

Board of Selectmen
Town Office Annex
February 16, 2011
Special Meeting Minutes

Selectmen Present: Mark Walter, Peter Govert and Emmett Lyman.
Also Present: Richard Toolan, Linda Zemienieski and Cindy Varricchio

1. First Selectman Walter called the meeting to order at 2:34 p.m. and the attendees said the Pledge of Allegiance.
2. General Budget Review Workshop: The board asked for a more detailed review of the Public Works budgets, capital improvements budgets and other budgetary funds detail.

General Highways - Mr. Govert asked if Mr. Toolan felt that there would be more road work required due to the recent winter weather. Mr. Toolan responded that he felt more would be required. The board discussed what types of work would need to be done. Mr. Lyman asked if Public Works had enough staff to handle the repairs in the summer. Mr. Toolan noted that they were doing a lot of cold patch already. Ms. Varricchio noted that there was \$157,108 for chip seal/pave and 125,000 for materials for a total of \$282,108 proposed for road improvements. Mr. Toolan commented that the costs for asphalt would probably go up due to oil costs. Mr. Govert noted that it was his impression that we had to wait to see how the roads hold up until the end of the season.

Mr. Walter asked why Fred Thumm dropped the chip sealing from the capital improvement budget after this year. Mr. Toolan responded that he did not believe the road management plan had chip sealing in it. He believed it was all paving.

Mr. Toolan noted that the repair budget will be over budget this year. Ms. Varricchio noted that the repair line was increased by \$5,000 in the proposed budget and she will prepare a five year average for the Board of Selectmen.

Snow Removal - The board discussed that it was estimated that the snow budget would be over budget by about \$23,000. The town was hoping to get a FEMA reimbursement to help offset this cost. The snow budget was based on a five year rolling average.

Town Garage Maintenance – Mr. Toolan noted that he was still waiting for a quote to replace gasket seals around the big doors.

Transfer Station – The board noted that costs on recycling were down due to single stream recycling. It was also noted that the revenue was down due to the fact that not as much construction materials were coming in for the scale. Mr. Walter asked if all the repairs Don Mackenzie was discussing were in this budget. Mr. Toolan responded no. He explained that he was waiting on a quote for the cement slab from Allied Construction and there was some welding work and three wood compactors need to be replaced with metal.

Mr. Govert left the meeting at 3:00p.m.

Mr. Walter asked Mr. Toolan if he felt there was enough money in the road improvement line this year. Mr. Toolan responded that he felt he could with this amount and he would keep the Board of Selectmen updated. It was noted that Ms. Varricchio and Mr. Toolan would get together to review the current budget since she just paid the Lake Shore Drive project.

Education Capital Improvement – Ms. Varricchio noted that she spoke with Bob Carroll today and they determined that the Elementary School roof project could be pushed out to 2012-2013 so the only capital item in the 2011-2012 budget would be the Elementary School feasibility study.

Fuel Oil – Ms. Varricchio reviewed the current fuel oil and diesel costs. She explained that for fuel oil we currently pay \$2.49/gallon and if we locked in today we would be at \$3.04. As for diesel we currently pay \$2.56 and if we locked in today we would be at \$3.17. The additional cost would total approximately \$60,000. Ms. Varricchio noted that we did not need to lock in for another month and she would keep an eye on the market.

Ms. Varricchio reported that with the recent changes made to the proposed budget to date she was anticipating a .23 mill rate increase for the original forecast of .45 mills.

Capital Improvements

Assessor – Budget reflects the cost for revaluation for 2011-2012. Ms. Varricchio explained that we would only transfer over what was used for the project.

Land Use Offices – Budget plan reflects the anticipated costs for a system flyover in 2014-2015.

Town Clerk – Budget plan reflects the anticipated costs for vault space issues in 2013-2014 and new map copier in 2014-2015.

Technology and Records Management – This budget plan was discussed in yesterday's meeting.

Fire Department – Budget plan reflects light towers for trucks in 2011-2012, 2013-2014 and 2014-2015, zodiac and motor replacements between 2013 and 2016, Company #1 renovations in 2013-2014 and Company #2 furnace in 2014-2015.

Fire Marshal – Budget plan reflects a new vehicle in 2013-2014.

Police Officers – Budget plan reflects replacement of in-Car Video in 2011-2012, replacement of cruiser #2 in 2012-2013, replacement of Tahoe with light bar in 2013-2014 and replacement of cruiser #1 in 2014-2015.

General Highways – This item was previously discussed.

Libraries – Budget plan reflects miscellaneous repairs and upgrades to both buildings including oil burner replacements and parking lot upgrades for both libraries throughout the five year span.

Recreation Commission – Budget plan reflects upgrades to Nichols Field, dog park and tennis courts.

Ms. Zemienieski added that the board should be aware that it was recommended by Mike Fischer, our oil burner technician that the boiler in the Town Office Building be replaced. As we anticipate moving from this site in the future he was nursing the system for the time being but should we have a complete failure the system would need to be replaced.

Other Budgetary Funds Detail

GASB 54 Statement – Ms. Varricchio reviewed the GASB 54 requirements with the board.

Forestry Management – The board reviewed the activity in this fund.

Recreation Activity – This fund reflects a breakout of what it cost to run each program.

Capital Project Funds

Reserve for Revaluation – The Town is due for a “statistical” revaluation in 2012. The anticipated cost is approximately \$125,000. The budget request for this year is increased by \$10,000 to prepare for the full revaluation in 2017.

Reserve for Open Space – The purpose of this fund is to reserve for costs associated with open space acquisitions. There has been no funding allocated in the proposed budget.

Reserve Fund for Capital Projects – The purpose of this fund is to reserve for major capital items and to help offset peaks in debt service. The board discussed the anticipated withdrawal of \$335,132 and the anticipated reimbursements that will increase the Fund balance.

Reserve Fund for Capital Non-Recurring – The purpose of this fund is to reserve for one time capital items; such as large fire apparatus. We are scheduled to purchase a fire truck in 2012-2013 in the amount of \$250,000. We are sufficiently reserved for the purchase of this truck.

Reserve for Ambulance Association – The purpose of this fund is to reserve for the purchase(s) of ambulance(s) in accordance with a contract between the Town of East Haddam and the Ambulance Association. \$40,000 has been allocated in the proposed budget.

Reserve for Education – The purpose of this fund is to reserve for Education capital needs. We are scheduled to replace the High School Roof in 2013-2014. If we maintain the discipline of at least \$100,000 per year, we will have approximately \$400,000 available for the roof replacement. It is the intent of the Boards of Selectmen and Finance to allocate annual surplus Education funds to the Reserve for Education.

General Fund Revenue Detail

Ms. Varricchio noted that this section explains each revenue source in detail. She pointed out the charts on page 6. The top chart reflects how the interest earnings have gone down and the bottom chart reflects how the money is invested at the highest return rate available. She reviewed the local revenue section which explains everything we collect locally. She finished her review of this section by discussing the transfers and other funding sources such as the Albert E. Purple Fund, Helen Cone Fund, Palmer Fund, Ray School Corporation, Recreation Commission Fees, Capital Reserves-Revaluation, Reliance on Fund Balance and the Federal Bridge Grant Program and Capital Reserves for the Federal Bridge Program.

The board discussed their needs for the next meeting and decided to schedule the final budget meeting at the end of the March 2 regular meeting.

3. Adjournment: Motion made by Mr. Govert, seconded by Mr. Walter, to adjourn the meeting at 3:50 p.m. Unanimous aye.

Tape: 636A
636B

Respectfully submitted,
Emmett Lyman, Secretary