

TOWN OF EAST HADDAM

Board of Finance

Special Meeting Minutes

November 9, 2017

Town Office Annex

BOARD PLANNING WORKSHOP

The Special Meeting of the Board of Finance was called to order at 7:02 pm by Mr. DiCristofaro at 7 pm. The Pledge of Allegiance was recited.

In attendance:

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

Others in attendance:

Emmett Lyman, First Selectman
Debra Denette, Town Clerk and Recording Secretary
Cindy Varricchio, Finance Director
Approximately six citizens

SWEARING IN OF NEW MEMBERS

Town Clerk Debra Denette administered the oath of office to Todd Gelston (Mr. DiCristofaro and Mrs. Gionta were sworn in on election night). Certificates were given to each newly elected member.

APPOINTMENT OF ACTING CHAIRMAN

Motion was made by Mr. Dutch to appoint Mr. DiCristofaro as acting Chairman of the meeting. Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.

Mr. DiCristofaro thanked the Board for the honor. He welcomed the new Board members and thanked the audience for coming.

BOARD OF FINANCE FUTURE PLANNING DISCUSSIONS

Mr. DiCristofaro noted that purpose of the workshop was to discuss the objectives raised by Mr. Thomas at the August meeting and to chart a course for moving forward. He suggested that the Board start by listing the ideas and then move the ideas into strategy to improve.

Mr. Thomas presented a lengthy summary of the three areas he identified in need of improvement: increasing revenues, more planning and better communication. He added that there could be more. Mr.

Thomas highlighted the following points:

- Planning needs to occur in the “off season” meaning when budget review is not the focus.
- There is a plan for management of the capital improvement plan, but not for on-going expenses.
- There needs to be better education on what new services cost and their impact on the overall budget.
- There needs to be better education on the parameters the Board of Finance must live under.
- Comparison of East Haddam’s tax burdens with other municipalities (where do we fall) should occur.
- Communicate better with the public, and not just at referendum time.

Mr. DiCristofaro noted that opportunities for increased revenues have been discussed for the Transfer Station as well as negotiation/ renegotiation of PILOT (Payment In Lieu of Taxes) payments. Mrs. Varricchio advised that the Goodspeed is one of the Town’s top 10 taxpayers. Mrs. Gionta stated that she would like to better understand why some properties are taxes and some are not. Mrs. Varricchio advised that the Goodspeed pays \$29,784 to the town, which was a formula derived from litigation many years ago.

It was also noted that the Consumer’s Union provides a gift with a value of \$25,000 annually. Mr. DiCristofaro emphasized that the PILOT payments are not at the Board’s discretion. It was also noted that Franklin Academy, recently received 501c(3) status and does not pay taxes at this time, prior to becoming a 501c(3) it was estimated that they were paying approximately \$100,000 in taxes annually.

In discussing PILOT payments it was noted that:

- The town services support these entities including police, fire, ambulance, snow removal. It was noted that community spirit would be the only compelling argument to be made to participate in PILOT.
- Mr. Lauria noted that some municipalities charge for emergency services to non-taxpaying users.
- Mr. DiCristofaro inquired whose responsibility it would be to negotiate—the Board of Finance, the Board of Selectmen or the Assessor. No answer was given.
- Mr. Gelston noted that as important as communication is perception. He stated that many perceive that the Goodspeed receives a free ride.
- Mrs. Varricchio advised that she and the Assessor are working to provide a detailed list for the Board of Finance of all non-profit entities in Town.

Transfer Station:

- It was noted that the Board of Selectmen is putting together a Transfer Station Committee.
- It was recognized that a usage fee is an additional tax on residents. It was noted that if that property tax collected could be less, it would be a way to promote.
- It was noted that many towns charge and there should be a model available that we can adapt for our use. It was also recognized that those who use the service the most should pay the most.
- Enforcement of the rules was noted to be a concern. Concern was also raised as to not drive away the local collectors.

School District:

- It has been suggested that the school district could generate income from some of the programs by bringing in out-of-town students. Examples of what the Lyme district has done were noted by Mr. Gelston.
- Particular opportunities may be present with both Tech-ed and special needs students.

- Mr. DiCristofaro noted that a small investment may yield long-term results in this regard.
- Mr. Thomas suggested that a distance learning could be added to the list. Mr. Gelston added agriculture.
- Mr. Lauria noted that the feasibility study being undertaken by the Board of Education will great assist in the long-range planning.

Development:

Mr. DiCristofaro stated that as projects move forward, Board members need to participate more on Committee's they are liaison to. For example, he stated that it may be meritorious to fund a project such as sewers if it will assist in development.

It was noted that there is only once chance to develop the Town Office site, it needs to be done right. The importance of being at the table was once again emphasized.

Budget Challenges:

The unpredictable nature of revenue sources was noted to be challenging. Interest income has been considerably down and State aid is in question. Mr. DiCristofaro noted that as each piece of property goes into open space, it is removed from the tax rolls. He did not opine whether it was good or bad, only that it needed to be better understood.

Operating Budget:

It was suggested that we review the cycles at which we replace items and perhaps extend life of vehicles computers, etc.

Maintenance plan. Is there one? The big four capital projects were done, what is next? The ten-year plan should be revisited.

Mr. Thomas inquired if a pro forma budget could be utilized. If trends were reviewed, there could be less surprises. It was noted that Munis has the capability, however, it has never been utilized. Mr. Dutch stated that the Board needs to be more attentive to details, roll up its sleeves, come earlier and stay later.

Mr. Gelston noted that Government needs to remain mindful of its requirement to provide service. He noted that there were no lights on at 8:00 pm in the evening at the high school side parking lot. They were needed. He also noted the importance of separating wants from needs.

Communication:

The Board follows rules to meet the minimum standards. He noted that there may be more of an issue with perception. He questioned whether we have kept up with technology. Mr. Gelston stated that the biggest communication received from the Board of Finance is the tax bill. It was noted that it is important to show that the Board is listening. Clear and open Agendas were noted to be important. Saturday morning meetings were deemed helpful.

Mr. Lauria stated that by the time the "workshops" have occurred for the past couple of years, all the work had been done. Mrs. Gionta asked when the work was done. Mr. Thomas responded "not in public, basically". Mr. DiCristofaro added that the tenure of the meetings needs to remain civil and people need to be heard and not cut off. Earlier workshop meetings would allow for comments to be incorporated.

The importance of good communication year-round was emphasized, the *East Haddam News* as a vehicle to promote and market was noted. Mrs. Gionta stated that Facebook should not be where people get there news. It was noted, however, that it could be a vehicle to share facts, figures, etc. It was noted that the town calendar has a "push" feature. It was also recognized that once the budget is moved to referendum, you can no longer advocate for it.

Mr. Gelston stated that communication needs to be kept simple, but consistent. The importance of listening was emphasized to build relationships.

Mrs. Gionta stated that the regular work of the Board constitutes a meeting in public, not a public meeting. She encouraged questions to be asked, but stated that responses should not result in a back and forth dialogue.

It was suggested that these items remain on the agenda each meeting. Mr. DiCristofaro concurred that the Board of Finance needs to do a better job. He suggested that perhaps each member could focus on one task and work for improvement.

Mrs. Gionta inquired if there were subcommittees, policy manuals, etc. She was advised that there has been a financial policies subcommittee and those are really the only policies developed.

Mr. DiCristofaro expressed his hope that a review of the items discussed here could be available for Monday's meeting.

Motion was made by Mr. Dutch to adjourn at 8:55 pm. Mr. Lauria seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,

Deb Denette