

Board of Selectmen  
Municipal Office Complex  
Meeting Rooms 1 & 2  
February 2, 2019  
Special Meeting Minutes

Selectmen Present: E. Lyman; S. Link; R. Smith

Also Present: E. Blaschik; M. Callahan; C. Varricchio; S. Wheeler; L. Zemienieski

1. First Selectman Lyman called the Board of Selectmen's meeting to order at 9:00 a.m.
2. General Budget Review Workshop

Ms. Varricchio advised that the Revenue portion of the budget has not be completed because she does not have information on what state funds the Town can expect to receive. She noted that she anticipates the Governor will release his budget on February 20<sup>th</sup>. She provided a general overview of the budget and stated that she has included a 5-year lookback in each department's budget.

A. General Government Budgets

**Assessor's Budget:** Ms. Varricchio stated that the grand list has increased 1% over last year's value and that she used a 2.25% salary increase across the board since that was the amount negotiated with the unions.

Mr. Lyman noted that the governor has proposed that the state take over collection of vehicle taxes which accounts for approximately 8% of the Town's grand list.

**Building & Maintenance Budget:** Ms. Varricchio advised that the electricity and heating expense for the River House/Annex was reduced from the amount estimated last year. The Grange Hall and Millington School House budget remained the same. The Grange Hall budget decrease as the expense for the completed chimney repair was in last year's budget.

**Collector of Revenue:** Ms. Varricchio noted that "Tax Collector" had been changed to "Collector of Revenue". She advised that there has been an increase in credit card use and confirmed that the cost associated with accepting credit card payments is borne by the taxpayer. Ms. Varricchio noted that the \$130 increase in this budget is due to proposed participation in the Certified Connecticut Municipal Official (CCMO) program.

**Registrar Budget:** Ms. Varricchio stated that the Assistant Registrars' hours have been decreased and the Registrars have proposed that the Registrar's hours be changed from hourly to a yearly stipend of \$7,500.00. She responded to several questions from Ms. Link.

**Finance Budget:** Ms. Varricchio advised that the only change to this budget was a 2.25% increase in salaries.

**Land Use Budget:** Ms. Varricchio advised that the only change to this budget was a 2.25% increase in salaries.

**Municipal Office Complex/Central Services Budget:** Ms. Varricchio stated that several expense items had been underestimated in the 2018-19 budget. Ms. Zemienieski advised that the Comcast VOIP phone expense was \$50/month higher than anticipated and the electricity cost in

the new Complex averages approximately \$7,500.00 per month which, though higher than estimated, is comparable to the school's square foot cost for electricity. She also noted that the cost of water testing required by the State of Connecticut Department of Health is considerably higher than they were at the former Town Office Site. Ms. Zemienieski reviewed the water test requirements and stated that some requirements may be eliminated, depending on results, over the next two years.

**Probate Budget:** Ms. Varricchio advised that the Probate Court has not completed their budget indications at this time so as a place holder this budget was entered with no increase and will be updated when the actual indications are received.

**Selectmen Budget:** Ms. Varricchio noted that there was a decrease in the Selectmen's budget due to lower advertising expense and the only addition to this budget was a 2.25% increase in salaries.

**Shared Services Budget:** Ms. Varricchio noted that the Shared Services budget is presented in a different manner this year. The budgets for salaries, benefits, conference, travel reimbursement and supplies are now considered General Government expenditures. This means that any unexpended funds in these areas are returned to the General Fund at the end of the year. Technology and Maintenance funds will continue to be multi-year funds. The Selectmen agreed to discuss this agenda item in more detail at a future meeting.

**Town Clerk Budget:** Ms. Varricchio noted that a couple reductions occurred in the Town Clerk's budget and the only addition to this budget was a 2.25% increase in salaries.

**Town Office Building Budget:** Ms. Varricchio pointed out that the budget for the former Town Office Building will be eliminated if the property is sold. She noted that the estimated expense to maintain the closed building was less than what was projected.

**Fringe Benefits Budget:** Ms. Varricchio advised that the increase in this budget was due to a significant increase in the Town's MERF plan contribution to the state required by its contract with the Teamsters union, requests by the Fire Department and Public Works for additional staff, and the planned hiring of a full time Building Official.

In response to a request by Ms. Link, Ms. Varricchio agreed to provide her with a spreadsheet with a departmental breakdown of this expense.

**Insurance (Risk Management) Budget:** Ms. Varricchio stated that there was a reduction in the Liability, Auto and Property budget tied into the removal of the Builders Risk policy for the Municipal Office Complex. Also CIRMA is in the process of determining budget indications at this time. 3% was given as a safe marking point but this will likely be greater than our actual indication. Once CIRMA's final review is completed this budget will most likely be adjusted.

**Legal Services Budget:** Ms. Varricchio advised that there was no increase in this budget. She pointed out that she had broken it down by law firm and included a list of up-coming union contract negotiations.

**Agriculture Commission Budget:** Ms. Varricchio noted that no budget had been provided by the Agriculture Commission so she had put in a \$1,000.00 placeholder.

**Board of Assessment Appeals Budget:** Ms. Varricchio stated that this budget had been reduced and Mr. Blaschik advised the reduction is a result of no re-valuation being planned for the upcoming year.

**Board of Finance Budget:** Ms. Varricchio stated that there was no change in this budget and there was a brief discussion regarding the auditor's expense. The Selectmen discussed expenses that were taken from the contingency fund.

**Conservation Commission Budget:** Ms. Varricchio noted that this budget was unchanged.

**Economic Development Commission Budget:** Ms. Varricchio pointed out that EDC has requested \$1,000.00 for community events; however, overall, their budget had been reduced.

**Historic District Commission Budget:** Ms. Varricchio advised that the Commission had not submitted a budget for 2019-2020 so she had put in the same budget as last year as a placeholder.

**Open Space Commission Budget:** Ms. Varricchio advised that there was no change to the Open Space Commission's budget.

**Zoning Board of Appeals Budget:** Ms. Varricchio advised that there was no change to the ZBA budget.

**Ambulance Association Budget:** Mr. Lyman briefly reviewed the Ambulance Association's budget and the Selectmen discussed the option of re-negotiating the Town's contract with the Association.

B. Public Safety Budgets

**Building Department Budget:** Ms. Varricchio advised that a posting has gone out for a full-time Building Official. She noted that the department had suggested increasing the assistant's schedule to 35 hours and hiring a new Building Official for a 30-hour schedule; however, Mr. Lyman had decided to hold the assistant's schedule to 30 hours and hire a full-time Building Official for approximately 35 hours per week.

**Emergency Management/911 Services Budget:** Ms. Varricchio advised that the 3-year "new client" rate reduction Valley Shore gave the Town has expired and stated that Valley Shore agreed to phase-in the \$20,677.00 annual increase over the next two years. She also advised that the budget reflects a line item to track storm expenses and related FEMA reimbursements.

**Fire Department Budget:** Ms. Varricchio stated that the Fire Department's proposed budget increased \$100,000.00 over its 2018-19 budget. She reviewed several staffing requests and noted that the Fire Department has, over time, been responding to more ambulance calls.

**Fire Marshal Budget:** In response to Ms. Link's concern about whether or not a schedule of 1000 hours per year is essential for the Fire Marshal, Ms. Varricchio reviewed the duties of the Fire Marshal. Mr. Smith recommended the Fire Marshal document his work hours relative to his duties.

**Paramedic Services Budget:** There was no increase to this budget.

**Police Officers Budget:** Ms. Varricchio stated that there was a reduction in the Police Officers' budget. She reviewed the reallocation of Special Duty revenue and expenses to a special revenue account. There was a general discussion regarding the proposed repairs and maintenance budget and the potential for any further reduction in the equipment expense line.

**Animal Control Budget:** Ms. Varricchio advised that the Animal Control budget was unchanged.

**Resident State Trooper Budget:** The State of Connecticut has not completed their budget indications at this time so as a 3% increase was included as a place holder for this budget. This budget will be updated when the actual indications are received. There was a general discussion regarding the state's reimbursement rate for Resident State Troopers.

#### C. Public Works Budgets

**Public Works Budget:** Ms. Varricchio advised that the overall Public Works budget has been reduced by the elimination of the expense of the Town Garage budget but that a net increase was incurred due to the significant tree removal work projected.

The Selectmen discussed the possibility of adding solar panels to street lights and whether or not the switch to LED bulbs had reduced the Town's expense for same. Mr. Lyman agreed to speak with the Town's Eversource representative about these two issues.

**General Highways Budget:** Ms. Varricchio briefly discussed this budget item and no changes were made.

**Snow Removal Budget:** Ms. Varricchio advised that the Public Works Director continues to use a 5-year rolling average for this budget and noted that budget reflects an increase in the cost of road salt.

**Transfer Station Budget:** Ms. Varricchio advised that there is an increase in the Transfer Station budget because the Public Works Director's plan to reduce expenses by implementing a program to haul our own solid wastes to Willimantic fell through due to staff conflicts. She noted that the Town had locked in lower vehicle fuel costs for a 6-month period.

**Tree Clearing/Removal Budget:** Ms. Varricchio advised that the Tree Clearing/Removal Budget was created to track work done on diseased/dead trees in Town. She stated that the Public Works Director estimated the cost to have contractors clear/remove diseased/dead trees on Town property would be approximately \$2M, consequently, Director Lunt is requesting two additional full-time employees and the purchase of a bucket truck. Ms. Link requested the Public Works Director provide her analysis for the projected cost of using contractors for the work. Ms. Varricchio suggested considering proposing a 2-year contract for any new Public Works hires and leasing a bucket truck as alternatives to hiring long-term employees and purchasing the truck.

#### D. Health & Social Services Budgets

**Cemeteries Budget:** Ms. Varricchio noted that there was little change to this budget. Mr. Smith noted that the 2<sup>nd</sup> Burial Yard needs attention and recommended marking the boundaries of the Old Town Road Cemetery.

**Chatham Health District Budget:** Mr. Lyman noted that the 7.3% increase to this budget is due to the Town's share for the cost hiring an additional staff member by Chatham Health District. He advised that the new hire is a consequence of East Haddam, and several other municipalities, requesting improvements to the services CHD provides.

**Human Service Budget:** Ms. Varricchio reported that this budget remained flat.

**Senior Services Budget:** Ms. Varricchio stated that the increase to this budget is due to the Director's request to increase cable service to the Senior Center to allow for streaming of sports events and other entertainment, and to seal the driveway and parking lot. Mr. Smith recommended investigating the usefulness of sealing the driveway and parking area.

**Youth & Family Services Budget:** Ms. Varricchio advised that there was a small increase to the Youth & Family Services budget and noted their high level of charitable work over the holidays.

**Early Childhood Council Budget:** Ms. Varricchio noted that there was no change to this budget.

E. Recreation & Leisure Budgets

**Lakes Association Budget:** The Selectmen discussed revisiting the Lakes Association's assessment that 20% of the properties on the Town's grand list are lake-front or have water views. Ms. Varricchio noted that funds budgeted by the town for reimbursement of lake expenses are a 50% match of eligible lake expenses up to the town budgeted amount. Also the Association has requested that the town resume the annual distribution to the lake capital reserve as there are significant capital needs at the lakes. The Association has further requested that the town adopt a policy of transferring into lake capital reserves any unspent budgeted operating funds at fiscal year-end. There was a general discussion regarding the Lakes Association's proposals and plans.

**East Haddam Public Library System Budget:** Ms. Varricchio noted that there was an increase in the Maintenance & Repairs budget line for the libraries. The Selectmen discussed the potential transfer of ownership of the East Haddam Free Public Library to the Town.

**Recreation Commission Budget:** Ms. Varricchio stated that there was a \$3,000.00 reduction in mileage reimbursement in the Recreation Commission budget. She advised that the Parks & Recreation Director has requested purchasing a scoreboard for the new gym.

**Greens/Grounds/Fields Budget:** Ms. Varricchio noted that this budget does not yet include the cost of part-time seasonal staff.

- F. **Debt Service:** Ms. Varricchio reviewed the Town's debt service and noted that the recommended level of municipal debt is, among other criteria, \$3,000.00 per capita and should achieve a 50% reduction over a 10-year period. She stated that East Haddam's debt is currently at \$2,771.00 per capita and is projected to be reduced by 66% in 10 years. She advised that the proposed budget does not result in any increase in taxes due to debt.

Motion made by Mr. Smith, seconded by Ms. Link, to take a brief recess at 10:54 a.m. Unanimous aye. The meeting reconvened at 11:04 a.m.

Ms. Varricchio reported that the Board of Education's General Fund Budget includes a 2.8% increase; however, they have not completed their Capital Budget. She also discussed a one-time offset in the Rathbun Trust and FEMA grant funding for the September storm damage.

- G. **Interfund Transfers:** Ms. Varricchio briefly reviewed this budget item.
- H. **Shared Services:** Discussion of this agenda item was postponed for discussion at a future meeting.
- I. **Capital Improvement Detail:** Ms. Varricchio discussed Capital Improvement requests from the Economic Development Commission, the Emergency Management Department, the Fire Department, Police Department, Senior Center, Parks & Recreation Department and several requests from Public Works.

Ms. Varricchio advised that the Libraries are requesting several significant HVAC and grounds improvements; however, since they have determined it would be cost-prohibitive to bring the two libraries into ADA compliance, each submitted a request for \$2.5M for a new library building.

In response to a question raised by Mr. Smith, Ms. Varricchio provided an overview of the Employee Self Service (ESS) technology that is being rolled out to Town's departments. The Selectmen discussed the potential use of ESS by the Fire Department as opposed to purchasing a time-clock.

- J. **General Fund Revenue Detail:** Discussion of this agenda item was postponed.
  - K. Other Budgets Items (as time permits): No additional budget items were discussed at the meeting.
- 3. Public Comment: There was no public comment at the meeting.
  - 4. Adjournment: Ms. Zemienieski reviewed the schedule of department head interviews for subsequent Budget Review sessions. Ms. Varricchio advised that, after the 2019-20 budget is finalized, the Board of Finance has requested she draft a 5-year budget projection.

There being no additional business to discuss, a motion was made by Mr. Lyman, seconded by Ms. Link, to adjourn the meeting at 11:59 a.m. Unanimous aye.

Recorded

Respectfully submitted,  
Susan Link, Secretary