

**TOWN OF EAST HADDAM**  
**Board of Finance**  
Special Meeting Minutes  
March 17, 2018  
Municipal Office Building  
Meeting Rooms 1 and 2

The special meeting of the Board of Finance was called to order by Mr. DiCristofaro at 9:02 am. The Pledge of Allegiance was recited.

In attendance:

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

Others:

Emmett Lyman, First Selectman  
Deb Denette, Town Clerk and Recording Secretary  
Cindy Varricchio, Finance Director

Approximately 50 staff and citizens were in the audience.

### **BUDGET PRESENTATIONS**

a. **Introduction and Overview:**

Mr. DiCristofaro wished all in attendance a Happy St. Patrick's Day, welcomed all to the new facility and thanked the audience for coming out on a Saturday morning. He asked Superintendent Reas to present the Board of Education budget.

b. **Board of Education Presentation:**

Superintendent Reas provided a comprehensive report that included:

- Strategic Plan Goals
- Priorities
- STEM
- Enrollment Trends (reported to have flattened out)
- Several graphs relative to budget increases and comparisons
- Progress and momentum

Mr. Reas noted that a \$150,000 line item was added to address security concerns and would be utilized to fund armed guards.

Mr. DiCristofaro requested that comments be held until both budgets have been presented.

c. **Board of Selectmen Presentation:**

First Selectman Lyman provided a comprehensive report that included:

- Vision statement
- Goals and objectives
- Grand List growth of 1.8%
- Addressing delayed capital projects due to last year's State municipal aid cuts
- Realigning staffing in Building Department, Library Systems and Fire Department
- Recent accomplishments were noted
- Upcoming opportunities for both Villages were noted
- Budget summary, Capital Improvement Plan, Debt Service and Reserves were reviewed, as were projected Revenues.

Highlights included the reclamation of Petticoat Lane, which had been delayed due to last year's budget cuts, the purchase of a roll off truck to eliminate paying for transportation of waste for the Transfer Station.

Overall the total Board of Selectmen budget comes in with a 3.5% increase.

d. **Guests and Audience Comments:**

Mr. DiCristofaro opened the floor to comments and questions by the audience.

Joe Spurgeon stated that he was appreciative of improvement efforts for Petticoat Lane. As a cyclist he finds that road to be very dangerous in its current condition. He also encouraged the investment in our children at the school level.

Jane Zirlis stated that she would like to see what makes up the budget requests presented. Mr. DiCristofaro stated that the Board would begin a line by line review now that the budgets have been presented. It was also noted that the presented budgets will be put up on the town's website on Monday.

Michael Callahan stated that he appreciated the diligence going into the budgets. He also recognized the unfunded mandates, but wanted to be sure we were spending the funding we do have wisely and appropriately. He stated that he would like better dialog among all involved. He noted concern with the Superintendent's slide regarding East Haddam comparisons to others in terms of growth rather than in terms of actuals. He noted that it was his understanding that East Haddam ranks relatively low in comparison to its Educational Reference Group in math.

Superintendent Reas responded that in October the Board of Education reviews East Haddam's ERG standings, he noted that this piece was focused on finances.

Irene Morsch noted that the slides showed progress to target. She inquired if we were all using the same targets.

Cindy Novak encouraged support to the schools as the fate of our future depends upon it.

Lenore MacLean noted that families move to our town based on the strength of our programs for children. She encouraged the town not to lose sight of investing in areas that impact our future.

Irene Morsch encouraged the Town Office Building and Board of Education building to be sold to for profit ventures to. She was advised that the town leased the Board of Education building and that it is under private ownership.

Bob Morsch noted the Parkland Tragedy, however, he questioned whether the \$150,000 price tag was truly necessary. He also encouraged standard scores as the cohort to compare to and stated that he would like it to relate to the cost per student.

Michael Callahan commended the Elementary School on being one of only 28 schools state wide to receive a designation of distinction.

Cindy Novak noted the need for funding to increase security. She stated that it was not overreacting.

Mark Piscioti, a former police officer and security company owner noted that a retired officer would have appropriate training to respond and maintain a presence in the school and would be of great benefit.

Mr. DiCristofaro reviewed how a mill rate is derived at; he presented a chart that would identify the mill rate impact associated with changes to the budget amounts. He stated that it would be his intent to have a stable mill rate and not have an increase beyond .10 mills. He stated that he personally would like to see it come from a combination of increased revenues and spending reductions.

He stated that he agreed that the Board cannot ignore school safety issues. He noted, however, that the same risks are present with the town with park and recreation use of the gymnasium. He suggested that a more global study was in order. He solicited the Board for their thoughts on where they would like the budget to end up.

Mr. Thomas stated that responsible development of the former town hall parcel was imperative for long term benefit. He stated that he would like a zero budget increase in this cycle. He noted, however, it was a hefty goal.

Mrs. Gionta and Mr. Dutch concurred with a zero budget increase goal.

Mr. Lauria stated that he would not object to a reduction in mill rate if it could be found without a reduction in service.

Mr. Gelston encouraged efficiencies wherever possible. He noted the need for quality education. He stated that he saw lots of places to where a review of the details was in order.

Mrs. Gionta stated that local government is the most transparent.

**Upon a motion made and duly seconded, the Board of Finance recessed for 5 minutes between 10:35 am and 10:40 am. The motion was unanimously approved. Motion carried.**

## **BUDGET WORKSHOP SCHEDULED DEPARTMENTS**

### **a. Board of Education:**

Mr. DiCristofaro requested the Superintendent to review magnet schools and the impact on our educational system. Mr. Reas stated that East Haddam had 40 students K-12 attending, and that it is now down to 35. He stated that the schools have impressive facilities, making them attractive. The school district is responsible for paying the tuition for a student to go to a magnet school, the parent is responsible for the transportation.

Mr. Reas highlighted the items that made up the increase in the Board of Education budget. There were noted to be an increase in green cleaning supplies (which are mandated and more expensive), projectors, student furniture, music risers at the elementary school, an increase in benefit costs due to premium increases

Mr. Thomas inquired what changes in staffing levels have occurred. Mr. Reas advised that enrollment decreases have leveled off. He also noted that staffing has remained level, however, lots of reallocation has occurred. For example, he noted that more students are being educated in district, and staffing has relocated from the elementary school to the other schools for specialized programming. He also noted that psychologists were hired and departing staff were not replaced giving the appearance of remaining flat.

Mr. Thomas noted that at one point there was a plan to sell excess capacity in our schools to other towns. He inquired if that ever materialized. Mr. Reas stated that transportation issues make that unrealistic.

Mr. Reas stated that union negotiations are not scheduled for another two years. It was noted that field trips still occur and that school tries to partner with urban schools wherever possible as it reduces costs by receiving state grants. Discussion was held on the bus contract; the Board was advised that it was recently rebid and there is a minimum of two more years with DATTCO. Mr. Reas noted the challenges to East Haddam given the length of the current bus runs in comparison to other districts.

Mr. Lauria noted that there was a \$122,000 reduction in staffing at the elementary school. It was noted that the reduction represents a staff shift in special education programming to the middle school. The employee contributions associated with health care was reviewed responsive to inquiry from Mr. Gelston. Further discussion regarding premiums and savings realized under HSA accounts was held. Discussion regarding the attraction with magnet schools was reiterated.

Additional discussion was held regarding the projectors needed. Staffing versus enrollment was revisited.

Enrollment was again revisited, with focus on the number of students lost to magnet, parochial and trade schools. Mr. Reas stated that the trend has the number of students that are leaving East Haddam school district is decreasing.

Mr. Reas clarified the Board of Education's request to fund \$150,000 for increased security; including three armed guards. School guards would be required to be retired police or military officers that maintain their credential to carry. Mr. DiCristofaro inquired whether a formal threat assessment had ever been done by an outside independent firm. He was advised that it had not. It was noted, however, that there are 30 cameras at each school and limited access. It was noted that there is a security plan on file done by the Emergency Operations Center that is 400 pages long. He stated that it is a great model.

Mr. DiCristofaro stated that he is not minimizing the need for improving security; he questioned however that the risks should be analyzed and he questioned if there are measures that could be taken without having to hire additional personnel. Further discussion was held regarding Police Officers versus School Resource Officers. The \$150,000 was noted to be reflective of a partial reduction in hall monitors that would occur and does not reflect benefit costs, although it is unlikely that those would be necessary.

Mr. DiCristofaro solicited other members thoughts on the subject. Mr. Thomas concurred an assessment of the risk was necessary. He also inquired how many credible threats had there been during the Superintendents tenure. None were noted in East Haddam. Mrs. Gionta concurred with the need for an assessment, she also felt that the item should not be part of the educational budget, but a Shared Services budget. Mr. DiCristofaro concurred and reiterated the need to have safety measures at the Municipal Office Building as well. He further stated that other considerations included who would supervise armed staff and how absences/substitutes would be addressed. He noted that it is a very emotional issue and requires further discussion. Mr. Gelston cautioned against being reactive, and noted that Parkland had an armed guard. Board of Education member Mr. Piscioti encouraged the Board to consider that the topic of school security is not a new one and that armed guards are a successful strategy.

**Motion was made by Mr. Thomas to recess at 11:58 am. Mrs. Gionta seconded the motion and it was unanimously approved. Motion carried.**

The meeting reconvened at 12:10 pm.

b. **Fire Marshal:**

The Board of Finance reviewed the Fire Marshal's request. It was noted that fees are being re-examined, however, there needs to be a mechanism in place to collect them should they be imposed. Mr. Gelston inquired how many staffing hours were anticipated. The duties of the Fire Marshal were reviewed, it was noted that 1,000 hours for the Fire Marshal is budgeted (less for the

deputies) and that it is a target. The budgeted hours for 2018-2019 is above the five year average, it was noted that the hours budgeted could be revisited.

c. **Land Use—to include IWWC, WPCA, P&Z:**

**Planning and Zoning:**

It was noted that the Board of Selectmen made cuts to the Planning and Zoning budget. Land Use Administrator Jim Ventres, Crary Brownell and Jim Curtin, Planning and Zoning Chair and Vice Chair were on hand to answer questions from the Board of Finance. It was advised that the fees collected are being reviewed. Responsive to inquiry from Mr. DiCristofaro, Mr. Ventres stated that it would not be unreasonable for fees to increase 10%. Mr. Ventres noted that large projects bring larger fees, they also require additional services.

Discussion regarding the Plan of Conservation and Development was held. An additional \$25,000 is requested to complete the project. The purpose and usefulness of the Plan was conveyed by Mr. Ventres and Mr. Brownell. It was noted that firm Malone and Macbroom will handle a survey and marketing piece, the remainder of the project will be done with guidance from staff and the Commission. Mr. Brownell noted that the deadline to complete the Plan of Conservation and Development was extended to the beginning of 2019.

Insurance costs and projected increases were reviewed. Mr. Gelston stated his opinion that Land Use and Building secretaries should be combined. Mr. Ventres stated that it would not be responsible to do that with a part time Building Officer and without being caught up on Laserfische. Mr. Gelston requested that Mr. Ventres pursue the feasibility of such a merger. Mrs. Varricchio stated that any such directive would be given by the First Selectman and not the Land Use Administrator.

**WPCA**

Andrew Lord joined Mr. Ventres. The WPCA has a \$25,000 annual request for capital. It was noted that the sewer usage fees are the third highest in the State. Reserves need to be built up for needed improvements and the Authority does not feel it can raise the fees any higher. It was noted that the system has the capacity to grow. It was noted that the system is processing 20,000 gallons per day and could handle 45,000 to 50,000 gallons per day of waste water. It was further noted that most plants are running at 50% capacity, the utilization of items such as high efficiency washers and toilets has had a significant impact on waste water.

Mr. Thomas summarized that there is need to build up the maintenance fund to keep the plant operational. Mr. Lord responded that it is for capital and not maintenance. It was further noted that the Plant has been self-funded for 18 years. It is a town asset. The Board recalled a loan to the WPCA; it was noted that the loan enabled the town to obtain a grant for some improvements and that the loan was paid back with grant fund proceeds. It was noted that the \$25,000 figure could be revisited if the Village fills and more EDU's are added.

Discussion between Mr. Lord and Mr. Gelston ensued relating to the timeframe for anticipated failure. Mr. Lord stated that there will not be a failure, however, without this action the time will come when the plant will run at deficit. This request is to be proactive. It was also noted that the WPCA operates under a special revenue fund and the funds do not revert back to the General Fund at the end of each year. It was noted that this special revenue fund has a policy under the Board of Finance Fund Policies.

Mr. Gelston inquired if we could be a septic receiving facility to lessen the tax burden. It was noted that receipt of large doses/solids would be too strong for our facility. Mr. Gelston inquired what EDU was targeted to self-sufficiently maintain the facility. Mr. Ventres responded 225.

Mr. Casner a member of WPCA and Chairman of the Economic Development Commission noted that the town needs to be sensitive to EDU costs. He stated that it is prohibitive for businesses to work open in the Village at an annual cost of \$30,000 to flush a toilet.

Further discussion was held relative to rebidding management of the facility. It was noted that the Water Planet Company has managed the facility from the get go and that all have been incredibly pleased with his performance. Mr. Lord stated that he does not believe we could do any better.

d. **Library System:**

Michael Gilroy presented on behalf of the library. He noted that the town acquisition of the East Haddam Free Public Library is in process. He stated that he was here to review operating costs. Dawn Barlow, Chairman of the Library Trustees was present as well. Endowments were reviewed, accessibility issues were noted. It was noted that the libraries operate as one system with two separate branches. The budget was noted to have been lowered due to a reduction in staff and a transfer of cleaning services out of the library budget. Responsive to inquiry from Mr. Thomas, Mr. Gilroy stated that other than the reduction of the assistant librarian, the operating budget is adequate.

Mrs. Gionta noted confusion over the organizational chart of the library. Mr. Gilroy provided clarification and will provide further detail to Mrs. Gionta. It was acknowledged that the various groups, the friends, the Reading Room Association, the Library Trustees make it confusing. It was further noted that there are five separate funding streams coming into the libraries.

Mr. Dutch stated that he would like to get all of the Library people together and have discussion about where we are going with this. He believed a strategic plan could be laid out. Chairman of the Trustees said that an ad hoc planning committee to work on facility issues and develop strategies is being put in place. Mr. Thomas was asked to stay on top of the issue as liaison.

Mr. Gilroy's numbers suggest that 50% of the town utilizes the library in some fashion annually. The nuances of each library were explained.

Mr. Gelston stated that the town needed a good library. Mr. Gilroy stated that the Town of East Haddam spends less on maintaining two libraries than many towns spend on just one. He further

noted that our town provides excellent library services, and added that both buildings need improvement.

**Motion was made by Mrs. Gionta to recess for lunch at 1:40 pm. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.**

The meeting reconvened at 2:07 pm.

e. **Tax Collector:**

Tax Collector Denise Dill was present to review the Tax Collector's budget. She noted that she is proposing increased fee collection by raising fees to the maximum amount allowed in accordance with statute. Responsive to inquiry from Mrs. Gionta, Mrs. Dill explained the airplane pilot fee and the role of Quality Data.

f. **Conservation Commission:**

Rob Smith presented on behalf of the Conservation Commission. He noted that the Conservation Commission manages over 2,000 acres of the town's open space. He noted that the Commission has become very active opening these areas to the public. It has put in 21 miles of trail, all with volunteer labor. Responsive to inquiry from Mrs. Gelston it was noted that supplies include posts and signs and markers and construction material. He noted that the town's Public Works helps when heavy equipment is needed. Mr. Gelston inquired about proceeds from forestry management. He was advised that those funds are maintained in a special revenue fund.

g. **Economic Development Commission:**

Bob Casner presented on behalf of the Economic Development Commission. Confusion resulted as Mr. Casner was speaking regarding the EDC's request for an Economic Director(\$85,000) whose main responsibility would be to write grants. The Selectmen cut that item from the budget, however, Mr. Casner was unaware of the cut. Mr. Casner noted the importance of the position to bring economic growth to the town without putting all of the burden on its residents. Lengthy discussion was held regarding other ways to hire a grant writer without it becoming a permanent position of the town. Mr. Casner stressed the importance of needing a plan for the Main Street property, needing participation in the project and needing professionalism. Mr. Casner stated that in addition to the Main Street property, there are other huge projects looming that this position would be beneficial for such as expansion of the sewer system and potentially rerouting traffic coming from the Haddam side.

Mr. DiCristofaro suggested some sort of contract agreement with contingency for successful grants. Mrs. Varricchio noted that many other staff write grants and such compensation would likely come with complications. Mr. Casner stated that the Commission felt strongly that it needed someone with their pulse in and on the town rather than a firm was needed.

Mrs. Haines, who is also on the Economic Development Commission, concurred that there is only one chance to develop this property, and emphasized the importance of having it done right. She

noted that the State estimates that every \$1.00 spent at state parks generates \$36.00 in revenue for the area. She noted that it is extremely short sighted to cut costs in this area. Mrs. Haines added that we have emptiness here in East Haddam and she stressed the importance of making an effort to fix that.

Mrs. Gionta noted that she would not want to be penny wise and pound foolish.

Mr. Gelston inquired what alternative plan the Selectmen had when they cut the item from the budget? It was suggested that East Haddam could perhaps work with Haddam. Mr. Casner stated that there is a perception that one town or the other may not be the focus with a joint effort. He continued that he would like the focus to be solely on East Haddam. It was noted that the suggested salary would be in the \$50,000 to \$60,000 range plus benefits. Mrs. Gionta inquired why the EDC did not spend all of its funds, Mr. Casner reported that the Selectmen implemented a budget freeze. Mr. Lyman stated that budgeted funds were not removed with the freeze, only that purchases were to be discussed with him prior to being made.

Mr. DiCristofaro stated that the Board of Finance will need to have further dialogue on the \$150,000 security request and this economic development issue. Mr. Lauria stated that there is a sense of urgency with both. He inquired if the \$85,000 figure was enough to achieve the goals. There was additional discussion if the position could be filled with a blend of base salary and contingency. Mrs. Varricchio cautioned against any such model as current staff writes solicits and receives grants for the town at no additional compensation. Mr. Gelston stated that he believed this was a short term fix for a long term problem. He further opined that we have the expertise in house to pursue these grants. He encouraged staff to look at software applications that assist in finding and obtaining grants. It was also suggested to put the project out to bid and let a developer tell us options. It was suggested that we are too small for the big boys. Mr. Thomas stated that it would be helpful to see the job description for the EDC request. Mrs. Varricchio stated that she will scan it and send it to Board members.

h. **Town Clerk:**

Deb Denette presented the Town Clerk budget. She noted that there is an increase which is reflective of recording fees increasing from \$53.00 to \$60.00. She noted that there is a corresponding increase in revenue. The majority of the increase is pass through to the State of Connecticut. Mrs. Denette also noted that she reflected a downward trend regarding sports licensing as more people are taking advantage of the ability to license on line. She noted, however, that the incorporation of a \$5.00 fee for a trout stamp, which became effective this month will balance the number upward to where it was last year.

Mrs. Denette reported that she had a discussion with the Commissioner of Motor Vehicle regarding the possibility of East Haddam piloting as a license renewal office. The statute allows municipalities to proceed in that manner with the approval of the legislative body. Mr. Lauria offered much insight as to the revenue that could be generated based on his experience with AAA in Old Saybrook. The Board was appreciative of the revenue generating initiative.

Mrs. Varricchio noted that the next meeting dates were scheduled for March 20 and March 27. She suggested that another date would be necessary because of the cancellation of the March 10<sup>th</sup> meeting date. After very brief conversation the Board settled on Saturday, March 24 at 9:00 am.

**Motion was made by Mrs. Gionta to adjourn at 3:30 pm. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.**

Respectfully submitted,

Deb Denette