

**TOWN OF EAST HADDAM**

**Board of Finance**

Special Meeting Minutes

March 23, 2019

Municipal Office Complex

Meeting Rooms 1 and 2

Mr. DiCristofaro called the Board of Finance meeting to order at 9:00 am. The Pledge of Allegiance was recited and recording devices started.

Mr. DiCristofaro welcomed those present to the East Haddam version of March madness.

In attendance:

Board of Finance Members

William DiCristofaro, Chairman

Gregory Lauria, Secretary

Bruce Dutch

Todd Gelston

Harvey Thomas

Others

Emmett J. Lyman, First Selectman

Deb Denette, Town Clerk and Recording Secretary

Ronald Turner, Director of Operations

Cindy Varricchio, Finance Director

Approximately 30 others at the start of the meeting

**Guests and Audience Comments**

Bob Morsch of Landing Hill thanked the Board of Finance for their answer regarding their authority. He also noted that for the fifth time in a public meeting, he recommended an audit of the Transfer Station. He further stated that he believed that the Board of Finance had a fiduciary duty to obtain one given the discrepancies that have been reported. Mr. DiCristofaro responded that the Board of Finance met with the Public Works Director at length last Thursday and several improvements will occur to address the concerns raised. He cited for example, covering the bulky waste as it may be dry when collected and wet when transported. Mr. Morsch stated that he was pleased that something is being done.

Karin Blaschik stated that she was very troubled with the ultimate proposal of the Board of Selectmen to reassign a current police officer to cover the school system. Mrs. Blaschik stated that she felt the proposal is detrimental to the Town and not in keeping of the Board of Education's request for safety at each school. Mrs. Blaschik also noted concern with the ambulance issues, and stated that these are life and death matters and must be addressed.

Mr. DiCristofaro stated that emergency services are the subject of this morning's meeting and the Board of Finance has not had the benefit of hearing from them as of yet. He expanded to note that it appears undisputed that there will be a School Resource Officer (SRO) in this budget. He acknowledged that there may be a difference of opinion as to how it is staffed.

Micheline Gugliotti stated that she sat through 45 minutes of a public forum regarding an armed guard, only to be disheartened to learn that the outcome had been determined prior to receiving input. She noted her opinion that one SRO is not sufficient for three schools.

Bob Morsch stated that there is no greater issue for municipalities than public safety. He noted that if reducing the police force will create staffing gaps it is inappropriate.

Jay Moreau stated that there are many significant items, including the roads, dying trees, etc. He encouraged the Board of Finance to fund items appropriately so that the Town is not paying for them twice.

Linda Stuhlman stated that East Haddam is ranked seventh in the state in terms of safety, she encouraged them not to jeopardize its good standing. She added that she is very supportive of education, but the safety issues there should be addressed with an "in addition to" and not at "the expense of" the rest of the Town. Mrs. Stuhlman further stated her recommendation to fund an officer rather than a second police vehicle.

Paul Stuhlman stated that he concurred with the comments. He noted that removal of one officer is a reduction of 25% of the resources. He stated that will have a negative impact on the Town.

Lisa Perry stated that there were 8,000 calls last year and that 6,700 were answered by our full time officers; a decrease in staffing, will impact those numbers. Mrs. Perry further encouraged manpower over equipment.

Marc Piscioti advised that the proposal brought forward by the Board of Selectmen is not the recommendation of the appointed study committee. He also noted that the large geographical size of East Haddam makes it unique and he encouraged the Board of Finance to make wise decisions.

## **PUBLIC SAFETY**

### **Police:**

Officer Jeffrey Rhoades and Resident Trooper Ian Hawes presented the Police budget. Officer Rhoades identified the functional differences between full time and part time officers. He noted that in calendar year 2018, the police received 8,039 calls for service. Full time officers handled 6,793 calls, Troop K handled 917 calls and the Resident Trooper handled 329 calls. It was also noted that 468 of those calls were at East Haddam Schools.

Officer Rhoades noted that the budget presented by the Selectmen reassigns an officer to the school. When school is not in session, this officer would be available for the Town. Officer Rhoades noted that having an officer stationed in the school reduces response time and puts an officer in close proximity to the greatest concentration of people, including the libraries and Senior Center.

Officer Rhoades noted the following challenges with the proposal presented by the Selectmen:

- There was no discussion with the police regarding implementing the proposal of the Selectmen.

- Per contract, the police work four 10 hour shifts, there are 160 hours of shifts to cover with staffing for 120 hours. A full shift is now missing. Assuming the SRO would also work four ten hour shifts, important considering early morning drop off through late afternoon pick-ups) there will be no coverage for the fifth day. Assuming that shift needed to be covered by the remaining officers, that are already short 40 hours, a great deal of overtime will result. Mrs. Varricchio acknowledged that her forecasting of the cost for a SRO was prepared on eight hour days.
- The changes will require union negotiations.

Mr. DiCristofaro noted that it may be prudent to designate an amount to contingency pending resolve of a solution by the Police and Selectmen.

Mrs. Varricchio noted that a special revenue account was established for private duty. She noted that this gives appearance that the budget was reduced when it was actually just moved to another area.

Responsive to inquiry from Mr. Thomas, Officer Rhoades stated that the population increases over the summer due to the lakes, cottages and boaters. It was noted that the additional officer would be available for summer shifts. Mr. Thomas inquired if there would be a decrease of overtime if there were an additional officer. Officer Rhoades responded affirmatively.

Mr. Dutch requested additional information regarding police cruisers. Officer Hawes advised that he had requested two cruisers. Next year a hybrid vehicle will be required and the cost is \$13,000 more per vehicle, he stated that the purchase of two vehicles now will prolong the fleet. Mrs. Varricchio noted that the Building Official will require a vehicle and the cruiser can be handed down.

It was reiterated that one vehicle is required at this time. The second vehicle allows for a vehicle to be passed down to the Building Official.

Mr. Gelston raised concern that the configuration proposed will have an unhealthy human and financial impact and is a bad idea. He noted that it does not reserve a bench. Responsive to inquiry from Mr. Gelston, Officer Rhoades explained that the full-time and part-time officers receive the same training and equipment. The State police agreement dictates what the part-time officers can and cannot do.

**Motion was made by Mr. Dutch to recess the meeting. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.**

The Board recessed from 10:15 am to 10:30 am.

### **Fire Department:**

Mr. DiCristofaro reconvened the meeting and invited the Fire Department forward. Captain John Sarnik and Fire Commissioner Jiffy Spencer were present to speak to the Fire Department's budget. It was noted that an increase in staff is recommended primarily to address out of Town ambulance transports. Captain Sarnik advised that he has been working to address scheduling gaps. The early morning and late afternoon hours were noted to be the most critical. The added personnel will result in a reduction of overtime.

Responsive to inquiry from Mr. DiCristofaro regarding what the Fire Department proposed and what the Board of Selectmen proposed regarding staffing, Captain Sarnik advised that the revised budget allows for an increase in hours, not as many as requested, but enough to offer some relief and with creative scheduling it will address the most critical gaps.

Other challenges noted by Captain Sarnik included basic maintenance and upkeep of the firehouse due to the staff being involved in transport and not at the station.

The Fire Department was noted to be first responder, pursuant to statute. It was also noted that if the ambulance was handling all of its calls, the additional staff may not be necessary. It was further noted that two people are not adequate on a fire scene. Discussion on mutual aid was held. It was noted that it is done at no cost to our Town, and likewise we respond to other Towns. Captain Sarnik stated that the volunteer staff still do a great job providing weekend coverage. He added that mutual aid is used much less frequently on nights and weekends.

Responsive to inquiry from Mr. Gelston, Captain Sarnik explained that current coverage is 8 am to 4:30 pm by two people. He is looking to have coverage from 6 am to 6 pm. An additional full-time employee was requested along with additional hours for part-time staffing. The Selectmen cut that by half. Captain Sarnik advised that the additional hours will be helpful but is not what was requested.

Mrs. Varricchio added that the fire staff is currently budgeted for 95 hours per week. 178 hours, was requested and the Selectmen's budget has funding for 130 hours.

Discussion regarding capital requests was held. It was noted that paving at Company #1 is needed. Increased funding for capital reserves was recommended to properly fund for future fire apparatus.

Mr. Thomas inquired about the usage of the Lake Hayward station. Captain Sarnik advised that there are no volunteers in that area. He stated, however, that the station still has value, it is just not being manned. The order of dispatch was noted.

### **East Haddam Ambulance Association:**

Laurie D'Aquila and Lynn Woodward representing the East Haddam Ambulance Association stated that the only budget request is for the reserve funds for the ambulance purchase, as per the agreement with the Town. It was further noted that the ambulance has returned the funds that the Town has provided for each of the past two years. Mrs. D'Aquila noted struggles county and state wide regarding volunteers at this time. She also noted that when the career firefighters were added, it was to back up the ambulance with transport as its mutual call rate at that time was unacceptable. She noted that over the years, the ambulance lessened its reliance on the fire staff, however, now that it is needed again that seems to have been forgotten.

Responsive to inquiry from Mr. DiCristofaro, Ms. Woodward reviewed how billing is generated. Mr. Lyman stated that an ambulance operator receives a stipend for a transport call, when a career firefighter responds there is no stipend paid by the Ambulance Association. He added that he is in negotiations with the Ambulance Association for the Town to receive the stipend that would have been paid to the ambulance operator for the same service. Mrs. D'Aquila advised that the Board will be meeting on Monday evening.

Mrs. D'Aquila also noted that there are several other planned improvements to address the staffing gaps.

It was reiterated that the ambulance association is a private organization. The Town houses their vehicles and reserves up to \$40,000 annually to purchase an ambulance approximately every five years.

Mr. Lyman noted that the population in Town is aging, which adds to the calls. He noted that in 1973 there were 4,800 people in Town and 150 more students than today. Today there are approximately 9,100 people. He further advised that the population is more transient and that shifts the burden to the Town. Mr. Gelston noted that as many Towns are struggling with this issue, perhaps regionalization would be beneficial. It was noted that Middlesex Hospital is looking at it, however, the large distances make it difficult.

### **CAPITAL:**

Mr. DiCristofaro solicited feedback from Board members regarding capital. Mr. Dutch noted that the capital was contingent upon what we did with staffing (regarding the police).

**Police:** It was the consensus of the members to reserve the difference for an additional officer so that one could be devoted to the school system. It was also the consensus of the Board of Finance to purchase two cruisers due to the savings that will result this year, with the understanding that one vehicle will cycle down to the Building Official.

**Fire Department:** It was suggested to reduce the capital reserve request by \$20,000. Mr. Dutch stated that the reduction is more in keeping with what the people were told when reserves were utilized for the additional bay. Mr. Dutch further noted that the Board of Finance needs to be cognizant of its funding and cautioned against being overly generous.

**Motion was made by Mr. Gelston to recess the meeting. Mr. Lauria seconded the motion and it was unanimously approved. Motion carried.**

The Board recessed from 12:10 pm to 12:30 pm.

### **BUDGET REVIEW AND DISCUSSION**

Mr. DiCristofaro reconvened the meeting at 12:42 pm. Mr. Lauria was no longer present. Mr. DiCristofaro stated that the goal was to find reductions, however, he stated that it appeared additional funding over what the Board of Selectmen have requested is necessary. He stated that an additional \$600,000 in offsets from what was presented is necessary to bring the budget to the level the Board of Finance would entertain.

### **Board of Education:**

Mr. DiCristofaro focused on the Board of Education budget. Particularly, regarding the request Human Resources position. It was the consensus of the Board of Finance that the position is warranted, however, it was further felt that it was a Town-wide need. The Board further questioned whether all opportunities have been explored and it may be more advantageous to contract for service rather than hire. It was noted that the Board's role is financing, accordingly it determined to appropriate \$75,000 as a placeholder in Shared Services.

Mr. DiCristofaro also stated he recommended a \$100,000 cut to the Board of Education operating budget. He added that the Board of Education Chairman Bryan Perry stated that this amount should not be detrimental to programming and added that Superintendent Brian Reas would determine where the cuts would come from.

Capital needs of the Board of Education were discussed. It was noted that taking the repaving of the driveway and parking lot at the high school and coupling it with other items to be bonded would reduce the budget by \$225,000 (requiring Town Meeting approval). It was noted that because a short term bond needs to be issued, the timing makes this an available option to fund the project, it further accelerates the project so that it can be done this summer. It was further recommended to address the "envelope" at the elementary school in this fashion.

In response to an inquiry regarding the remainder of the capital budget and reductions to their requested amount, Mr. Perry suggested that the reduction may result in the purchase of a truck being pushed out or replacing less carpeting in the schools than anticipated. The Board of Finance was in concurrence.

Mr. DiCristofaro summarized that reductions now included:

Board of Education operating budget request	(\$100,000)
High School driveway and parking lot repaving	(\$225,000)
Transfer to Fire Department Capital Reserves	(\$20,000)
Total	(\$345,000)

Mr. DiCristofaro thanked the Board of Education for its collaboration.

**Public Works:**

**FEMA/Infrastructure:** Mr. DiCristofaro noted that the theme was that there are not enough hours. He noted that if the work required from the storm were taken out of Public Works hands, it would provide much relief. He stated that the FEMA risk is \$3.7 million, however, the Town is responsible for an approximate \$750,000 match. It was noted that the Bone Mill Bridge project has been completed under budget, with an opportunity repurpose \$200,000 originally budgeted for the project. It was acknowledged that the Public Works department does not have the staffing to improve infrastructure, maintain all of their regular responsibilities and address the tree issues at this time. It was suggested that some of the infrastructure requests for 2019-2020 be utilized to help offset the FEMA match as well as a reduction to the requests.

**Trees:** It was reiterated that the Board of Selectmen increased the budget for tree removal to \$150,000. It was noted that the task is daunting and that the funding will not solve fully the problem. The Board questioned whether it was necessary to increase to this level of funding or whether a lesser amount over a longer period would be prudent. Mr. Gelston suggested working with a company that would want the wood and may take it away in exchange for the wood, rather than having our employees do that. It was noted that the budget included the removal of approximately 375 trees annually. Reducing the allocation increase from \$125,000 to \$100,000 would allow for removal of 300 trees annually. (\$25,000 was already budgeted). It was the consensus of the Board of Finance to allocate \$100,000 for tree removal.

Public Works Director Beth Lunt was contacted regarding budget questions. Mrs. Lunt would attend the meeting in approximately 30 minutes.

**Motion was made by Mr. Dutch to recess the meeting. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.**

The Board recessed from 2:00 pm to 12:12 pm.

#### **Lakes Association:**

Mr. DiCristofaro directed discussion to the Lakes Association request. He stated that Lake Hayward did not utilize all of its request for the prior year, he inquired whether they should be allowed to carry that over. Mr. DiCristofaro stated that the subcommittee is working on a policy, however, the policy is not ready. It was the conclusion of the Board of Finance not to let the funds roll. Mr. Thomas further stated that the justification was not presented for the requested increase. Mrs. Varricchio reported that the Moodus Preservation Group is looking to purchase an Eco Harvester. It was the consensus of the Board to budget each lake at \$7,500 increase of approximately \$833 to each lake, but less than what was requested.

#### **Public Works:**

Upon Mrs. Lunt's arrival, Mr. DiCristofaro proposed the following:

If the Board could find the funds to fully fund the FEMA projects (taking out the in-kind match component) so that all FEMA projects could be outsourced, would that alleviate the man hour shortage. It was noted that there would be a higher cost, however, there is also reimbursement for those costs. Mrs. Lunt stated that it would be very helpful. It was noted that \$750,000 would be the Town's 25% match. It was further suggested that there is \$500,000 budgeted for infrastructure capital projects, for which there is not sufficient staff to accomplish. Accordingly, the \$750,000 would be reduced to a \$250,000. Additionally, \$200,000 is available from unexpended funds in connection with the work already performed on Bone Mill Road Bridge, which brings the figure down to \$50,000. Further reductions to the funding for tree removal was deemed feasible. It was noted that year-to-date spending on tree removal has been \$56,000. The Selectmen proposed a \$124,000 increase to tree removal, reducing it by \$50,000 still leaves a budget consistent with that of area Towns to address the issue.

Mrs. Lunt noted that she will still have a shortage in accommodating regular work due to staff absences. It was suggested that temporary staff could work on the tree clean up. It was further noted that it is more cost effective to utilize staff for FEMA clean up and hire temporary staff for other in-house work. It was stated that the FEMA projects needed to be addressed were more around the \$2,800,000 figure than the \$3,700,000 figure when the projects that require engineering are factored out. As a result, \$700,000 was the amount the Board needed to fund. Further funds were identified, the requests for Road Improvement Materials and Pavement Shim and Overlay were reduced by \$150,000. As a result of these reductions, the Board allocated \$100,000 to the General Highways operating budget for temporary help.

Mr. Gelston asked for further clarification on risk vs speed. He noted that it may be more efficient to work road by road regarding tree removal, however, he questioned whether the priority trees should be addressed first. Mrs. Lunt stated that priority trees are addressed, as that is how a particular street is chosen. Mr. Gelston reiterated his suggestion that a company be hired to assist with clean up in exchange for the wood. Mrs. Lunt noted that sometimes that is not a feasible option, however, she stated that she will follow up.

**Motion was made by Mr. Dutch to recess the meeting to provide Mrs. Varricchio time to verify the changes made to the budget by the Board of Finance. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.**

The Board recessed from 3:05 pm to 3:30 pm.

Mr. Dutch noted that the Board did not have any discussions regarding the proposed Teachers' Retirement funds redirected from the State to the Town. Mrs. Varricchio stated that the State's estimate is for \$61,962 and that figure has been incorporated into the proposed budget. There was no objection.

<b>Board of Finance Changes to the Boards of Education and Selectmen Proposed Budgets</b>	
Boards of Education and Selectmen total proposed budget	\$34,006,491
Board of Education operating budget request	(100,000)
Board of Education human resources support	(75,000)
Shift Human Resources Support to Shared Services	75,000
Lakes Association	(11,625)
Contingency to Facilitate Implementation of School District Resource Officer	75,000
Capital: High School driveway and parking lot repaving	(225,000)
Capital: Road Maintenance and Pavement/Shim Overlay	(150,000)
Capital: Shift from Public Works Capital to Operating	(100,000)
Transfer to Fire Department Capital Reserves	(20,000)
Public Works Operating Budget for Temporary Help	100,000
Total Board of Finance Changes	(431,625)
Board of Finance Proposed Budget	\$33,574,866
Expense Increase	6.4%

### **Guests and Audience Comments**

Mr. Moreau noted the Lakes Association wants to purchase an Eco Harvester, he was hopeful the reductions would not delay that purchase. (It was confirmed with Mr. Moreau that item was included in the proposed budget.) He also noted challenges with tree removal pick up due to the many wires. He encouraged not increasing risk to maximize speed.

Regarding public safety, Mr. Moreau noted that he was a part time employees for six years. He stated that he was supportive of the shift adjustments. He added that he has always advocated for three people, as it is safer. Mr. Moreau concurred that the Town should be compensated for the same transport rate that the ambulance volunteers are when paid staff goes out. Mr. Moreau continued that much of the crisis is, in his opinion, manufactured. He also noted that the Fire Department should



be held to the cost of the truck it stated it would purchase when its reserve funds were utilized for the additional bay.

There were no other comments.

Mr. DiCristofaro noted that the undesignated fund balance is at 16% of the Town budget. The policy adopted by the Board, and revised by the Municipal Advisor, calls for an 8-13% balance. Several scenarios were modeled in \$100,000 increments utilizing unassigned fund balance. Ultimately the Board was in unanimous agreement to use \$300,000. It was noted that this reduction still leaves the Board of Finance at the top end of the range with a 13% fund balance.

**Motion was made by Mr. Gelston to utilize \$300,000 of the General Fund to offset the 2019-2020 budget. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.**

**Motion was made by Mr. Gelston to present to Public Hearing scheduled for April 10, 2019 at 7:00 pm at the Nathan Hale-Ray High School a total budget of \$33,574,866 based on the grand list as of October 1, 2018 of \$879,144,920. The budget would require a mill rate increase of 0.78 mills or a 3.4% tax increase. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.**

**Motion was made by Mr. Dutch to adjourn at 4:10 pm. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.**

Respectfully submitted,

Deb Denette