

OFFICE OF THE TREASURER
BRANFORD, CONNECTICUT

Revised

Item #9
Revised

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Date: November 19, 2024
To: Joseph Mooney
Chairman, Board of Finance
From: James Finch
Finance Director
Re: ARPA Actions, Appropriations, and Allocations

Mai Estepin
BRANFORD TOWN CLERK

RECEIVED
2024 NOV 25 P 2:51

As the Board is aware, ARPA funds must be spent or obligated (Contract or Purchase Order) by December 31, 2024, and fully spent by December 2026.

Therefore, as we approach the end of the eligibility period, I write to seek your approval and feedback on various requests which fall into the following categories:

- New projects funded with unappropriated ARPA funds.
- Transfers from existing ARPA balances to create new projects.
- Consideration of a process to allocate residual ARPA balances to expenses in the general fund that were incurred prior to December 31, 2024.

New Projects from Unappropriated ARPA Funds:

Technology Acquisitions Willoughby Wallace Library \$4,370

As the board may be aware, the library's technology needs and services are funded on a hybrid model with certain technologies funded and supported by Libraries Online (LION) as part of the LION membership fee, and others via Branford's information technology department. Many of these upgrades are necessary to replace aging equipment and to make the library a more efficient workplace. In discussions with the First Selectman we believe that transitioning to an exclusive LION-based environment provides staff and patrons with a better user experience as the building will be supported by a common network for phone and data needs and thus avoiding any challenges regarding network and hardware coordination.

Therefore, the library is requesting \$2,485 for hardware, \$250 for licensing and \$1,635 to replace our phone system: \$4,370 in total. I am also recommending that the library initially funds this project from their special revenue fund to cover these costs while we await consideration by the appropriate bodies.

Branford Arts and Cultural Alliance (BACA) \$35,000

One of Branford's earliest ARPA appropriations was to provide an operating subsidy to support the gallery which operates at 1004 Main Street. The appropriation was viewed as an economic development effort to bring citizens and visitors into the center of town where they could eat and shop in the various establishments in the downtown area and this request continues to support this endeavor.

Information Technology \$7,500

This request is to purchase laptops and related equipment.

General Government Buildings \$15,000

This request will supplement the repair and maintenance account to cover the costs of painting (inside and outside) of town hall.

Executive \$9,651

This request will be used to replace furniture in the town hall.

Increase		
260-90000-480296	Fund Balance Transfer	71,521
Increase		
260-46020-579150-xxxx	Technology Acquisitions (WWL)	4,370
260-41020-588301-23810	BACA	35,000
260-41190-579150-24800	Technology Acquisitions	7,500
260-41170-544300-25xxx	Purchased Services R&M (Painting)	15,000
260-41020-579300-25xxx	Furniture	9,651
	Total	71,521

ARPA Fund Resolution:

Resolved: The Board of Finance recommends to the RTM an increase in the cumulative ARPA fund appropriations from \$ 8,185,500 to \$ 8,257,021. This appropriation will fund a variety of projects to close out the fund.

Transfers Between Existing ARPA Projects to Create New Projects

Branford Interfaith Housing

Previously the Branford Interfaith Housing Organization sent a letter to the Board of Finance to identify their need for assistance through the town's ARPA allocation. A request for a specific dollar amount was delayed pending discussions with the Branford Counseling Center. Following these discussions the Counseling Center is requesting the board reallocate \$40,000 from the Basic Needs account.

From		
260-44010-588905-24807	Basic Needs	40,000
To:		
260-44010-588301-25xx	Branford Interfaith Housing	40,000

Public Works

Public Works is looking to reallocate balances in the street lining allocation and unexpended funds following the purchase of a roll-off trailer. The request will fund a mobile diesel generator and lawn equipment.

From		
260-43010-579350-25804	Vehicles	16,100
260-43010-544300-24802	Street Lining	109,043
To:		
260-43010-579250-25xxx	Equipment	\$125,143

Recreation

As the board may recall, the capital plan included an appropriation of \$25,000 as the local match to an anticipated state grant for \$175,000. Unfortunately, the recreation department was recently informed that the state grant will not be forthcoming. Fortunately, the project came in under budget and the Engineering Department received a grant for the Branford Point Pier which resulted in a surplus balance in the ARPA account. As a result, there is an available balance to transfer.

From		
260-43050-579480-24804	Branford Point Wharf Replacement	175,000
To:		
260-45010-579400-25xxx	Vets' Park Playground	175,000

Finance Department

The request is to purchase a pension administration system to assist in administering the police and volunteer fire plans. The product provides a comprehensive tool for viewing and managing and storing all related information. The service also provides employees and pensioners access to their benefit information and includes a service center option for participants who need assistance with forms, website navigation, and other related inquiries.

From		
260-43050-579480-24804	Branford Point Wharf Replacement	38,602
To:		
260-41040- 579200-25xxx	Software (Pension Administration)	38,602

Police Department

This request supplements the police department's upcoming transfer request to purchase additional license plate readers.

From		
260-43050-579480-23807	Meadow Street Boardwalk	45,000
To:		
260-42010- 579250-25xxx	Equipment (License Plate Readers)	45,000

Executive

This request covers a shortfall in the administrative costs incurred in the allocation of grants to non-profit organizations. As the board may recall by the town engaged the services of the Branford Community Foundation to administer this allocation process.

From		
260-43050-579480-23807	Meadow Street Boardwalk	1,690
To:		
260-41020- 533970-23814	Administrative Costs	1,690

Future Reallocations

As the board is aware the process the town implemented to allocate ARPA funds was not governed by the town's code. Instead, it was grounded in the belief that following the town's budget process would be a good framework. Up until this point this process has served the community well. However, given the tight expenditure guidelines I, along with the First Selectman, are looking to implement an alternative approach going forward. Essentially, the Finance Director and First Selectman would allocate residual balances to cover previously expended dollars from other funds. It is important to note that since the town elected the standard allowance there is broad latitude in how the funds are used.

To illustrate how this approach would be implemented I will give an example:

Let's assume we have costs associated with the election that exceed the registrar's budget. These expenses would be moved to the ARPA fund and thus reduce the amount required to be covered through contingency.

In this case the following statements are true:

- Funds were used for governmental services (ARPA Guidelines)
- The budget for the Registrars department was previously approved by the BOF and RTM.
- The expenditure was incurred prior to December 31, 2024.

It is my intention to provide a worksheet outlining the use of residual balances once this process is completed.

Cc James Cosgrove, First Selectman
Lisa Arpin, Town Clerk



Branford Arts & Cultural Alliance

1004 Main Street, Branford, CT 06405

Re: BACA Appeal to the Town of Branford for available 2024 ARPA funds

To: Joeseeph Mooney, Chairman, Board of Finance, Town of Branford

From: Gerry Casanova, President, Branford Arts & Cultural Alliance (BACA)
646.662.4246 / gerrycasanovany@gmail.com

M. S. Casanova
BRANFORD TOWN CLERK

2024 NOV 25 P 2: 57

RECEIVED

Following is a proposal from the Branford Arts & Cultural Alliance (BACA) requesting a share in funds still available from the Town of Branford's ARPA Funds.

About BACA

The Branford Arts and Cultural Alliance (BACA) is a non-profit 501(C) (3) civic arts organization based in Branford, Connecticut.

BACA's mission is to engage and support area artists while creating opportunities for our community to enjoy the arts in its many forms, at minimal or no cost.

BACA's operational base is the BACA Gallery located in a prime mixed-use space at 1004 Main Street where original artwork is exhibited and sold, and where educational and cultural events are hosted.

Now in its third year, the BACA Gallery in Branford is one of the largest and most visited art destinations in Connecticut.

Fast Facts

The BACA Gallery curates four art exhibits each year showcasing original artwork by more than 200 artists from Branford and the Shoreline that includes painting, sculpture, lithography, ceramics, wood, photography, fiber art, jewelry, handicrafts, paper goods, and more.

A variety of public events are hosted at the gallery throughout the year, including exhibit openings, art classes, creative workshops, author talks/book signings, poetry readings, recitals and musical events, film screenings, and more. Some events are held at other venues in town: The New Haven Ballet performed The Nutcracker at the Walsh Middle School; BACA and the Branford Garden Club produced an 18-stop "Art in the Garden" Tour; BACA produces an all-day Artisan Marketplace at the Branford Festival in June and again under the tent on the Town Green each September.

BACA's commitment to supporting area artists extends to Branford's younger and older artists. Each year the BACA Gallery hosts student art exhibits, provides summer internships, and awards two arts scholarships. BACA regularly shows art by artists from Branford's senior community, and we enjoy a longstanding relationship with the senior-living community Evergreen Woods.

BACA has partnered on public events with other nonprofit organizations in town including Legacy Theater, Branford Garden Club, Blackstone Memorial Library, Branford Land Trust, Branford Folk Musical Society, Shoreline Chamber, among others.

BACA's Business Model

BACA's operational budget is funded by several revenue streams:

Artist Exhibition Fees: Artists accepted for a gallery show rent their assigned wall or table space. Presently, the gallery has 35 walls and 28 tables/display cases. Each rental period is three months. The BACA Gallery curates four exhibits each year during which 100% of our exhibitor space is rented. We have a waiting list of artists wishing to exhibit at the gallery, which assures full rental income.

Commission on Art Sales: We operate on a consignment model whereby we do not bear inventory costs and earn revenue by collecting a 25% commission on every sale. At any given time, our gallery has upwards of 200 works of art on our walls and 1000 artisan goods on our tables and in our display cases. We also earn commission on sales from third-party events such as art classes, book sellers, etc., some which take place at BACA events held outside the gallery.

Donor Support: BACA depends on financial support from private donors and grants, and from event sponsors from the Branford community.

While we receive donations throughout the year, most donor revenue comes from three major fundraising initiatives: In 2014 we participated in *The Great Give* fundraiser held in the spring. This summer we produced our *Sunset Cabaret gala* event. In November we implemented our *Year-End Donor Appeal* campaign.

Special Funding & Grants: In 2023 the Town of Branford generously allocated \$70K in ARPA funds to BACA. In 2024, we received a \$4K grant from the CT Office of the Arts, and \$3K from the Branford Community Foundation. The Guilford Savings Bank awarded BACA a \$1K bonus for ranking #1 in donor growth among participants in the Great Give fundraising campaign. The Community Foundation provided a \$2K grant to fund a moderator for BACA's strategic planning retreat.

Financial Overview

BACA is largely, but not entirely self-supporting.

Our Strength: The BACA Gallery operates as a consignment business; we do not have art inventory costs. Also, BACA is run almost entirely by volunteers who work onsite at the Gallery and help manage our many public program and events.

Our Challenge: Reliably covering our monthly operating overhead: rent, utilities, financial services, insurances, supplies, and general maintenance.

2024 Budget Highlights (Actual through Oct./Projected through Dec.)

Projected Total Overhead	\$175,666
Projected Gallery Revenue	82,355
Projected Donors/Grants/Special Funding	85,000 (highest ever due to gala fundraiser)
Projected Budget Gap for 2024	8,311

Financial Growth

Revenue through the BACA Gallery and other sources has grown in the past year.

We attribute this to the fact that the Gallery is now better known and enjoyed as an arts destination by Branford residents and visitors from across the Shoreline, Greater New Haven area, the state, and beyond.

This is owed to the exhibits and events that generate broad awareness through our artists' personal networks, visitors' positive word-of-mouth, and from the publicity we continually receive in the media.

Consistently high attendance at our BACA events confirms there is true public desire for what we do and offer.

<u>2023 Budget Comparison</u>	<u>2023</u>	<u>2024</u>	<u>% Change</u>
Total Overhead	\$144,766	\$175,666	+ 21%
Gallery Revenue	71,119	82,355	+ 14 %
Donors/Grants/Special Funding	29,929	85,000	+ 65 %
Budget Gap 2023	43,718	8,311	- 81 %

BACA's Appeal for ARPA Allocation

At present BACA has sufficient resources to finish out the year 2024. However, we anticipate a budget shortfall in 2025 due to higher operating costs and needed investment in marketing services and technology.

Hence, we are appealing to the Town of Branford for \$35K in funding from its ARPA surplus.

Considerations

Though any funds we receive will go in part to covering essential overhead, most of it will be earmarked for specific initiatives to increase sales/rental revenue and to broaden our community arts programs:

- Advertising/Social media marketing
- Establish BACA Gallery Online as a lucrative new sales channel
- Increase the number/variety of public arts programs for residents of all ages
- Further grow and manage our donor data base by acquiring best practice tech/tools

How ARPA Funds Help BACA Benefit Branford

A thriving arts community benefits our town both economically and socially.

First, the BACA Gallery on Main Street is a popular arts destination that attracts visitors/patrons throughout the year. Many who come stay and spend on dining, shopping and exploring local attractions in town.

BACA helps Branford's local arts and cultural community thrive, which enhances the town's reputation for quality lifestyle that attracts people and businesses to settle here.

Making art and culture accessible to everyone promotes a healthy sense of curiosity, creativity, well-being, and openness to diversity and new ideas.

Branford is rich with art and cultural assets. BACA is enthusiastic in our pursuit of programming partnerships with the town's other local non-profits, including Legacy Theatre, Branford Garden Club, Branford Senior Center, Blackstone Memorial Library, Branford Land Trust, Branford Board of Education, and more.

Why do the arts matter? To imagine life without the arts we need only look back to the pandemic when opportunities to access art and culture were all but shut down!

We are very grateful to the Town of Branford supporting BACA and the arts!