in the audited financial statements, including the approximately \$1.8 million net pension liability. First Selectman Couture clarified that the pension plan is relatively new and funded annually through the operating budget based on actuarial recommendations. It was noted that pension plans are typically not funded at 100 percent, with the current funding level at approximately 40 percent. The Board further discussed the impact of actuarial assumptions, investment performance, retirement projections, and interest rates on future liability figures. Reference was also made to annual pension review meetings involving the actuary, trustees, Board of Finance, and Board of Selectmen.

Motion #2- Chair Stirna *Moved* and Marcel Couture *Seconded* a motion to approve the 2024–2025 Annual Report as presented.

Motion unanimously passed [5-0-0].

Review of Public Hearing and Presentation:

Chair Stirna opened the discussion on the public hearing and presentation, thanking Steve Reeps and all participants for their efforts and noting that the presentation was well prepared and well presented. Chair Stirna stated that the Board was not able to fully discuss bonding as prepared, noting its importance to the presentation. She also commented that some public remarks from the floor were inappropriate toward public officials.

The Board further discussed the bonding presentation, including differing information regarding bonding thresholds. It was noted that the presentation referenced a minimum threshold of approximately \$3 million, while prior guidance provided to the Board had referenced approximately \$4.5–\$5 million. The Board noted that this discrepancy may have created confusion regarding expected project funding levels and public understanding, and that clearer alignment on bonding expectations may have improved public confidence.

Discussion of BOF Role during and after BOS Town Meeting:

First Selectman Couture explained the Board’s role at the upcoming Town Meeting, noting that the Board of Finance will not have a formal role in presenting or advancing the multi-year plan beyond attendance and general participation, though clarification of items may be provided as needed. He noted that minor refinements to the presentation materials are still being addressed to ensure the information is clear and polished prior to presentation, and that additional discussion may be revisited at a future meeting following completion of the audit cycle later in the year.

Discussion on Setting of Mill Rate:

The Board discussed the timing of setting the mill rate in relation to the school budget referendum process. Delaying the mill rate until completion of the budget process may impact tax billing timelines and could require supplemental billing if adjustments are made after bills are issued. Administrative impacts of delayed or revised billing were also noted, including additional costs associated with supplemental tax bills and referendum cycles. The Board considered setting the mill rate in advance based on available budget information versus waiting for full budget finalization, noting differing views on administrative efficiency, financial stability, and the need for complete budget information.

The Board reviewed the General Fund Balance policy, including the current target range of 12% to 20% and comparison to commonly referenced benchmarks of approximately two months of operating expenses. It was noted the Town remains below this range. The purpose of the fund balance as a financial stabilization tool was discussed, along with the potential for future review of the policy and gradual adjustment of the target range.

Capital planning and financing approaches were also discussed, including bonding, leasing, and pay-as-you-go funding. Bonding was noted to spread costs over time, while alternative approaches may have different long-term cost implications. The Board reviewed capital needs, including deferred maintenance and equipment replacement, and the importance of aligning capital planning with funding capacity. Differing perspectives were expressed regarding the balance between bonding and pay-as-you-go strategies. It was noted that further discussion on financial policies and capital planning will be scheduled following completion of the current budget and mill rate process.

Bills - Clerk - February/April:

The Board reviewed and approved the Clerk’s invoices for the months of February and April.

Annual Report 23/24, 24/25:

Discussion was held regarding prior Annual Report billing documentation, noting that a previous payment had been made but an invoice could not be located. It was agreed that an invoice should be obtained for recordkeeping and audit purposes.

Motion #3 - William Kosturko **Moved** and Marcel Couture **Seconded** a motion to approve the two Clerk's Invoices for February and April as presented.

Motion unanimously passed [5-0-0].

Additions to Agenda:

Motion #4 - Marcel Couture **Moved** and John Mancini **Seconded** a motion to add "Consideration of HK Little League Proposed Project Grant Application Letter" to the agenda.

Motion unanimously passed [5-0-0].

Consideration of HK Little League Proposed Project Grant Application:

Chair Stirna presented a request from the Haddam Killingworth Little League for a letter of support for a "Safe to Play" grant application through Little League International in the amount of approximately \$9,000. The grant would support improvements to the lower Sheldon Baseball Field, including installation of a synthetic turf infield. The project is intended to improve field safety and accessibility, particularly for participants in the Challenger Division, including players with disabilities and those using mobility assistance devices. The turf surface was described as providing a more consistent and accessible playing area.

The Board discussed how the grant would not fully fund the project and that additional fundraising would be required. Chair Stirna clarified that the request is for a non-binding letter of support only, with no financial obligation to the Town. Questions regarding liability were raised and addressed, noting no direct Town responsibility associated with the request. The Board also briefly discussed artificial turf, including general PFAS concerns related to potential environmental and health considerations associated with some turf materials. Chair Stirna noted that the Park and Recreation Commission had been informed of the request and that the application deadline is May 15, 2026 for submission.

Motion #5 - Chair Stirna **Moved** and John Mancini **Seconded** a motion to approve the HK Little League Proposed Project Grant Application Letter as presented.

M. Couture, J. Mancini, W. Kosturko, A. Stirna - Yes
S. Reeps - Abstain

Motion passed (4-0-1)

Adjournment: Chair Stirna adjourned the meeting at approximately 8:48 p.m.

Respectfully Submitted,

Jamie Sciascia

Jamie Sciascia
Clerk