

Board of Selectmen
Town Office Annex
March 3, 2010
Special Meeting Minutes

Selectmen Present: Mark Walter, Peter Govert and Emmett Lyman.

Also Present: Linda Zemienieski, Cindy Varricchio, Paul Maxwell, Bob Bennett and Jim Ventres (6:30pm).

1. First Selectman Walter called the meeting to order at 5:36 p.m. and the attendees said the Pledge of Allegiance.

2. General Budget Review: Ms. Varricchio followed on the questions from Monday night's meeting. She provided a spread sheet that reflected where non-union staff members were on the wage scale. She reviewed all salary positions and noted that the only position not up to step 1 after this budget would be the First Selectman. Mr. Maxwell questioned the correlation between the salary grade and current steps. Ms. Varricchio responded that the salary grade was the classification made by the wage study on the level of responsibility, supervision, decision making for each job and the steps were the longevity within the pay grade. She also explained that a cost of living adjustment had been applied to the figures. Mr. Govert confirmed that the step increases would have been issued if a successful performance evaluation was received.

Mr. Maxwell questioned how the survey was conducted. Mr. Govert gave a little background as to why the wage survey was completed. He explained that a few years ago the town went through a lot of staff turnover and the reason for that was due to the fact the town was paying such low wages. The Board of Finance internally did a wage study and the argument was being made that it was difficult to compare jobs town to town as the responsibilities varied town to town. It was voted to hire a company that could evaluate the responsibilities of each job in our town and come up with value criteria or salary grade and job descriptions to help promote longevity within the positions.

Ms. Varricchio noted another set of questions asked was regarding the impact on bonding of using funds from the capital reserves and where we stood regarding our fund balances. She explained in last year's budget we had a double A bond rating and as of June 30, 2009 the general fund reported a fund balance of \$6.1 million which represented 20.3% of general fund expenditures and transfers out. It was her understanding that when you went to bond you showed them all your funds so that even though they would be looking at your general fund they will also be looking at all your reserves and items like the Purple Fund etc. to see just what you have in total fund balance. Withdrawing \$1 million from capital reserves to do some projects does not affect the \$6.1 million and we would be going to bond before the budget was passed and the proposed \$1 million withdrawal would not have been removed from our fund balance by that time. Mr. Govert clarified where the \$1 million would be drawn from. Ms. Varricchio responded that we would be drawing \$1 million from reserves for capital projects. Mr. Govert asked the balance of that budget. Ms. Varricchio responded roughly \$4 million.

Mr. Walter asked Ms. Varricchio to inform the board about a question that was presented to Bryan Perry through the Board of Education as to why the town could not use capital reserves for operating costs. Mr. Walter noted that she gave Mr. Perry statute information on that. Ms. Varricchio responded that state statutes allowed for the reasons to establish a reserve fund and also reasons in which to use funding from a reserve fund. Mr. Walter noted that he mentioned this to Mr. Govert and Mr. Lyman because they would likely be approached with this question. Mr. Govert noted that he already had been approached on this and had responded to the individuals that we could not take savings and pay operating costs with it. Ms. Varricchio explained that the only way to use that funding would be to process the authority through the

Board of Selectmen, Board of Finance and Town Meeting to change the purpose for those funds and that also could hurt bonding.

Ms. Varricchio noted that tomorrow night she would have the budgets for capital reserves for discussion and the calculations for changing the contribution amounts for the HAS from 85% to 75% and 65%. Mr. Govert asked for a quick recap on capital reserve funds. Ms. Varricchio explained that we had capital reserves fund which had a balance of approximately \$4 million. She explained that we also had a capital non-recurring fund which had roughly \$400,000. The capital non-recurring fund would be used for items such as the purchase of a fire truck. Ms. Varricchio noted that she was working on the new GASB 54 procedures which designated funds differently and the town would need to comply with the new pronouncements beginning June 15, 2011.

Mr. Govert noted that Ms. Varricchio said last night that even though we were pulling out \$1 million from capital reserves there was some funding going back in. Ms. Varricchio noted that the Board of Finance voted that when we received the \$250,000 from the Powerhouse Road grant and the state reimbursement of \$250,000 for the well project voted on last year they would both go back into the capital reserves. This would return in total approximately \$500,000 to the capital reserve fund.

3. Budget Reviews – Health and Social Services: Included in this category are 761 Health District, 763 Cemeteries, 764 Human Services and 765 Senior Services.

763 Cemeteries: Mr. Walter and Ms. Zemienieski reviewed this budget. It was noted that due to the economy the interest from the cemetery trust that used to support the mowing and maintenance of the cemeteries was no longer sufficient. It was explained that the trust now provide approximately \$2,100 in funding and the costs to maintain the cemeteries was approximately \$7,300. It was determined that \$5,000 would be needed in additional funds per year to maintain them. Ms. Varricchio noted that the trust had a balance of \$172,000 as of June 30 but that we could not touch principal. The Selectmen made no changes to the Cemeteries budget at this time.

761 Health District: Mr. Walter noted that when he first came into office he had heard a lot of negative feedback from contractors and thought the Health District might be a bad idea but the more he has been involved with it he has revised his opinion. He gave a list of all the items handled by the District from septic and wells, to food inspections, West Nile investigations, flu clinics and other health related clinics. It was noted that our contribution to the Health District was based on a per capita rate of 8,896 in population times a rate of \$8.00 per person. Mr. Govert noted that he guessed that with the new census this rate would be going up next year. Mr. Walter also informed the board that other towns such as Colchester and Killingworth that were looking into joining our district. Ms. Zemienieski also noted that this budget contained the mandated quarterly and yearly water sampling for public water systems. The Selectmen made no changes to the Health District budget at this time.

764 Human Services: Mr. Walter explained that this budget reflected the nominal yearly contributions to all the organizations that support our community. Mr. Govert questioned if these organizations have asked for more funding that we offer. Mr. Walter explained that they always ask for more than we were able to provide. Ms. Zemienieski gave the example of the Eddy Center which was a homeless shelter. They ask for \$6,150.00 to accommodate the thirteen East Haddam/Moodus residents they have provided housing, food, case management and clothing for and we were able to provide \$650.00. Mr. Maxwell asked where they get other funding from. Mr. Walter replied the state, other towns, united way, and private donations. Mr. Govert asked if the town was providing enough support to these organizations. The Selectmen made no changes to the Human Services budget at this time.

765 Senior Services: Mr. Walter and Ms. Zemienieski reviewed this budget. Discussion took place on staffing. It was explained that the salary for the cafeteria aide was currently being funded by Maturity Works but that was not a permanent funding source. There was also a request by Joanne Roczniaak for a small salary amount for an assistant to be available to do the day to day running of the center during her absence. It was noted that the electricity line was reduced based on past usage and the building maintenance line was reduced as circulator pumps (\$3,200) were needed last year and would not be needed this year. Mr. Govert asked if the cleaning situation was resolved and Mr. Walter replied that it was. The Selectmen made no changes to the Senior Services budget at this time.

4. Budget Reviews – Recreation and Leisure:

Lakes Association: This was a new addition to the current Town budget. Ms Varricchio noted that there needed to be one adjustment made to this budget. The drawdown was put in for \$250 and needed to be \$500. This was the funding that the Board of Selectmen agreed to contribute toward the drawdown. Anything above this amount was paid by the Bashan Lake Association. The question was asked why we could not do this ourselves. It was noted that the town used to control this but the state was no longer allowing towns to manage drawdowns due to liability issues.

This Lakes budget was to help with the cost of protecting and preserving East Haddam's three lakes. Mr. Walter explained that before the town helped with the treatment they wanted the associations to perform the diagnostic study for Moodus Reservoir and then come up with a plan for all three lakes. The board wanted a clear picture of what was required for all three lakes before it started funding specific needs.

Ms. Varricchio noted that the lakes' reserve component was removed by Mr. Walter. Ms. Varricchio noted that it would be better to put in a capital plan for long range costs. Mr. Walter noted that there would be a matching ratio for funding and it would be an incentive for the lake associations to share in the costs to manage the lakes.

Ms. Varricchio also noted that the associations had requested some seed money to start a Moodus Reservoir Association (\$1,500) and Mr. Walter removed that request. Mr. Walter explained that he felt if they wanted an association they needed to start and organize that on their own. Mr. Govert responded that he thought they already had one as he had seen pictures in the newspaper of Harvey Thomas, Anita Ballek, Ken Klien and a few other folks. Mr. Walter noted that was the Lakes Association for all lakes and this association to be formed would be just for Moodus Reservoir. Formation of this association would allow them to assess association fees or dues to its member residents around the reservoir. Mr. Maxwell asked what gave them the legal authority to levy a fee. Mr. Walter explained that if you willingly belonged to an association and had the benefits it provided you willingly paid dues to use the services.

Mr. Walter noted that speaking for himself he was in favor of the concept of the town helping support resources that we all enjoy but he would still like this area defined more clearly. He noted that this was a starting amount to get the process going. The amount provided to the lakes in this budget was approximately \$10,000.

5. Budget Reviews – General Government: This item was not discussed at this time.

6. Budget Reviews – Land Use: Mr. Ventres arrived to review this budget.

713 Land Use: Mr. Walter mentioned the Land Use accomplishments of finalizing the Plan of Conservation and Development and getting the Goodspeed Opera House Foundation actor housing project moving forward. He noted that Mr. Ventres should probably begin with the Zoning Enforcement Officer position

and the consequences that might be created with this position being reduced to 20 hours per week. Mr. Ventres noted that he and Mr. Walter discussed this last week and he has had some time to think about it. He explained one long term consequence whether it was his position or anyone else's would be the perception it would create in the field. He noted that it could discourage future employees. Mr. Govert clarified the cut to this position. Mr. Walter explained that this position was being cut from 35 hours to 20 hours and as a part-time position would lose the option for benefits. Mr. Govert questioned whether this position could be offered benefits at 20 hours. Mr. Ventres noted that his reasoning for bring this up was more of a global impact to make the board aware of the perception this could create in the field. Mr. Ventres noted that this cut amounted to \$15,000 but what would be lost was the hand holding service in the department as this position walked applicants through the process and made sure all maps were prepared and kept applicants from getting confused and frustrated. He noted that another thing that would happen was that when the ZEO employee was not there the work load would end up in Mr. Ventres' hands. He explained the duties of Ms. Lombardo's position with Planning & Zoning, Inland Wetlands, Water Pollution Control and Open Space and how her position was cyclical with all the minutes, postings and correspondence associated with these commissions. One of the biggest things the department would lose with this cut would be the ability to assign work for special projects. He explained that currently the ZEO was doing a septic review of the Moodus Village for the Economic Development Commission to determine if the town needed a municipal system in that area. He was pulling the files and septic plans and creating a data base and map of the area. Mr. Ventres noted that the ZEO did a lot of special projects in house instead of hiring a consultant. He also mentioned that during the slower times we should be looking at completing some of our special projects such as the duplicate road names issue. This would be something that the Assessor's Office and ZEO could be working on during the down time. He also noted work he was doing regarding an emergency management plan for the water treatment plant, bigger subdivision applications, people calling regarding Johnsonville and Shadybrook and a couple of foreclosures of some commercial properties. Mr. Ventres explained his point was that this was the time we should be accomplishing projects such as these and with this position cut the time would not be available.

Mr. Govert asked for clarification on the list of the projects to be worked on so he could get a sense of the workload. Mr. Ventres responded duplicate road names, sewer project in Moodus Village, working with Chatham Health District on Lake Hayward identifying sources of pollution, training on GIS system as we lost this expertise when the previous Assessor left, Middle School Conversion internal work outside of Mr. Ventres duties on this committee as a volunteer, better wetlands guide on the website, better guide to doing business in town, gravel road committee, Conservation Commission assistance with forestry trails, noise, sidewalk and parking ordinances and DEP protocol for street sweepings. Mr. Ventres noted that he could go on with even more projects. Mr. Walter noted that with all those projects to be done the ZEO position has not seemed as if it has had a lot to do and asked why. Mr. Ventres responded that the position has been working on some long term zoning enforcement items that Mr. Ventres did not want going to court as he did not have the funding to support court enforcement.

Mr. Ventres explained that the balance of his budget had some cost items that he could not control such as if he received a lot of applications he received a lot of fees but then would need to spend more on engineering and attorney costs. Mr. Walter commented in reality he guessed we would have five years or so of very low building activity and he did not see this economy roaring back anytime soon.

Mr. Govert asked for help in understanding in more detail what the ZEO did and how much work he has lost with the declining economy. Mr. Ventres responded that where the position has lost work was with single family home new construction. He explained that they were still receiving applications for additions, porches, etc. but when we were receiving the larger volume of applications (40 to 60 units per year) it was a constant tread mill and the ZEO position was not able to get into the enforcement issues that were out there. Mr. Govert asked what the ZEO duties were in new construction. Mr. Ventres responded that it was

monitoring compliance with regulations and erosion control. He added what actually costs more in time was that single family homeowners did not normally hire engineers and surveyors and depended on the assistance of the Land Use Department to help with small additions.

Mr. Govert asked the difference between what the ZEO did and the Building Official did. Mr. Ventres explained that the difference was that the ZEO dealt with the placement of structures and septic on the land, setbacks on wetlands, and side yard variances and the Building Official dealt with the construction. The ZEO also dealt with violations on seasonal dwellings and junk. Mr. Govert asked how many houses were being built now. Mr. Ventres responded approximately 20 this year. Mr. Lyman asked if there was any real potential of the Warner Road subdivision. Mr. Ventres responded it would be some time down the road but it was not ready yet. Mr. Govert asked about the quantity of additions. Mr. Ventres replied that many people were thinking that was the better way to go.

Mr. Govert asked Mr. Ventres' position on the ZEO position. Mr. Ventres asked if the board could see if it could be kept in the budget for at least 30 hours per week.

Mr. Walter asked Mr. Ventres why he cut his school training by \$1,000. Mr. Ventres responded that the reality was he did not have time to attend classes right now. He was planning to just go through the GIS manuals on his own to obtain the information.

Mr. Govert asked why the legal line went up so much. Mr. Ventres explained that the Hartford Courant has East Haddam into two zones, Middlesex/Middletown and New London/Colchester and we needed to advertise in both. The Selectmen thanked Mr. Ventres for his input and made no changes to the Land Use budget at this time.

7. Adjournment: Motion made by Mr. Walter, seconded by Mr. Govert, to adjourn the meeting at 6:58 p.m. Unanimous aye.

Tape: 609A
609B

Respectfully submitted,

Emmett Lyman, Secretary