

TOWN OF EAST HADDAM

Board of Finance

Public Hearing and Special Meeting Minutes

April 10, 2018

Nathan Hale-Ray High School

Friedman Auditorium

Mr. Lauria called the Board of Finance Public Hearing to order at 7:00 pm. The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members

Gregory Lauria, Secretary

Bruce Dutch

Todd Gelston

Tracey Gionta

Harvey Thomas

Others

Emmett Lyman, First Selectman

Deb Denette, Recording Secretary and Town Clerk

Bryan Perry, Chairman, Board of Education

Brian Reas, Superintendent of Schools

Cindy Varricchio, Finance Director

Approximately 35 staff and citizens were in the audience.

Mr. Lauria pointed out the emergency exits. He thanked the audience for coming. Mr. Lauria solicited comments from the audience.

Joan Dill noted frustration with the different data sources identified in the *Citizens' Guide to Budget*. In particular CERT data and [PFC housing.org](http://PFC.housing.org) that define the medium household income differently. She encouraged consistency from year to year. She also noted that the student enrollment continues to decrease, while the over 65 population is increasing. She noted concern that those living on fixed incomes cannot meet the increased tax burden and she encouraged the Board of Finance to look closer at those fees. Current costs of education are \$22,000,000 for only 1,032 students.

Mrs. Dill also questioned why the town is subsidizing \$25,000 for the benefit of those on the sewer district. She noted that when her septic fails; the burden is not placed on the taxpayers and this should not be any different.

Mrs. Varricchio stated that she would be happy to sit down with Mrs. Dill and review the data sources at another time.

Terry Dickinson stated that she also had questions regarding the numbers. She stated that the Citizens Guide identifies the unassigned fund balance at 14.4% yet at the last budget meeting different numbers 13.3% and 12.8% were discussed.

Mrs. Dickinson pointed out that according to the *Citizens' Guide* we rely on volunteers for the fire department. She noted the on-going campaign to recruit volunteers, yet the proposed budget makes eliminations to Fire Department staff to save costs. She identified an emergency situation where the emergency response time was unacceptable and she encouraged the Board not to jeopardize public safety to save a few dollars. As a 15-year dispatcher, she noted the importance of coverage for the 4 am to 7 am timeframe. She also noted the costs associated with a police boat, and noted that no water arrest has ever been made in East Haddam.

Mrs. Dickinson questioned the \$60,000 for parts in the Public Works budget. She stated that it was reported that repair and maintenance work was done in house, and that only warranty work was sent out. Mrs. Dickinson stated that does not appear to be the case. Mrs. Dickinson applauded the work of the Board of Finance in this year's budget process; and stated that there is still much more to be done.

Mr. Lyman stated that paid staff is not being eliminated in the Fire Department. He stated that ways to save funding have been identified and that those savings are being pursued.

A gentleman (it is unclear as to his name Tim M?) inquired as to why we would lease a \$170,000 trash truck rather than purchase it. He was advised that town will be purchasing the truck using reserves and will pay back the reserves from the savings rather than to lease to own. Responsive to his inquiry regarding staffing he was advised that two of the three Transfer Station employees hold CDL licenses; Mr. Lyman advised that the town has the capacity to take on this endeavor. He further opined that the maintenance and overhead for the new Municipal Office Building Complex seemed very high. Mrs. Varricchio advised that the budget includes transferring the costs of cleaning services that were contained in other budgets into this budget. She stated that corresponding decreases are reflected in the areas of Town Garage, Senior Center and Libraries.

The gentleman continued that he could not find where the Board of Education decrease of \$40,000 from the property rental fee was reflected. He expressed surprise that that Central Office expenses went up; he acknowledged the need for school safety but he did not feel throwing in a \$150,000 figure was appropriate. Mr. Reas stated that the figure represented staffing and was not an "out of the sky" figure. He further advised that the Board of Finance has tabled that item. Mr. Lauria added that the Board of Finance felt that security issues were a town wide issue; and have asked for a thorough assessment and will entertain a proposal outside of the budget process.

The gentleman raised additional concern with the expenses in the libraries. He suggested a spending freeze until all building issues are resolved. Mr. Lyman concurred and stated that only emergency impacting health and safety are being addressed at this time. He requested future budgets to provide more detail or justification for expenditures. He noted for example that budgets provide detailed information regarding what each department utilizes for postage, but IT costs are all lumped together. He also suggested savings may be realized with rebidding phone and electric. Mrs. Varricchio stated that she appreciated the comments and advised him that we do bid items such as the phone and electric.

Bob Casner inquired when the last time the transportation contract for the Board of Education was bid. Superintendent Reas advised that the transportation contract was re-bid and awarded to DATTCO two years ago.

Scott Tanner inquired if there were plans to install solar on the new Municipal Office Building Complex. Mr Lyman reported that there was not. Mrs. Gionta reported that the Board of Education benefits from the solar farm at Shagbark through an agreement.

Mr. Lauria closed the Public Hearing and called for a recess at 7:36 pm.

At 7:40 Mr. Lauria reconvened the Board of Finance meeting. He noted that the budget presented is \$31,562,517 based on the grand list as of October 1, 2017 of \$871,380,752. The budget represents a.08 mills increase (1.8% tax increase).

Mr. Lauria inquired if there were public comments.

Mrs. Joan Dill inquired when the Board of Finance will really look into holding the line on education. She noted that she is all for education, however, she stated that it cannot remain a sacred cow. She stated that it is past time for some belt tightening.

Mrs. Gionta noted that back and forth debate cannot occur. She also responded that for the past eight years the Board of Education budget has consistently come in under the contractual obligation, meaning that there has been belt tightening. She further took objection to a comment raised by Mrs. Dill regarding discarded books. Mrs. Dill stated that a school could be closed, or that students could be sent to private institution cheaper. It was noted that East Hampton is looking at laying off six teachers to address declining enrollment.

Mrs. Gionta stated that the board of Finance reduced the Board of Education \$50,000 and took \$150,000 out of the budget regarding school security. She stated that she believes a responsible budget was presented

Randolph Dill was advised that the Board of Education budget presented holds electrical costs flat.

Mrs. Dickinson also noted that the per student cost would be less to educate students in private or magnet schools.

Mr. Lauria asked for an update regarding the feasibility study. Mr. Reas advised that enrollment is expected to decline an additional 60 students over the next ten years. Building consolidation is being reviewed. He also noted that public education includes special education and transportation costs that are not a factor in private or magnet schools that the district is being compared to. He noted that he presented that information at one of the workshops and would be happy to provide it upon request to Central Office.

A parent encouraged support for education as a strong school system attracts young families.

Mark Piscioti stated that the schools are busy, they have what they need and can always use more. He noted that the Board of Education strives to be conservative. He thanked the Board of Finance and Board of Selectmen for their time.

Todd Gelston stated that education is a big nut for the town and the quality of it corresponds with the quality of the town. He added that we need to continue to work to reduce costs without impacting quality. He noted the difficulty with so many unfunded mandates.

Motion was made by Mrs. Gionta to present to the Annual Budget Meeting scheduled to be called by the Board of Selectmen for April 24, 2018 at 8:00 pm at the Town Meeting Hall, a total budget of \$31,562,517 based on the grand list as of October 1, 2017 of \$871,380,752. The budget would require a mill rate increase of .08 mills or a 1.8% tax increase. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Mr. Thomas noted that there were a number of questions asked of substance that needed detail to answer. He inquired about how they would be answered. It was noted that answers will be provided that will be put on the town's website.

Motion was made by Mr. Thomas to adjourn at 8:03 pm. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted

Debra H. Denette, Recording Secretary