

TOWN OF EAST HADDAM
BOARD OF FINANCE
Special Meeting
March 13, 2013
Grange Hall

CALL TO ORDER

The special meeting of the East Haddam Board of Finance was called to order by Chairman Susan Link on Wednesday, March 13, 2013 at 7:00 pm at the Grange Hall.

The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members:

Susan Link, Chairwoman
Robert Bennett
Daniel Alexander
Bruce Dutch
Harvey Thomas
Raymond Willis

Others:

Mark B. Walter, First Selectman
Deb Denette, Town Clerk and BOF recording secretary
Cindy Varricchio, Finance Director
Denise Dill, Tax Collector
Dean Anderson, Ambulance Association
Shawn Daigle, Fire Chief
Michael Gilroy, Library Director
Emmett Lyman, Selectman
Edward O'Dell, Chairman, Economic Development Commission
Peter Simmons, Economic Development Coordinator
Bradley Parker, Recreation Commission Chairman
Tiffany Quinn, Park & Recreation Director
Mickey Pear, Fire Commissioner
Rob Smith, Conservation Commission

2013-2014 BUDGET:

Chairman Susan Link stated that she would like to end the meeting at 9:00 pm.

Board of Selectmen Budget Overview

First Selectman Mark Walter presented the Board of Selectmen's budget. He noted that expenses represent a 3% increase to the revised budget and a 4.5% increase over budget approved at referendum. He noted the amendments were the \$189,000 court ordered tax refund, a \$50,000 vehicle for the Fire Marshal and \$43,000 for the purchase of a wood chipper.

Mr. Walter added that despite the modest increase in expenditures, revenues continue to trend downward resulting in an increase of 4% over last year's budget.

Mr. Walter stated that shared services between the Town and Board of Education have resulted in increased efficiencies and professionalism. He noted that union negotiations are in progress to combine the Land Use and Building Department Clerical position and realign existing staff to provide a clerk for the police and park and recreation departments. Mr. Walter stated that the net impact to the budget will be there would not be a reduction in current staffing levels.

Mr. Walter suggested the Departments that were in attendance present their budgets.

Economic Development Commission

Economic Development Coordinator Peter Simmons and Chairman Edward O'Dell presented. Mr. Simmons noted that the two budget items of note are \$750 for a subscription to the Connecticut Economic Resource Center which would allow the town to place commercial properties on its site, similar to a MLS listing. Mr. Simmons stated that this is a cost effective way to place our commercial properties in front of individuals who are looking for space to relocate their business.

Mr. Simmons stated that the budget request also includes \$25,000 for consultant services to enable the Commission to act quickly with engineering or marketing analysis studies. Mr. Simmons stated that this "seed" amount could be leveraged through grant funding to fund preliminary work to determine project viability such as septic suitability. Harvey Thomas asked that Mr. Simmons provide the Board with examples of how this funding might be used.

Chairman Susan Link asked that Mr. Simmons provide the Board with information regarding his background. Mr. Simmons reviewed his background and experience, which included that he worked for the State of Connecticut Department of Economic Development. Mr. O'Dell noted that Mr. Simmons has been instrumental in bringing grant funds to the Town.

Mr. Thomas noted that he was not in favor of the Town expending funds to benefit the owners of commercial real estate. He noted that when he sells his house, the town is not going to help him do it. Mr. O'Dell noted that there is a priority to bring commercial businesses to the Town. A business looking for commercial property that suits their business needs may utilize this site, particularly one from out of State. Mr. Thomas stated that Mr. O'Dell's answer was not responsive to his concerns as to why these costs are not borne by the property owner. Robert Bennett noted that there are program choices for the Connecticut Economic Resource Center at \$550 or \$750 and asked what the difference is. Mr. Simmons responded that \$550 provides access to the site and \$750 allows up to five listings.

Fire Department

Fire Commissioner Mickey Pear reviewed the Fire Department budget and the number of calls. In particular he highlighted hospital trips and emphasized that the paid Fire Department personnel are EMT's and back-up the ambulance particularly during daytime hours when volunteers are limited. Mr. Pear reviewed the hours staffed and the number of employees providing the staffing. It was noted that additional hours were included in the budget. Mr. Pear noted that the budget reflects an increase in heat because last year's figures were reduced due to surplus oil from the prior year.

The capital projects budget was reviewed. It was noted that for 2018-2019 a used truck is sufficient, resulting in a \$300,000 reduction. It was also noted that the fire truck proposed for 2013-2014 would be \$275,000 not \$225,000.

Libraries

Library Director Michael Gilroy noted that he is the Director for both Libraries. Mr. Gilroy reviewed with the Board the plan is to create a single system library. He presented a sample budget of what a single system budget would look like. He noted that the budget request reflects a \$81,485 increase. The increase is driven by wage increases for staff at the East Haddam Free Public Library (to align the wages between the two Libraries), benefits for staff members (in accordance with Town benefits) and the reduction of endowment revenues for the Rathbun Free Public Library. Finance Director Cindy Varricchio noted that the East Haddam Free Public Library amount may be reduced as it relates to for benefits.

Mr. Gilroy noted that the increase in staffing also allows for additional hours. He reviewed current hours of operations, number of visits, estimated visitors, and proposed hours which would extend evening hours at one or the other library until 8:00 pm. each evening and Saturdays from noon to 6:00 pm. Mr. Gilroy stated that he would like to open the library on Sunday's as well; however, such staffing hours are not included in this budget.

Mr. Gilroy noted that one library was built in 1919 and the other in 1930. He stated that both buildings are in much need of attention. Responsive to inquiry regarding the potential to combine into one building, First Selectman Walter stated that there are no plans for that at this time. He also advised that a recent title search indicated that the Town does not own the East Haddam Free Public Library as believed; it belongs to the Reading Room Association (Library Trustees). He noted that our Town attorney is working on documentation to have the library turned over to the Town.

Mr. Dutch inquired if cuts to the proposed budget had to be made, what would be recommended. Mr. Gilroy stated that he would cut some hours if need be. He stated that the wage increases are necessary for fairness. Mrs. Varricchio stated that she would provide insurance cost savings for the next meeting. Chairman Susan Link noted concern that an investment policy was not presented. Mrs. Varricchio stated that she will research what has been presented to the Board in the past. Discussion on the different investment strategies for organizations was held. Mr. Thomas opined that the samples provided did not offer real assistance. Mrs. Link and Mr. Thomas disagreed on the requirement, Mr. Thomas stated that he was not satisfied but urged the meeting to continue.

Recreation Commission

Recreation Chairman Bradley Parker stated that as noted earlier by First Selectman Walter, the Recreation Commission is asking for clerical help and that the proposal is that this is a shared position with the police. He noted that this is not a new request, but one that has not been previously funded. He also stated that the budget increases the Recreation Director from 35 to 40 hours per week which is compensates the Director for actual time worked. Mr. Parker stated that staffing aside the Recreation Commission is looking for \$1,500 increase over its budget which includes expanding the fitness program and camp for middle school students.

Chairman Link inquired about the amount of revenue generated by the programs. Mr. Parker stated that the programs service approximately 1,500 individuals and are not

expected to generate income. Responsive to further inquiry from Chairman Link, Mr. Parker stated that the additional staffing will not generate income, but will increase efficiencies by freeing the Director's time from clerical tasks. Mr. Parker reviewed the capital projects budget. Nichols Field improvements include the parking area, ball field improvements including top soil and reseeding. Discussion was also held regarding the creation of fields behind the old middle school. Currently the area is wooded. Mr. Parker noted that there are not enough fields to accommodate the recreational needs in the Town.

Mr. Thomas suggested quantifying usage and numbers of players served. Mr. Parker noted that such figures could be tracked with clerical assistance. Mrs. Quinn noted that the new on-line registration system is expected to provide that information.

Conservation Commission

Acting Conservation Commission Chairman Rob Smith noted that a \$3,300 increase for Stewardship of the 1,300 acres presently managed is proposed for marking boundaries and creating and maintaining parking areas that are visible and accessible. He noted that the forestry management special revenue fund has a balance of \$5,800. He further noted that \$3,000 was raised from a timbering operation at Nichols field. He noted that there are no properties scheduled for such an operation at this time. Mr. Smith reported that should the planned open space referendum be approved, 340 acres will be added to the Conservation Commission's responsibility.

Daniel Alexander inquired about hunting on town owned open space. Mr. Smith advised that it is permitted with restrictions and that signs are well marked. Hikers should wear florescent orange. Mr. Walter stated that hunters go well off the path so as not to have hikers impact their hunt. Mr. Smith spoke of the capital request for a foot bridge that was not brought forward by the Board of Selectmen. It was noted that grant funds are not likely to be requested to keep the costs of the endeavor down. Federal requirements were noted to be overly cumbersome sometimes.

Ambulance

East Haddam Ambulance Association Chief Dean Anderson stated that an ambulance is to be purchased by the Town in the 2013-2014 budget. The Town reserves \$40,000 annually for an ambulance purchase. It was noted that mutual aid calls have been greatly reduced due to the agreement in place between the association and the Town and the back-up provided by the Fire Department. In short, it was noted that the steps implemented are working.

Other Budget Discussion/Review

Bruce Dutch inquired what the impact on the mill rate would be of the budget as presented. Mr. Walter responded that it represents a 6.52 mill increase or an 11% tax increase.

Finance Director Cindy Varricchio reported that we will finish the debt service for the high school in the current fiscal year. She also noted that local revenue continues to be flat, interest income is negligible and state contributions are down. Chairman Link noted that the budget as presented makes no reliance on fund balance

It was noted that budget workshop meetings have been scheduled for Tuesday, March 19, 2013 and Thursday, March 21, 2013 both to be held at 7:00 pm in the Town Office Annex.

It was noted that interviews with health insurance companies are scheduled for Friday, March 29, which will helpfully result in health insurance savings.

Motion was made by Harvey Thomas to adjourn at 8:47 pm. Bruce Dutch seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,

Debra H. Denette