Mr. DiCristofaro called the Board of Finance meeting to order at 7:02 pm. The Pledge of Allegiance was recited and recording devices started.

In attendance:

Board of Finance Members
- William DiCristofaro, Chairman
- Gregory Lauria, Secretary
- Bruce Dutch
- Todd Gelston
- Tracey Gionta
- Harvey Thomas

Others
- Emmett Lyman, First Selectman
- Deb Denette, Town Clerk and Recording Secretary
- Ronald Turner, Director of Operations
- Cindy Varricchio, Finance Director
- Linda Zemienieski, Executive Assistant to First Selectman
- Craig Mansfield, Chairman, Municipal Office Building Committee and Town-Wide Radio Committee
- Bob Morsch

**APPROVAL OF AGENDA**

Motion was made by Mr. Gelston to approve the agenda as presented. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.

**APPROVAL OF MINUTES**

Motion was made by Mr. Thomas to approve the minutes of the October 15, 2018 regular meeting as amended by Mr. Gelston to strike the word “agenda’s and” on the top of page three regarding the filing of the Communication Subcommittee minutes. Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.

**GUESTS AND AUDIENCE COMMENTS**

No comments were raised at this time. Mr. DiCristofaro stated that he would read the responses to last month’s audience questions at the second Guests and Audience Comments section on the agenda as he was having difficulty with his computer.
CORRESPONDENCE

None.

CHAIRMAN’S REPORT

a. **Tax Collector’s Report—October:**

Mr. Gelston questioned the 2013-2014 real estate taxes owed and why they were still held in abeyance. Mrs. Varricchio noted that sometimes foreclosure of tax debt is held due to bankruptcy stay's. She stated that she would follow up with Mrs. Dill and obtain a response. Other fees were reported to be relative to sewer taxes which are due in the month of October. Mr. Gelston also questioned remote scan. It was noted that checks are not brought to the bank but scanned and deposited.

Mrs. Gionta inquired where the policies and procedures for tax collection come from and she questioned whether the Board of Finance had a role. Again, Mrs. Varricchio advised that she will confer with the Tax Collector.

b. **Board of Finance Liaison Assignments:**

Mr. DiCristofaro advised that the Long-Range Planning Committee was essentially disbanded in lieu of the Financial Needs Roundtable, which Mrs. Gionta is serving on. It was also noted that the Ad Hoc planning Committee of the school board on which Mr. Lauria was liaison has completed its work. Mr. Lauria and Mr. DiCristofaro were in agreement to appoint Mr. Lauria as liaison to the Board of Education in lieu of Mrs. Gionta and Mr. DiCristofaro. There were no objections.

c. **Board Subcommittee Reports:**

**Communications:** Mr. Gelston reported that the second article has been drafted and will be submitted within the next couple of weeks. The importance of communicating with the citizens was emphasized. Mr. Gelston further discussed the *Citizens’ Guide* and the need to define terms to educate the citizens.

**Increasing Revenues:** It was noted that the Tax Collector has hired a collection agency (fees are paid by the taxpayer not the town). Since this has occurred $11,600 in suspense has been collected. Also, $2,500 has been generated resulting from fee increases put in place. (last year the amount collected at this time was $638). The Building Department has collected 67% of its projected $120,000 revenue one quarter of the way through the fiscal year. Land Use has collected 58% of its budget year to date. Mr. DiCristofaro stated that the Subcommittee is working on both collecting fees (new ideas) and looking at fees that are charged and how they were set and whether they are still sound. He added that pilot fund increases are work in progress.
Financial Needs Roundtable: Mrs. Gionta noted that the first meeting has yet to occur.

Financial Policies: Mr. Thomas presented a draft budget policy. He stated that it begins the process of developing a five-year outlook. It was acknowledged that the draft was modified from policy from San Diego, California. There was discussion regarding approving the policy in December or taking the course of beginning implementation with the 2019-2020 budget process, and then at the conclusion of budget season making any necessary changes/revisions. Mr. Gelston applauded the efforts that brought the document forward. Mr. DiCristofaro added that this is a step in the right direction to obtaining AAA rating. Responsive to inquiry from Mr. Gelston, Mr. Thomas advised that zero based budgeting is part of the policy.

Mr. Thomas reviewed the proposed Special Revenue Fund for Police Special Duty and Police Equipment Reserve Fund. Adoption of this policy would offset the spikes in the operating budget when there is a lot of Special Duty. The Special Revenue Fund would process the revenue and associated expenses for police that are Special Duty and grant related. Each year, after the annual audit, any excess funds would be transferred into the Police Equipment Reserve fund for future capital expenses for the police department. Police Special Duty is billed at $81.30 per hour, and the police are paid at $62.00 per hour. Mr. Lauria inquired about the use of vehicles, Mrs. Varricchio reported that vehicles are not factored in because we have them already. It was noted that once this type of tracking/reporting is implemented, better evaluation will be possible.

FIRST SELECTMAN’S REPORT

a. Key Updates:

Storm Damage:

- FEMA conducted a review of the storm related damage on November 6th. We have submitted preliminary data regarding emergency repairs and the man hours, equipment hours and subcontractors used for said repairs. FEMA has indicated that the damage in Connecticut will be submitted to the President by November 24th for his action. It may take up to four months to learn if funding will be made available, and then receiving funding could take until July. If we receive funding, there will be a 25% match on our part.
- We are working with our construction attorney to issue a combined Request for Qualifications/Request for Proposal for engineering work for Neptune Avenue, Bonfoey Road and Hemlock Valley. This RFQ/RFP will also include our contract documentation so that we can expedite the bid and contracting process. It is anticipated that these documents will be released shortly.
- $95,803 has been expended to date.

Tree Evaluation:

- Iselin has been working for us at $180 per hour which includes the bucket truck operator and another person working with two Public Works employees who handle traffic and debris removal. Public Works is working with Iselin as much as they can but they are taxed
as a result of storm damage and staff member(s) that are out. At this point they cannot handle both storm and tree issues simultaneously.

- The cost for an independent crew is approximately $400 per hour.
- RiverCOG (Council of Governments) has taken an interest in this, the following were reported at our November 7 meeting:
  - Elmer Gluck, State Forester reported that the State had over 17,000 trees needing removal already reported. All available funds have been expended additional funding is being sought.
  - Eversource indicated that their funding has been exhausted, they are now prioritizing work based on the number of customers likely to be impacted at a particular location.
  - The COG (Council of Governments) is looking into acquiring specialized equipment that towns could utilize on a shared basis (Bucket trucks and similar equipment). This has been done elsewhere with success. Eversource offers training from time to time for crews working near wires and might schedule such a course if needed.

**Transfer Station:**

- **Hauling with our own truck:**

  In April this was presented as a significant savings. Our costs were about $105,000 per year with Willimantic doing the hauling. When presented to the Crew at the Transfer Station they agreed to do the driving within their existing schedule. Two had the required CDL license. The equipment costs were projected at about $150,000 with a payback of less than two years. This was included in our Budget which was subsequently approved.

  After the Budget's approval, the crew at the Transfer Station made it clear that they were no longer willing to accept this responsibility. We took the issue to mediation on August 28. They remained steadfast. We were told that in Arbitration we would lose and that it would be very expensive. We approved the contract without the needed provision.

  Use of the Public Works Teamsters as drivers remained an option, this was acceptable to them and would serve our purpose, but today, with the other issues confronting us (trees and storm damage in particular), additional staff would be needed. This would more than eliminate any potential savings.

- **Bulky Waste fee increase:**

  At present we charge $100 per ton, I have recommended that we go to $120. The BOS can do this at any time.

- **Stickers, Weighing and reopening the back of the hopper:**

  Stickers are already required and available. Enforcement is the issue. Vehicles without stickers and those failing to be weighed in and charged properly remain a problem. Reorganizing the traffic flow offers the best solution. Plans for this are now in place and the changes are underway. Once completed all traffic will first enter the hopper.
area, be inspected and then directed as required. Access to the upper bulky area and scale will be included in this, no direct access to the bulky area will be allowed.

Access to the back of the hopper will remain restricted until safety gates are reinstalled, this is scheduled to be done as part of the installation of a new overhead door which is now underway.

- **Purchased Bag System:**

This would already be underway except for the September storm and resultant issues. On September 14 we received a response from our Attorney about how to best move forward with this. We were told that our existing Ordinance is, at best, vague on the subject. Our question was “did this change require Town Meeting approval or not”. Seemingly we could adopt such a system without one. Under this system anything entering the hopper would need to be in a purchased bag. Anything being recycled would be free. The goal is to promote recycling which in turn reduces costs. My preference has been to go to the Town Meeting process first, it being likely that one would eventually be required in any case.

**East Haddam Village Revitalization:**

- Eagle Environmental conducted testing to provide us with information to complete a grant for remediation on the former Town Office site.
- Under New Business for the Board of Finance this evening is approval of a grant application for remediation at that site in the amount of $892,000. This is a grant with no Town match.
- A draft Request for Qualifications has been prepared for the site. It is anticipated that the RFQ will be issued in January, once we learn if we are awarded the grant inasmuch as the RFQ will need to reflect the grant should we receive it.

**Chatham Health District:**

- The possibility of changing health districts has been raised, specifically by the Economic Development Commission. A joint meeting of EDC and the Board of Selectmen was held on November 13th to discuss.
- A general review of services provided, the costs of those services and problems experienced took place. The less conspicuous impact of changing was considered; including Everbridge communications, our lake communities and emergency preparedness as well as our Ambulance service. Chatham Health outlined future plans which included enlarging their staff (this is already happening) as well as bringing a new Director on board. The current Director intends to retire late next year and wants a smooth transition, he will remain as a Sanitarian and be available to help in the transition.
- It was suggested that prior to any change an in depth study take place including several other possible Health Districts. Some comparable in cost and some being significantly less expensive. It was clear that without carefully reviewing services provided no legitimate comparison could be made.
- At this time it is not anticipated that any change will be made this year.
Responsive to Mr. DiCristofaro’s question regarding FEMA funding, Mr. Lyman advised that we have met all three thresholds.

Mr. Dutch inquired what happened with the offer from Consumer’s Reports to help with Ackley Cemetery Road. Mr. Lyman advised that Public Works took care of it. Mr. Lyman further advised that Ms. Lunt estimates $3,700,000 in storm damage. It was noted that in kind labor counts toward matching requirements.

Regarding tree removal, Mr. Gelston raised two concerns: 1) finances and 2) liability. He noted that tree removal will be an on-going process and a good plan needs to be in place. Mrs. Gionta noted that the Board of Finance roll is to provide financing and not to micromanage.

Mr. DiCristoforo inquired whether Transfer Station costs could be tracked better. He suggested that the funds committee review. Mr. Gelston stated that he would like to see a balance sheet for the Transfer Station operations. Mr. Gelston also noted that China has ceased purchasing of recyclable waste and that a back-up of materials is beginning.

Mr. Thomas noted that in each of the areas discussed, trees, storm damage and transfer station that manpower is the consistent theme. He stated that perhaps it would make sense to hire additional staff. Mrs. Varricchio noted that salary and benefits need to be considered.

Responsive to the Chatham Health District issue, Mr. Gelston suggested that service vs cost needs to be considered. It was noted that East Haddam spends $128,000 annually, he questioned whether we received that in benefits. It was noted that Ledge Light is less costly, but does not provide as much service.

**FINANCE DIRECTOR’S REPORT**

Mrs. Varricchio stated that she anticipated that the audit would be available for the December meeting.

a. **October YTD Budget Report:**

Mrs. Varricchio reviewed the October YTD budget report. She reported that we have expended 24% of the budget (with 33% of the year elapsed). There were questions regarding the Municipal Office Complex and the Town-wide Radio Project. Chairman of both committees Craig Mansfield was present to respond to questions. For revenues, tax collection is up. The Education Cost Sharing Grant came in early than last year. The Building Department has collected $81,000 of its $120,000 budgeted amount year-to-date. The Town Clerk is doing well. Legal fees are being held and union contracts are settled.

Mr. Gelston noted that there is still a lot of money remaining for the Town-wide Radio project and he asked if those monies could be repurposed as the project does not seem to be moving forward. Mrs. Varricchio reported that the town cannot change what was approved at referendum. Mr. Mansfield provided an update. He noted that the Mt. Parnassus site is well underway and equipment and agreement signed for use with the State of Connecticut. In
addition, the site at the middle school became unfeasible due to changes in the commitment from the Board of Education. A lot of time and approximately $50,000 was allocated, but the end result was a denial to use the site. The project is coming together again (an out of town site is being pursued) and Mr. Mansfield anticipates completion by the end of the next calendar year. Mr. Mansfield noted that the committee is committed to choosing sites that will not only provide excellent radio coverage to the town but will limit the recurring annual cost to the town. This is only possible through the partnership the town and Committee have built with the State of Connecticut and our regional dispatch centers.

Regarding the Municipal Office Complex, Mr. Mansfield advised that the Committee is still working with the Architect and Construction Manager. He added that all corrective work is being performed at no cost to the town. He noted that a paving issue is being corrected after Thanksgiving and changes have been made to the HVAC system and the issue will need to be monitored into next summer to make sure the systems are functioning correctly. Mr. Mansfield stated that there is still approximately $200,000 in contingency and that the Committee remains hopeful that they will be able to work on the tennis courts and a scoreboard for the gymnasium but is holding off on committing to any additional projects until all of the current open issues are fully corrected.

Responsive to an inquiry from Mr. Gelston, Mr. Mansfield advised that the Radio Tower still has a frequency. Responsive to an inquiry from Mr. Lauria, Mr. Mansfield advised that the site on Mt. Parnassus was built to the height that was planned/approved and the base was built to possibly extend at a future time.

**Budget Calendar Update:**

It was noted that the Tri-Board meeting is scheduled for December 10, 2018 at the Middle School. Mrs. Gionta suggested another site be utilized. Noting she found the Middle School acoustics make it difficult to hear and the seating is uncomfortable. Mrs. Varricchio stated that the MOC meeting rooms were deemed to be too small.

Mr. Lauria suggested that the last budget meeting be marked “if needed” leaving room for a snow date should one arise. It was also noted that the referendum date was cut off on the bottom of the page.

**Liaison Reports**

Mrs. Gionta reported that the Board of Education formally voted to maintain a three school system. It determined it was financially unfeasible to merge to two schools.

Mr. DiCristofaro reported that the Crisis and Communications Committee will be making a presentation to the Board of Selectmen at its next meeting.

**Old Business**

Nothing noted.
NEW BUSINESS

a. Annual Report Approval:

Mr. DiCristofaro commended Mrs. Varricchio for putting the annual report together. He noted that additional proofreading is required, however, he requested a motion to move it forward.

Motion was made by Mr. Dutch to approve the 2017-2018 Annual Report subject to proofreading and to request the Board of Selectmen to schedule a Town Meeting for approval. Mr. Gelston seconded the motion.

Discussion: It was noted that the Fund Balance Chart is confusing because the bond for the school did not occur until September. A footnote will be added from language in the audit. It was also noted that the general fund grew by $500,000. Mr. Gelston had several suggested edits, he advised that he would see Mrs. Varricchio “after class” to present them.

The motion was unanimously approved. Motion carried.

b. Citizens’ Guide to the Budget Process Approval:

In keeping with the process the Board utilized last year to publicize the budget process a Citizens’ Guide has been prepared. It will be distributed through the East Haddam News in the November 29th issue. Mr. Gelston suggested bolding the last paragraph.

Motion was made by Mrs. Gionta to approve the Citizen’s Guide to the 2019-2010 Budget Process. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.

c. Grant Application Authorization—Village Brownfield Grant:

It was noted that this grant was submitted to the State of Connecticut, Department of Economic and Community Development, Office of Brownfield Remediation and Development on the due date of October 31, 2018. The grant application was not brought to the Board of Finance in October, as it was still being assembled and the grant amount was being determined. The grant does not have a town match.

Motion was made by Mr. Thomas to authorize the application to State of Connecticut Remedial Action and Redevelopment Municipal Grant Program in the amount of $892,000 to help support remediation activities associated with the redevelopment of the East Haddam Town Village properties identified as 1 and 7 Main Street, East Haddam. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

d. Grant Acceptance—FY2019 Comprehensive DUI Enforcement Program for Resident Trooper:

The grant application was approved by the Board last month has been awarded by the State.
Motion by Mr. Lauria to accept the FY 2019 Comprehensive DUI Enforcement Program for Resident Trooper Grant in the amount of $24,800 and to request that the Board of Selectmen schedule a Town Meeting for approval and it was unanimously approved. Motion carried.

e. 2019 Meeting Calendar Approval:

The 2019 meeting calendar was presented for adoption.

Motion was made by Mr. Gelston to approve the 2019 Meeting Schedule as presented and to incorporate the meeting dates into the minutes. Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.

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<th>DATE</th>
<th>Additional Information</th>
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<tr>
<td>January 14, 2019</td>
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<tr>
<td>February 11, 2019</td>
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<tr>
<td>March 11, 2019</td>
<td>Receive budgets from the Board of Education and Selectmen</td>
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<tr>
<td>April 10, 2019 (Wednesday)</td>
<td>Budget Public Hearing</td>
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<td>April 10, 2019 (Wednesday)</td>
<td>Regular Meeting immediately following Public Hearing. Board will vote on a budget to send to the Annual Budget Meeting.</td>
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<tr>
<td>April 24, 2019 (Wednesday)</td>
<td>Annual Budget Meeting, 8 pm @ Town Meeting Hall</td>
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<tr>
<td>May 7, 2019 (Tuesday)</td>
<td>Budget Referendum, Times TBD @ Town Meeting Hall</td>
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<tr>
<td>May 7, 2019 (following referendum)</td>
<td>Board meets to establish mill rate (provided the budget passes)</td>
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<td>May 13, 2019</td>
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<td>June 10, 2019</td>
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<td>July 8, 2019</td>
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<td>August 12, 2019</td>
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<td>September 9, 2019</td>
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<td>October 21, 2019 (third Monday)</td>
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<td>November 18, 2019 (third Monday)</td>
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<td>December 9, 2019</td>
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<td>January 13, 2020</td>
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Shaded items are scheduled meeting dates, the other items are of informational nature for the Board.

GUESTS AND AUDIENCE COMMENTS

Mr. DiCristofaro advised that Mr. Erik Dill representing Consumer Reports offered assistance with Ackley Cemetery Road. It was noted that Public Works completed the work the following day. Mr. DiCristofaro thanked Consumer Reports for this neighborly gesture. It was noted that if a similar situation arose in the future, staff will know how to proceed based on opinion received from Town Counsel.
Bob Morsch thanked the volunteer Board of Finance for its dedication, preparation and knowledge to the matters before it. He noted that it was likely a thankless job, and he very much appreciated the efforts.

Mr. Morsch also suggested that audits be undertaken at the Transfer Station regarding the bulky waste area. He noted that staff is only collecting 20% of the revenue. He stated that the fees on the other end let you know how much is being taken out, there should be evidence of what it is charging for what is being taken in. Mr. Morsch also stated that he supports the bag system, but not supporting or supplementing a private business by allowing the haulers free access. He reiterated that East Haddam is the only town in the State that allows that. He concluded that it is morally wrong and should be stopped.

Mr. DiCristofaro thanked all for their hard work and wished everyone a Happy Thanksgiving.

**Motion by Mr. Dutch to adjourn at 9:35 pm. Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.**

Respectfully submitted,
Debra H. Denette