

Board of Selectmen Meeting
Town Hall Annex
February 20, 2016
Special Meeting Minutes

Selectmen Present: M. Walter; S. Link; E. Malavasi

Also Present: D. Dill; E. Dill; K. Reich; C. Varricchio; S. Wheeler; L. Zemienieski

1. First Selectman Walter called the Board of Selectmen's meeting to order at 9:03 a.m. and the attendees said the Pledge of Allegiance.
2. General Budget Review Workshop: Mr. Walter noted that he has met with most department heads to discuss their budgets; however, the Selectmen could choose to invite any of them into subsequent meetings if they needed more information or had questions. He advised that the 2016-17 budget they would be reviewing was \$2M over last year's budget. Mr. Walter noted that much of that increase is related to loss of state revenue and proposed new capital improvement projects that could be scheduled in over time.

Ms. Varricchio reviewed the format of the budget books. She advised that she does not expect the state to provide any PILOT funding next year and discussed the approach to developing the formula for PILOT contributions to municipalities. She noted that the state has not finalized its budget yet and that its contributions to municipal revenues could be cut further.

Ms. Varricchio stated that local revenues are down \$65,500.00 and the Town Clerk had predicted a possible reduction in license and fee income. She also reviewed the status of the Town's endowment funds. The Selectmen brainstormed potential opportunities for increasing revenues, and discussed fees charged by neighboring municipalities that East Haddam does not currently charge.

Ms. Varricchio advised the Selectmen that, in general there was an across-the-board 2.25% increase in union and non-union salaries.

A. General Government Budgets: The following budgets were reviewed:

- a) Assessor: The Selectmen reviewed the Assessor's budget.
- b) Building Maintenance and Operations: The Selectmen reviewed the Building Maintenance budget.
- c) Central Services/Town Office Building: The Selectmen reviewed the Central Services budget.
- d) Elections/Registrars: Ms. Varricchio stated that the increase in this budget is mainly due to an increase in the cost of state-mandated training and an increase in salaries. She advised that the past rate of pay for the registrars was below the state average and

the budget reflects an increase in their hourly rate to bring them in-line with the prevailing pay, as requested by the department.

There was a general discussion regarding the Registrar's budget. In response to a request made by Ms. Link, Ms. Varricchio agreed to ask the Registrar to provide a schedule of the department's expected expenses and anticipated elections.

- e) Finance Office: The Selectmen reviewed the Finance budget.
- f) Land Use Office: Mr. Walter advised that the Zoning Enforcement Officer (ZEO) position is currently vacant and proposed to re-purpose that salary for a new Town Planner position. There was a general discussion regarding who would handle the ZEO duties. The Selectmen agreed to take the \$22,821.00 ZEO's salary out of the regular employee budget.
- g) Municipal Office Complex: Mr. Dill updated the Selectmen on the status of the Municipal Office Complex project. There was a general discussion regarding oversight of the demolition/construction.
- h) Regional Probate Court: Mr. Walter noted that there was little change to the Probate budget and that most of the revenue generated is passed through to the state.
- i) Selectmen: Ms. Link stated that she feels the Selectmen's salary is low in comparison to similarly sized towns. She expressed concern that, if it is not adjusted, it will be difficult to encourage qualified candidates to run for the office. Ms. Varricchio agreed to research data about First Selectmen salaries in the state and provide the Selectmen with that information.

In response to a question raised by Mr. Malavasi, the group discussed the First Selectmen's use of a Town vehicle. It was noted that Mr. Walter only uses the vehicle for Town business.

- j) Tax Collector: Ms. Varricchio advised that the increase in this budget offsets the above average adjustment made in the Tax Collector's 2015-16 budget for the Community Center for Agriculture grant reimbursement. She noted that, otherwise, there is little change in the budget.
- k) Town Clerk: This budget was discussed in Ms. Varricchio's earlier comments regarding revenue as reported above in these minutes.
- l) Fringe Benefits: Ms. Varricchio advised that the Town is doing a good job controlling the cost of fringe benefits. She stated that the budget includes an 8% increase at the policy level but only an overall 3% increase. She noted that she has been advised that it is possible that the total increase could be less than 3%.

Ms. Varricchio reported that the Town can reduce the annual amount put away for the fire-fighters pension fund to \$6,700.00.

- m) Legal Services: Ms. Varricchio advised that this budget was unchanged. There was a brief discussion regarding the expense of current legal actions.
- n) Agriculture Commission: Ms. Varricchio reported that she had not received an updated budget from the Agriculture Commission and, consequently, the presented budget was based on the Commission's actual expenditures for the previous year.
- o) Board of Assessment Appeals: Ms. Varricchio noted that there was no change to this budget.
- p) Board of Finance: Ms. Varricchio noted that there was no change to this budget.
- q) Conservation Commission: In response to a question raised by Ms. Link, Ms. Varricchio stated that the Conservation Commission tends to spend much of their budget in the spring. There was a general discussion about whether or not it was prudent to acquire additional open space given the current economy. Mr. Walter reported that he has asked the Conservation Commissioners to focus more of their efforts on opening up the Town's existing open space to the public via signage and parking.
- r) Economic Development Commission: Mr. Walter stated that the Economic Development Coordinator's position is vacant and, consequently, EDC's salary line was reduced. He noted that he and Chairman Casner discussed that some of the salary could be used for a Town Planner. He stated that the Commission has increased the Purchased Professional Services line to promote the sale of the town office building site. He advised that Chairman Casner provided the following breakdown for the \$27,000.00 requested:

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| (1) Appraisal of the town office site and additional land needed. | \$ 6,000.00 |
| (2) Infrastructure (50% Haddam/50% East Haddam) Investigate public water/sewer lines under the CT River. | \$ 4,000.00 |
| (3) Professional engineers to solve town office site access problems. (\$7,000.00 spent in 2015.) | \$ 2,000.00 To complete |
| (4) Market feasibility consultant to determine the highest and best use of the town office site. | \$ 3,000.00 |
| (5) Professional architecture firm to design a use of the town office site that is acceptable to the community. | \$12,000.00 |

Ms. Link noted that the net change in the budget was approximately \$4,000.00. She stated that, given the Town's goal to develop the Village into a tourism destination site, it is critical to have a strong, qualified EDC membership. There was a general

discussion regarding vacancies on the Commission and Mr. Walter agreed to discuss this topic with Mr. Casner.

The Selectmen generally supported EDC's proposed budget and Mr. Walter agreed to confirm with Mr. Casner that the budget proposal was realistic for all that needs to be accomplished.

- s) Historic District Commission: Ms. Varricchio noted that there was little change to the Historic District Commission's budget and Ms. Link noted that it appears that the Commission had underspent its 2015-16 budget. Ms. Zemienieski confirmed that advertising expenses would go down by advertising in the East Haddam News and the Selectmen discussed reducing the Commission's budget to \$1,574.00.
- t) Open Space Commission: Ms. Varricchio reported that the Open Space Commission's budget had gone down from the previous year. The Selectmen discussed whether or not it could be further reduced since fewer open space acquisitions were expected. They agreed to reduce the budget line for appraisal fees to \$5,000.00.
- u) Zoning Board of Appeals: Ms. Varricchio stated that there was no change in this budget.

B. Public Safety Budgets

- a) Ambulance Association: Mr. Walter reported that he recently met with representatives from Middlesex Hospital who informed him that, due to cuts in state funding for hospitals, they would have to impose an annual fee of \$1/per capita for paramedic services. They advised him that the fee would increase \$1/per year for the next four years. The Selectmen discussed the Town's annual contribution to the Ambulance Association and Ms. Varricchio agreed to provide the Selectmen with the Association's financials and contract.
- b) Animal Control: The Selectmen agreed to table their discussion of the Animal Control budget until the February 24th meeting.
- c) Building Department: Ms. Varricchio advised that the department's salary line was higher than usual because clerical staff is generally hired at a lower rate for their first year of employment and then it is bumped up to be in line with the other clerical staff.
- d) Emergency Management: Ms. Varricchio noted that the salary line for the Emergency Management budget increased because the Director's salary had been shifted from Shared Services to this department. She noted that the state reimburses the Town for 50% of the Emergency Management's staff stipends.
- e) Fire Department: Ms. Varricchio reported that the department had requested a \$40,000.00 increase to its budget. Mr. Walter advised that much of the increase is a

result of planned catch-up maintenance work on equipment and an increase in salaries. He stated that the department had been overly frugal in the past in scheduling maintenance and he had asked the Fire Chief to develop a schedule of regular maintenance to bring the equipment back up to standard. He further advised that it is the department's goal to have two full-time FF1/EMTs and several per-diem FF1/EMTs on staff so that three individuals could be on the schedule at all times. He noted that the department plans to increase its budget by \$10,000.00/yr. to achieve its goal. Ms. Varricchio noted that there has also been an increase in the cost of state-mandated training for fire-fighters.

The Selectmen agreed to table further discussion of the Fire Department's budget until the Chief could attend one of the scheduled budget workshops.

- f) Fire Marshal: Ms. Varricchio reported that there was an increase to the Fire Marshal's budget. There was a general discussion regarding existing and planned fire prevention programs.

The Selectmen agreed to table further discussion of the department's budget until the Fire Marshal could attend one of the scheduled budget workshops.

- g) Police Officers: The Selectmen agreed to table discussion of the Police Officers' budget until representatives could attend one of the scheduled budget workshops.
- h) Resident State Trooper: Ms. Varricchio advised that the Town could not adjust this budget; the state determined the amount municipalities must reimburse it for its Resident State Troopers.

C. Public Works Budgets

- a) General Highways: Ms. Varricchio reported that there was a net \$40,000.00 increase in this budget. She noted that the cost of snow removal for the 2014-15 year was in excess of the budgeted amount and Director Lunt had managed the rest of her budget to offset the expense and avoid a special appropriation on residents, consequently, the increase in the presented budget represented a catch-up for work that had been delayed.

The Selectmen agreed to table further discussion of the department's budget until Ms. Lunt could attend one of the scheduled budget workshops.

- b) Snow Removal: Ms. Varricchio reported that the Town uses a rolling 5-year average to develop this budget line.
- c) Town Garage Maintenance: Ms. Varricchio noted that there was a slight increase in this budget line.
- d) Transfer Station: The Selectmen reviewed the Transfer Station budget.

D. Health & Social Services Budgets

- a) Cemeteries: Mr. Reich discussed regular maintenance work done at the cemeteries and explained a proposed rehabilitation plan.
- b) Chatham Health District: Mr. Walter reported that this budget line had increased due to the fact that Haddam had left the District and the expense has to be shared by the remaining members. In response to a question raised by Ms. Link, Mr. Walter confirmed that they are working on a resolution to service concerns and looking at budget controls. There was a brief discussion regarding participation generally in a regional health district vs. creating an independent health department and it was agreed that the cost of managing an independent health department far exceeded the cost of participating in a regional district.
- c) Human Services: Mr. Walter stated that, in addition to the regular contributions to non-profit human services organizations serving East Haddam residents, the Town donates \$500.00 to First Church to house the Clothing Bank and \$1,000 for allowing the Town to use its parking lot when there are elections or large meetings at the Grange Hall/Town Hall site. He noted that this consideration would no longer be required when the new Municipal Office Building is completed and elections are held there.
- d) Senior Services: Ms. Varricchio stated that the main change in this budget line is due to an increase to a 40-hr. work week for the department head.
- e) Youth & Family Services: Ms. Varricchio noted that the Youth & Family Services proposed budget represented the lowest increase in recent years. In response to a request made by Ms. Link, she agreed to get copies of the department's financials for the Selectmen to review.
- f) Early Childhood Council: Ms. Varricchio reported that United Way had reduced its funding of this program by \$500.00 for the upcoming year. The Town and the Board of Education will share the cost to make up the amount.

E. Recreation & Leisure Budgets

- a) Lakes Association: The Selectmen agreed to table the discussion of this budget until representatives from the Lakes Association could attend one of the scheduled budget workshops.
- b) Library System: Ms. Varricchio stated that the increase in the Library System's budget was due to their goal of synchronizing the two libraries' hours and a need to increase staff. There was a general discussion regarding the other items in the Library System's proposed budget. In response to a question raised by Mr. Malavasi,

Ms. Varricchio agreed to research adding the libraries to the Town's voice-over phone system.

The Selectmen agreed to table further discussion of the department's budget until Director Gilroy could attend one of the scheduled budget workshops.

- c) Parks & Recreation Commission: Ms. Varricchio reported that the increase in the Commission's salaries budget line was due to an increase in the minimum wage. There was a brief discussion regarding a new "How Your Government Works" program proposed by Director Quinn. Mr. Walter and Ms. Link expressed their concern that program might disturb Town employees at work.

In response to a question raised by Ms. Link, Ms. Varricchio reported that the Recreation Department's summer camp program had gone well and all expenses were offset by registration fees. She stated that the Commissioners have requested the Town set-up a scholarship fund for the summer camp program.

- d) Town Greens, Grounds & Fields: There was a brief discussion regarding the Greens & Grounds budget and Ms. Varricchio agreed to gather more information for the Selectmen.

Other Budgets

- a) Debt Service: Ms. Varricchio reported that refunding of existing notes resulted in interest savings of \$48,826.00. She further stated that, due to the low interest rate environment, the Town may also be able to reduce the interest expense on the new projects.
- b) Interfund Transfers: The Selectmen agreed to table their discussion of Interfund Transfers until the February 24th meeting.

F. Capital Projects

Ms. Varricchio reported that total increase in Capital Projects totaled \$2.3M; after various funding sources (i.e. reserves, grants, etc.) are considered, the new projects totaled \$1.35M. Ms. Varricchio reviewed the Capital Projects budget line and introduced Kevin Reich, interim Facilities Manager for the Town.

Mr. Reich reviewed a number of capital purchases and projects that he recommended the Town consider, including a dump trailer, a 12.5' mower, a riding mower, replacing the Grange roof in the next 1-2 years, foundation and other work at the Millington School House, replacement of Town signs, and installation of additional parking lots at the Senior Center and Heritage Park.

The Selectmen discussed several other capital projects, including \$10,000.00 for the emergency services radio fund, replacement of the Police Department's Tahoe, and

reserving for replacement of the ladder fire truck in 2022/23. Ms. Varricchio noted that the replacement of the Bone Mill Bridge and not been anticipated in the Town's 10-year Capital Projects Plan; after the state's contribution to the repairs, it will cost the Town approximately \$262,500.00. The Selectmen also discussed several Public Works capital improvement projects.

Mr. Reich stated he would like to have an evaluation done on all of the Town's boilers to determine which need to be replaced and which can have their lives extended by preventative maintenance. He noted that the East Haddam Free Library will need to have shelving replaced in the next 2-3 years and the Rathbun Library needs ADA compliant upgrades to its bathroom.

The Selectmen discussed the status of the tennis courts at the Old Middle School and the request for additional funding for the disk golf course. They agreed to invite Recreation Director Quinn to one of the budget workshops to discuss the disk golf request.

Mr. Walter reported that the Board of Education's (BOE) budget included \$297,000.00 in new capital requests. He stated that he had asked Superintendent Reas to prioritize the list of capital projects and notate which can be postponed. Mr. Reich reviewed several of the BOE's proposed new capital projects. He noted that asbestos adhesive had been used in two bathrooms at the Elementary School and he recommended that remediation work in the bathrooms be done when the ceiling tile and roof abatement work is done. The Selectmen agreed with his recommendation.

G. Other Budgets (as time permits): No other budgets were discussed at the meeting.

3. Adjournment: There being no additional business to discuss, a motion was made by Mr. Walter, seconded by Mr. Malavasi, to adjourn the meeting at 2:56 p.m. Unanimous aye

Recorded

Respectfully submitted,

Susan Link, Secretary