

**EAST HAVEN TOWN COUNCIL
REGULAR MEETING MINUTES
TUESDAY, APRIL 1, 2014**

The East Haven Town Council held a regular meeting Tuesday, April 1, 2014, at 7:00PM at the East Haven Senior Center, 91 Taylor Avenue, East Haven, CT 06512.

Chairman Richard Anania calls the meeting to order at 7:11PM.

Item #1

Roll Call- 14 present – 1 absent (Santino).

A quorum is present.

Chairman Anania asks all to stand for the pledge of allegiance.

Item #2

Approval of minutes from the March 13, 2014 Special Meeting.

Councilman Nicholas Palladino makes a motion.

Councilman Ken McKay seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Item #3

No correspondence.

- Councilman Palladino states that he has gotten several calls from the Police Union regarding the correspondence he gave the Chairman at the last Special Meeting. They would like the Council to read it into the minutes and would also like an opportunity to come speak to the Council as far as the contents of the letter.
- Chairman Anania refuses it because the Council has no jurisdiction over that. Any problems with it should be discussed with the Mayor directly because it was his appointment. He adds that he did summarize what the letter was about at the last meeting.
- Councilman Palladino states that these are the men and women who protect us and risk their lives every day, as a Council, are they not going to allow them to speak about something that the Council may or may not have jurisdiction over.
- Chairman Anania says they do not have any jurisdiction, it is Mayor appointed.

Item #4

Subcommittee Reports:

- Public Safety- Councilman Robert Sand states that there are four new hires at the Police Department; they are currently on road training. There are still four openings in the detective division. The labor agreement is still under discussion. Former Detective D'Amato was sentenced to serve 5 years, suspended after 18 months and he has appealed his conviction and is free on bond currently.
- Board of Education-Vice Chairman Robert Parente states that the Board of Education has passed through the finance aspect of the budget and we are anxiously waiting for them to appear before the Council so they can go through their line items piece by piece to determine what is best for the Town's education system.
- Parks/Rec- nothing to report.
- Urban Renewal-nothing to report.
- Finance-Councilman Henry Butler III said he spoke with Finance Director Paul Rizza regarding the Tilcon issue. He asks Mr. Rizza to explain it to the Council. Mr. Rizza explains that there was paving done in the fall which was partially done by the Water Company and partially done by the Town. He wasn't aware of any bills until January 10th. Tilcon called one of the account clerks asking why they haven't been paid and it was because the Town hadn't seen a bill or purchase order yet. Tilcon then faxed over the details of the paving and crack seal and milling done by other companies. The purchasing agent drafted a letter to public services asking them for purchase orders. Within a couple of days they received two purchase orders for the milling company and crack sealer but not the Tilcon bill. He and Jim Keeley of his office began to look into it to determine what was done and how it was done. The bills came back so they began looking for funds that they usually assign to paving, milling or street work. They had about \$700,000 available from the local capital improvement program which we get an allocation for every year from the State. They called the State to find out what we had applied for. Typically they come up with a number, based on the number of streets or the linear footage of paving and submit it to the State, they approve it, the Town sends a bill in and the State reimburses the Town. What he found out was that the Town hadn't applied through the State. Public Services then put all of that information together, submitted it to the State, once they got State approval they paid two of the vendors which was approximately \$150,000 between the two. This was done in the latter part of February. The finally billing made to Tilcon which was \$470,000 was made on March 10th; two months after Mr. Rizza had first found out about the bill. There was an article in the register regarding coal patch, he spoke with Tilcon a few times and explained everything to them. He asked that they get in touch with him directly and not wait months

before doing so and also if someone from the Town goes to Tilcon without a signed purchase order they should not sell them anything.

- Councilman Joseph Badamo asks if something like this has to come before the Council for approval before they pay the bill.
- Mr. Rizza says no, it is a State allocation of money. As long as the Town is using it for approved capital projects such as paving, bridge repair, drainage, sidewalks, curbing or anything with a useful life of more than 10 years they will usually approve it.
- Councilman Michael Riolino asks if there was an override of control procedures, he asks who Tilcon was in communication with.
- Mr. Rizza says usually all of the work comes out of the Public Services Department. The list was developed and given to Tilcon in early fall, but it didn't move to the next step, the list wasn't sent up to the State for approval which is the key to getting the money. If we didn't do that work, the money would still be sitting there today because it was not submitted as to what we were going to do with the money. The Finance office got a letter back after this was all done that basically says their submittal was approved and they receive 100% reimbursement as long as they meet the criteria.
- Councilman Badamo asks if it is all squared away now.
- Mr. Rizza says yes, it is all paid.

Item #5

Presentation by CohnReznick regarding the 2012-2013 FY Audit.

(Agenda item to be removed from the table and discussion to be continued from 3/13/2014.)

Attorney Zullo requests that the Council make a motion to remove this item from the table so it can be discussed tonight.

Councilman Palladino makes a motion.

Councilman Butler III seconds the motion.

Voice vote: all in favor- none oppose- none abstain. Motion carries.

- Mr. Joseph Centofanti addresses the Council. He explains that the reports that were done were the annual financial report, federal and state single audit reports, recommendations to management (not final), and required communications. The document explains that they performed the audit; there were no problems or issues performing the audit. Opinion on the financial statements starts on page two; there is a different format from the prior year, it is done by section and level of assurance and it's an unmodified opinion. On page 5 is the management and

discussion analysis. There is an executive summary of fiscal year operations and discussion of changes from prior years operations, fund balance on page 9, general fund budgetary highlights, including any major budgetary variances during the year on page 10, capital assets on page 10 and 11, long term debt on page 11. In regards to significant changes from the 2012 Audit report, there are new opinions, using a new format which basically says the same thing. They implemented GASB 63 and GASB 6, there were some new financial statement names and two new statement categories (deferred inflows and outflows) and related notes. They added details for fund balance classifications and related purpose which is on page 45. Focusing on the first column of page 16, which is the general fund, you will see the total fund balance of \$1,600,450, 1.9% total expenditures. Rating agency update guidelines 10%-15% of total budgetary operating budget, every Town is different, that is just a goal for us with all of the storms we had the fund balance protects us against that. Exhibit D on page 18 shows a new increase in the fund balance of \$1,162,607. Exhibit F on page 20 is the summary budget actual. Looking at revenues, additional intergovernmental grants in excess of budget shows a net positive variance of \$79,797. Expenditures show a positive variance in general government \$791,401 due to fund balance contribution of \$697,895. Positive variance in general services of \$171,971 due to savings related to snow removal and police overtime which is discussed on page 10 of MD&A. Page 54-57 show a detail that looks more like the budget rather than an executive summary. Under internal service funds are medical, general liability and worker's compensation. The financial statements are on pages 21-23 and 71-73. The total net position is a deficit of \$14,407,617. The change in that net position is a decrease of \$1,811,051. The goal is to have enough assets to pay current liabilities. Some of the liabilities are longer term liabilities like worker's compensation which can go on for 5, 10 or 20 years. The current claims payable are \$5,018,106 and long term claims payable are \$13,539,979. Total current assets which are \$4,984,181 less current liabilities of \$5,851,819 leaves the Town \$867,638 below the goal. Looking at pensions/OPEB (other post-employment benefits) there is no Town administered pension plan. The Town participates in the State Municipal Employer Retirement Fund (MERF). There are new things coming up in 2015 which require Towns to include in their statements the portion of unfunded actuarial accrued liability. The State will have to give Town's this information in advance so they can put the information on the top statements. For MERF you don't see it in the report but for OPEB you do. Page 52 for OPEB unfunded liabilities are disclosed there. They are \$59,580,092 for Town Plan and \$24,221,999 for Board of Education. We are currently not funding these liabilities, but coming in around 2017/2018 we will. Looking at the Federal/State single audit page 1-2 of the Federal show monies that were spent by the Town, page 5 shows programs that were tested;

special education, FEMA money, etc. There is an unmodified opinion on compliance, three findings and no questioned costs. State single audit is basically a mirror of the Federal. Page 14-15 shows all the State money that was spent by the Town, programs tested on page 18, unmodified opinion on compliance and 1 finding and no questioned costs. There are no new recommendations for 2013; it is in draft and will be issued shortly. The Town has made progress from last year. Three prior recommendations were resolved which were: the open position in the Finance Department was filled addressing the lack of segregation of duties, invoices were properly documented with approvals and nonstandard journal entries were properly approved. Future considerations for 2013 are financial reporting of deferred outflows and inflows of resources (GASB 63) implemented in 2013, 2014- items previously reported as assets and liabilities (GASB 65) implemented in 2013, 2015- accounting and financial reporting for pensions (GASB 68).

Council comment:

- Councilman Palladino asks about page 4 of the State/Federal single audit where it mentions conditions of excess monies drawn down by the Board of Education for certain federally funded education grants during the fiscal year.
- Mr. Centofanti explains that even though it is Federal money, the State has a form where the Town has to request/project what they are going to spend. That projection has to be pretty close because they don't want extra money being drawn out and put into the Town's bank account rather than the State account. So in the test they perform for the cash flow to determine what the Town is actually spending, there is a variance that generates this cash management finding.
- Councilman Palladino asks if grant money was taken out and not put where it was supposed to be, or we don't know where it is.
- Mr. Centofanti says no, the money is all accounted for it just wasn't spent within a reasonable period of time. If you end up with \$50,000 more at the end of the month than you spent, that will generate the finding. All the money is accounted for, they know where it is, and it is just a timing thing. It also depends on how close the projection is.
- Councilman Riolino mentions the liability that the Town will have to record in 2015, unfunded pension obligations. That will have an impact on our financial statement; it will have it on every town's statement. What will be the adverse effect of this in East Haven's case?
- Mr. Centofanti says it does impact the statements. The degree that it impacts the statements depends on the degree of funding. If you are in the State plan and the plan is 50% funded, liabilities will be greater than if you are 90% funded. It will vary from that. The difference in assets-liabilities is recorded. So, if there is a

plan which is well funded, the impact will be less. All of the information is in the report now it is just not in the financial statements. For East Haven with the State plan, you know what everyone has. Accounting is leaning toward having Government financials look more like private sector financials. It likely will not have a large impact, because we already sort of know the information.

- Councilman Fred Parlato says that it makes him nervous to hear about unfunded pension plans. He asks if there are any triggers that notify an administration that they are falling behind. Is there something that would be more up to date rather than waiting for it to be picked up on in an annual audit.
- Mr. Centofanti says for this town, they give the State exactly what they say. From a pension standpoint, the Town is doing all it can by giving the State a check for the number they ask for. Pensions are normally funded over 30 years, so if you are doing what the actuary is telling you to do, you are on the right course. If you were to stop doing what they say, and pay half of what they say, you would be going off track.
- Chairman Anania asks if all in all in general it looks pretty good.
- Mr. Centofanti says the Town is on the right track, the fund balance went up a significant amount which is a good thing, which is something everyone focuses on. As long as it steadily increases, he is happy with the progress.

Item #6

To consider and act upon An Ordinance Repealing Section 15-3 ("Tow Policy") of the East Haven Code.

Councilman Palladino makes a motion.

Councilman Sand seconds the motion.

No public comment.

No Council comment.

Roll call vote: all in favor- none oppose- none abstain. Motion carries.

Item #7

To consider and act upon approval of a Fair Housing Resolution for the Town of East Haven.

Councilman McKay makes a motion.

Councilman Vincent Spaduzzi seconds the motion.

Public comment:

- Gene Ruocco-74 Bennett Road, East Haven, CT- Mr. Ruocco says that he is pleased to hear this resolution being read, he wishes ETV was there to tape it so that more than 5 or 6 people could hear it. He asks that the Council designate someone to make sure they are present at every meeting.
- Donna Richo-67 Charnes Drive, East Haven, CT- Ms. Richo asks if there is any reason/grant/fund that requires us to have this document.
- Arthur DeSorbo, Director of Administration & Management- Mr. DeSorbo explains that the Town cannot apply for any Federal or State money without these resolutions. The Resolutions are provided by the Federal Government for Fair Housing. The Town does this every year. Any complaint involving fair housing would come to his attention and in the last two years there has not been 1 issue regarding unfair housing or any issues related to it.

Roll call vote: all in favor- none oppose- none abstain. Motion carries.

Item #8

To consider and act upon a Resolution adopting and authorizing Mayor Joseph Maturo, Jr., to sign a Fair Housing Policy Statement and Fair Housing Resolution, affirming the Town's fair housing policies.

Councilman Riolino makes a motion.

Councilman Spaduzzi seconds the motion.

No public comment.

No Council comment.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #9

To consider and act upon a Resolution adopting and authorizing Mayor Joseph Maturo, Jr., to sign a Statement of Compliance with Title VI of the Civil Rights Act of 1964.

Councilman Palladino makes a motion.

Councilman Mckay seconds the motion.

No public comment.

No Council comment.

Roll call vote: all in favor- none oppose- none abstain. Motion carries.

Item #10

To consider and act upon a Resolution adopting and authorizing Mayor Joseph Maturo, Jr., to sign an affirmative action policy statement.

Councilman Mckay makes a motion.

Councilman Spaduzzi seconds the motion.

- Attorney Zullo adds that the Town does numerous things in terms of resolving past practices or barriers of equal employment. In almost every contract that the Town has, there are provisions to ensure that a certain percentage of the work is at least presented to or offered to minority business owners.

No public comment.

No Council comment.

Roll call vote: all in favor-none oppose- none abstain. Motion carries.

Item #11

To consider and act upon a Resolution adopting and authorizing Mayor Joseph Maturo, Jr., to sign an ADA Notice and associated documents.

Councilman Palladino makes a motion.

Councilman Mckay seconds the motion.

- Mr. DeSorbo reminds the Council that their Board appoints the ADA members who get requests for various items. Every time an issue is brought to the attention of the committee, they have responded. For instance the wheelchair at the beach, working on the safety of the ramp at the Senior Center, etc. All sidewalks in Town projects are required to have handicap ramps, they just put up new signage in Town hall for those with sight disabilities and the new speaker system at the Senior Center was in part put in for those with hearing disabilities.

No public comment.

No Council comment.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #12

To consider and act upon a Resolution authorizing Mayor Joseph Maturo, Jr., Chief Brent Larrabee, or their designee to execute a Memorandum of Understanding on behalf of the East Haven Police Department with the Department of Emergency Services and Public Protection for participation in the Internet Crimes against Children Task Force.

Councilman Palladino makes a motion.

Councilman Butler III seconds the motion.

- Police Chief Brent Larrabee explains that this task force is pretty much State wide, not all cities and Towns participate in it because it is fairly labor intensive which is why it is spread out through a task force. Our commitment is for 18 months, it will not be a full time position it is almost a part time position. All of the electronics and hardware is provided by the State. It is essentially cost neutral, he is hoping that we may even make a few dollars. This is probably the area that most young people in our Town focus on. This is an area while crime is increasing with kids.

Public comment:

- Donna Richo-67 Charnes Drive, East Haven, CT- Ms. Richo asks what exactly this program is going to do. Is it going to catch the bad guys?
- Chief Larrabee says yes; primarily pedophiles, people crawling the internet.
- Ms. Richo asks if there is going to be some kind of education on this.
- Chief Larrabee says yes they are planning on implementing this education through the D.A.R.E. program.

Council comment:

- Councilman Sand asks about the 18 months, will they need approval to expand.
- Chief Larrabee says 18 months is the original commitment and they will probably not need approval to expand. It will depend upon how many investigations they get involved in, it will fluctuate. What he is most proud about is the State sought the Town out to do this after working with them on an investigation in late January involving a man and his son with child pornography. Our reputation as far as policing has changed which is an important piece of this.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #13

A Resolution authorizing Mayor Joseph Maturo, Jr., Chief Brent Larrabee, or their designee, on behalf of the Town of East Haven, to enter into an Operation Agreement regarding "Project Lifesaver" and sign said agreement and all necessary corresponding documents.

Councilman Mckay makes a motion.

Councilman Sand seconds the motion.

- Chief Larrabee explains that he has familiarity with this program at his previous locations. Project Lifesaver is a non-profit organization that provides the Police Department with tracking equipment for people who wander; Alzheimer's patients, autistic individuals, etc. It is at no cost to the Town they provide us with the ability to track. The bracelets cost \$300. They have scholarships to offset that for people who are unable to afford that fee. They have already provided the Department with training and all of the technical support to do it. Some people say why not use a cell phone, but many people do not carry them and this will help us track loved ones who wander. There are currently 3 people who are trained in it, Sargent Murgo will be the point person, it is their goal to have everyone in the Department trained in it so that if it happens at any point in time the electronics can be accessed. They also plan on involving the community businesses and individuals to secure monies. The initial goal would be \$3,000; they could then provide bracelets for 10 people from that pool of money. He states that it is a pretty amazing program, he mentioned it to the Mayor and he was wholeheartedly for it. They will try to fundraise to have a scholarship pool available for those who participate.

Council comment:

- Councilman Anthony Mansi asks if the \$300 is a yearly cost.
- Chief Larrabee says it is a one-time cost for the GPS bracelets.
- Councilwoman Judy Esposito asks about insurance companies, could it be paid for by them with Doctor recommendation.
- Chief Larrabee says that is an excellent point. He doesn't know if it can be doctor recommended but it's possible that the insurance company may pay for it.
- Councilman Palladino states that his father in law was on Medicare and they paid for the life alert, they will pay for things like that.
- Councilman Sand asks how they will get the word out to the community.
- Chief Larrabee says pending approval from the Council, they will issue a press release through the Mayor's Office as well as post it on Facebook and Twitter

and they would also like to send it out through the Chamber of Commerce. Also they will walk the street and spread it out via word of mouth.

- Vice Chairman Parente asks how many people the Chief is expecting to participate.
- Chief Larrabee says it is hard to tell how many people will utilize the service. It would be used for individuals with Alzheimer's but also for children with autism. It may be about 20 people in a community this size. There are about a half dozen people who they deal with regularly regarding loved ones who wander away.
- Vice Chairman Parente asks about an instance where an organization, such as the Rotary, decides to provide a donation. How do they determine who receives the bracelet.
- Chief Larrabee says he does not know that specifically at this time; he will likely work with the Finance Director on it. There will have to be some type of criteria set. Project Lifesaver also has their own criteria which they may mirror.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #14

A Resolution authorizing Mayor Joseph Maturo, Jr. to sign a "Master Municipal Agreement for Construction Projects" with the State of Connecticut, Department of Transportation.

Councilman McKay makes a motion.

Councilman Badamo seconds the motion.

No Council comment.

Public comment:

- Donna Richo-67 Charnes Drive, East Haven, CT- Ms. Richo asks if this is for any particular project.
- Attorney Zullo explains that it is a substantive agreement. With every construction project we have with DOT now, the contract documents are very thick. So the State has decided to issue a master agreement for all future projects. The State would then issue a project authorization.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #15

To consider and act upon a Resolution to provide the following tax refund:

Dovenmuehle Mortgage Inc

Attn: Tax Dept, Marianne Roszyk
1216 St Charles St
Elgin Il, 60120

Acct./List: 2012-01-3357

Reason: Duplicate payment made on 2nd installment

TOTAL: \$3,394.13

Councilman Mckay makes a motion.

Councilman Butler III seconds the motion.

No Council coment.

Public comment:

- Donna Richo-67 Charnes Drive, East Haven, CT- Ms. Richo asks the address to which Mr. Zullo says it is 90 Cosey Beach.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #16a

Councilman Palladino makes a motion to add this item to the agenda.

Councilwoman Beverly Gravino seconds the motion.

Roll call vote: all in favor- none oppose- none abstain. Motion carries.

Resolution added to 4/1/2014 Agenda – Item 16a

BE IT RESOLVED that the East Haven Town Council will hold a public hearing on May 6, 2014 regarding “An Ordinance authorizing a transfer of \$100,000.00 for the East Haven Fire Department.”

Said transfers is to Acct, #01-332-0190 (Overtime Wages) from Acct. #01-332-0110 (Regular Wages). The Council Clerk and Town Attorney are authorized to cause notice of said public hearing to be published as required under the Town Charter.

Councilman Mckay makes a motion.

Councilman Sand seconds the motion.

Roll call vote: all in favor-none oppose- none abstain. Motion carries.

Item #16

A Resolution endorsing a proposal submitted by the South Central Regional Council of Governments (SCRCOG) for a Regional Performance Incentive Program grant for the Continued Development of Regional GIS Data Services pursuant to Connecticut General Statutes Section 4-124s as amended by Section 251 and 253 of Public Act 13-247.

Councilwoman Gravino makes a motion.
Councilman Mckay seconds the motion.

Council comment:

- Councilman Sand says this is a request for \$700,000 to implement it. What is the benefit, how is East Haven benefitting from the past information and how will we benefit from the new information.
- Mr. DeSorbo explains that the program will be developed and the Town will have access to the information. At this stage there is no cost to the Town. COG is applying for a grant to develop the program.
- Councilman Sand says the system is in place already, the GIS wants to do it at a greater number of feet or pixels. The information that we currently have, what exactly is it. Have we accessed this information before?
- Mr. DeSorbo says that was with the Regional Water Authority. This is going to expand the system and make it more sensitive to uses. Now we will have access to it, we have not accessed this information in the past; we accessed the information from the Regional Water Authority.
- Councilman Sand asks if they need our approval.
- Mr. DeSorbo says we are not giving them approval, we are giving them support for seeking the grant funding through the State.

Public comment:

- Donna Richo-67 Charnes Drive, East Haven, CT- Ms. Richo asks if there are any programs we had to implement because of their findings.
- Mr. DeSorbo says they have come to us numerous times to support their efforts for grants Federally or from the State.
- Ms. Richo asks if they are making any laws or mandates at this time.
- Mr. DeSorbo says no, they do not have that authority.

Item #17

Adjournment of Regular Meeting.

Councilman Mckay makes a motion.

Councilman Parente seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Meeting is adjourned at 8:31PM.

Respectfully Submitted,

Danelle Feeley, Clerk, East Haven Legislative Town Council