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**EAST HAVEN BOARD OF FINANCE  
REGULAR MEETING MINUTES  
JANUARY 19, 2022**

*Heidi Batten*  
TOWN CLERK

**The East Haven Board of Finance held a Regular Meeting on Wednesday, January 19, 2022, at 7:00 P.M. in the Mario Giaimo Joseph Vitale meeting room in order to transact the Following:**

**I. Roll Call**

Vice Chairman Richard DePalma, Beth Purcell, Rich Esposito, Ralph Vitale, Al Purzycki and Chris Perdo were present. Mayor Joseph Carfora was absent. Jim Keeley, Finance Director was also present.

**II. Read and Approve Special Meeting Minutes from December 21, 2021.**

Rich Esposito made a motion to approve Special Meeting Minutes from December 21, 2021, Beth Purcell seconds. All in favor

**III. Old Business**

Rich DePalma asked Jim Keeley if we could have the auditor come to one of the meetings to talk about the audit. Jim Keeley said sure he can contact to see if he can come in.

Al Purzycki had a question which came up in both audits. A deficiency in "inaudible" control and internal control over compliance issues exist. Jim said there is no loop to close and this just gives you a description of what a deficiency would be. That is on page 1 and if you follow up it'll tell you the results of our tests disclose no instances of noncompliance. We complied with everything and they found no deficiencies and no material weaknesses. If you look on page 4 there's also an opinion. It states, "in our opinion the town complied and all material inaudible to the types of compliance requirements referred to above that can have a direct and material effect on each of the major state programs for the year 2021". A good solid report.

Beth Purcell had a question about Covid money. She wanted to understand it correctly one of them had a starting balance of \$405,000. She wanted to know if this is what we received. Jim Keeley stated we got about \$420,000. If you look in the audit report and you go back to schedule one there is a listing of all the revenues, and you will see CRF about \$60,000 for last year and the other \$360,000. carries over for this year. I have a seminar with the state tomorrow to go over how we put all the expenditures in here to get them approved. I don't see any problem. We had until 12/31 to make sure they were encumbrances in the system. We didn't have to

technically spend them. They've changed the date a few times. The Report with it was issued in December. Jim said he can try to get Beth a new updated one. \$420,000. was received for the town side and additional money was received for the Board of Education. Ralph Vitale asked when the reports are due to the state. Jim Keeley responded and stated tomorrow there's a seminar with the state about putting in information. I put in some information for first quarter. Once I get this zoom meeting done, I will have more information. Years ago, they didn't have these portals and now they do so we're learning how to put the information in. Ralph asked if we are up to date on what we need to give them. Jim said yes CRF and ARPA funds there is some overlapping. We wanted to make sure we spent the money. It was also asked who keeps track of the BOE and Jim answered the finance team over there. Rich DePalma said that's a question for the Board of Ed during the budget.

#### **IV. New Business**

Rich DePalma stated the Agenda and transfer items need to be to the Board members sooner than the day before if possible.

Ralph Vitale asked if we have any information with what's going on with the ice rink and the pool. Jim Keeley stated that he has no information on the pool. I know that the mayor has spoken to the Board of Education to see if there's any sort of educational grants. But we haven't been successful yet to the best of my knowledge. The ice rink is moving forward we are meeting with a consultant. We need to determine what kind of staffing we need, what kind of expenditures, especially now that we have budget season. Actually, we should look at the rates. Ideally, we want to be self-sufficient. Ralph Vitale asked if we've done that in the past, making money from other towns coming to use the rink. Jim stated it's been about break even. Liz Franco Spano was asked by Rich DePalma if we lost teams in the program. Liz stated that we lost a lot because the rink was closed obviously but we definitely want teams to come back because a lot of them are East Haven residents. We have a lot planned, a lot going on and it is just a matter of meeting. I have been working with the Mayor. I think with the team we're meeting with we have potential to do even more.

Beth Purcell stated it is great that we're looking at other groups but the whole rink has to be repaired so is that going to come through us for approval once it goes out to bid? Jim Keeley stated it definitely has to go through Town Council. Rich DePalma asked if we had bonding out there for the rink. Jim said we never technically bonded for it, but we had authorization, so it would go thru BOF. We have 1.7 million or so bonded. We have hired consultants for the ARPA money. They were under the belief that we could use some of the ARPA funds to help get it up and running. If this is the case, then that's great. There's still some formality to go through. They keep changing the rules and they were very narrow about what we could use the money for. Now they're getting a lot of pushback from municipalities saying we can't use all that money and they don't want the money back so they keep broadening the scope that you could use it for. Originally there was a computation that you can make that said

you can estimate every year. Whatever that money comes out to you could use that money for capital improvements Capital projects, anything like parks/recs related. I suggested to the Mayor is let's look at things that we would've looked at down the line and let's do them now. Technically speaking we can't use it to pay off debt. We figured out that computation and it is 6.4 million We bring everything in front of the consultants, and we have a meeting every other Thursday. Charlie's been with us, the Chief has been with us, when they have projects, they submitted to us and then we ask if this falls under the guidelines. They give us a recommendation sometimes it's a recommendation to have it fit better into the box, but they are very good, and I am very happy. Money well spent to get the proper guidance.

Rich Esposito asked if the ice rink is always going to remain the Town's and no opportunity for someone from the outside to run it. Jim does not know. He's not involved in the management side of it. They've been talking to a group as far as getting ideas. I don't think anybody in town would want to sell it. We have to look at the costs involved, and if it becomes prudent to have an outside company run it, that might be an option. We can keep everything here. Liz has worked extensively with getting these programs. We might have to get more things like a computer so we can have schedules so that we can have a schedule and a bit of an operation going forward. Liz Franco Spano stated we want somebody that has knowledge. Put it to the town first, but we need a rink minded or hockey minded person to run it.

Chris Perdo stated we have to look at rentals and see what money it would bring in.

Rich DePalma asked Chief Lennon if he ever made a decision on the cars, is it a rental or are we going to purchase. Chief Lennon stated this year we purchased cars and we are going to purchase cars next year. There's a lot more to it and it's complicated. Jim and Chief Lennon have met, and it makes sense. And then with inflation and the cost everything has skyrocketed.

Ralph Vitale asked if this is a capital, and the answer is no per Jim when it comes to police vehicles. Ralph asked if we did lease them is it a capital lease. We've discussed at least with a direct trade for new cars going forward. Jim Keeley stated that the plans we have so far would be that the idea would be we have a higher trade-in value trading them in more frequently and that we have an expert using the leasing company to trade them in and get us the highest value vs. trying to do it ourselves. Ralph Vitale wanted to know how many miles we put on the vehicles before we try to get rid of them. Chief Lennon stated it's more like the hours but essentially what we do is use the cars for emergency driving purposes and right around 100,000 and 120,000 they are not safe enough, globally, there are some of our cars that are it just depends, and we will ship them back to doing construction jobs and all that stuff which the town also gets a service fee for and then those cars are the ones that are usually going out within a year or two after that.

## **V. Public Comment**

Lorena Venegas wanted to talk about DC Moore School in old business. Rich DePalma stated that DC Moore is a legal issue so as far as this Board is concerned it is not for us. Lorena Venegas stated the legality was mentioned here at this Board in august of 2020.

Lorena Venegas stated that she did a freedom of information request that is incomplete, and it is about the Town Green and it has income and expenses that have not been itemized. It is a worry for because she followed up by email and has not received any of the end of that. She stated Jim knows. Jim stated the comment was noted.

Lorena Venegas always wanted standard operating policies for this Board, and it hasn't come to be in the last two years, and I think it's important because you as a Board do have some ways that the Finance Director is accountable to you, and we don't have that mechanism. Rich DePalma stated we have a Town Charter. Lorena Venegas stated we can also write an SOP and that other Boards do.

Inaudible.....Lorena further stated that you can add to your Agenda in future. You can talk about "inaudible" your town and investments; you can talk about your bond meeting and how that fits into inaudible the towns so we can get better. We could talk about the long-term debt and how we're going to solve that. Those are other things that we haven't talked about and I haven't heard or seen in prior minutes. They do need to come to surface and have a discussion and be part of the minutes.

Lorena Venegas spoke on the ice rink. My children are going to the learn to skate program and there's like 60 families right now in East haven ages 3 to 12. The future of hockey is definitely great in East Haven as it always has been and as a kid, I've been to field trips at that rink when I was in middle school and I want to see that back because I believe there is an "inaudible" ice skater/figure skater in East Haven. It just takes training and equipment and support, and we have that. As the future budget develops, I want to make sure that it includes equipment for families that can't afford it.

Lorena Venegas stated in terms of ARPA money, one of the things that you can use it for is behavior mental health services. That is one big chunk that we outsource to BH Care last year. One of the results from that is the increase in public safety calls that we saw at the Town. "Inaudible ..Chief Lennon's reports every month on the number of calls, but you have the power to actually ask the Chief what type of calls he's getting. And from there you can make some educational and informed decisions on why we need mental health services in Town. There's a big need and there's a big need in the school system. The school system is packed with a waiting list. Anything you that can help with in the next budget, bring back mental health services.

Town Councilman Josh Balter spoke in his position as a subcommittee member for

Town Council. He had a question about transfers, and he does not want to invade the Board because he's not a member of the Board of Finance but if possible if my questions aren't answered in discussion later if I could please ask a question or two.

## **VI. Discuss Audit**

Jim was going to add a comment about page 9 of this audit where they ask if there were any internal findings for material weaknesses and deficiencies. And their answer is no. Anything that we've reported they are comfortable with.

## **VII. Recreation**

To:	01-661-0541 Recreation Arts and Crafts	\$15,000.00
	01-661-0520 Office Supplies	\$ 4,000.00
	01-661-0615 Printing and Binding	\$ 2,000.00
	01-661-0578 Med First Aid	<u>\$ 1,000.00</u>
		\$22,000.00
From:	01-662-0203 Natural Gas	\$ 7,000.00
	01-662-0190 Overtime Wages	<u>\$15,000.00</u>
		\$22,000.00

\*Jim Keeley stated the natural gas acct number is 01-662-0203 not 01-661-0203 as listed on the Agenda.

Beth Purcell makes a motion for discussion Rich Esposito seconds.

Discussion: Ralph Vitale asks why we do have so much natural gas that we're changing out. Jim Keeley stated because of the rink. The rink is not up and running so we don't need as much. Just like with overtime wages; Liz Franco Spano stated that when she took the job over there was literally nothing there, I could run programs with. Usually when you come into a position like this there is usually volleyball nets, things are very expensive. I started games on the Town Green when I first started working in July and I spent \$3,000.00 just on equipment. It gets very costly I need to get badminton nets, pickleball nets, volleyball standards. The volleyball standards can go from anywhere from \$2,000.00 with the safety features to \$2,500.00. I need to stock up so that that line-item budget "inaudible" Rich DePalma stated basically you are looking to enhance, and Liz said yes and with what I have now what I started with, that line item is very low it is only \$5700. to start. Rich DePalma said you wanted to come before the board and say what you are going to use that money for. Liz Stated you can't run a program like that. I need to stock up and get what I need. Even arts and crafts I am doing adult programs, I'm doing stuff with the senior citizens, I'm doing an art program with the kids that has been postponed because of Covid that was supposed to already start. I'm hoping in two weeks will get everything running up. You are going to see all the stuff that we have going, I have no supplies for anything. Some of that stuff is very costly. I did my research I'm

trying to get the best deals, there's not a lot of used stuff I can get. Some of the stuff also like the pickleball nets, if you get a good quality, you get what you pay for, I get 4 to 6 nets which will be very costly but those nets last 10 to 15 years. That is why such a large amount is in here, there was \$5,700 in the budget. I used some of it just for that one activity. And that was a great turn out. We need this to make the rec department better. Rich DePalma asked if it was revenue producing. Liz stated some will be and offset.

Ralph Vitale asked if this was money already spent Liz stated no. Ralph Vitale also stated it's all within her department anyway so that's good.

Josh asked if this was going to be sent to Town Council, but it was answered by the Board that it does not need to because it's under \$25,000. They are from different accounts.

Roll call, all in favor, motion carried.

#### **VIIA Recreation**

To:	01-661-0694	Other Contractual	\$22,000.00
From:	01-661-0118	Seasonal Wages	\$16,000.00
	01-662-0203	Natural Gas	<u>\$ 6,000.00</u>
			\$22,000.00

Rich Esposito made a motion to change VII to VIIA Chris Perdo seconds.

Per Jim Keeley: Even with what Liz was saying with the arts and crafts she's doing a lot of stuff with the recreation dept.; she is getting to that department up to speed. Some of it is working with other directors to guide us. We also have more events than we normally do which is why this other contractor was going to be over, so we are trying to be ahead of it. What we're going to be looking to do in the future is divide some of the events where Liz would have some events in her budget and then community services run by the administration. Jim stated that when they did the budget originally it was based on the past. Rich DePalma is not sure if that's a good idea because what if we allocate money to the recreation department and the administration has a different idea for those funds and if Liz wants one way and the administration wants to go another way. Jim Keeley was hoping that this would relieve that problem if they each have their own separate budget, then whatever they wanted to run upstairs town wide, and whatever Liz wanted to run from a recreation side so there wouldn't be any problem. Rich DePalma said we have that right now. Rich stated we have a line item for community programs. Jim stated that the line items we have in there right now we're specific to particular events. I don't think there's anything in there like for a concert on the green so those will be the kinds of things that would be more of a town wide event. Liz stated that one of her line items will probably be reduced because two years ago the contractual it was \$41,000 but with Covid and everything it went down to \$21,000s and a lot of that too with the bands on the beach I won't be included in that part anymore so that line item will actually go down.

Al made a motion to discuss, Chris seconds.

Discussion: Seasonal wages was that one big line item which Rich DePalma asked that we used to use for the part-time workers, and we have money left over because we outsource YMCA. Jim Keeley said yes. Jim Keeley stated I think there's actually two similar line items. Seasonal wages for beaches for lifeguards and seasonal wages for the rec and now the YMCA has taken over. Which is why we know they'll be excess funds. We don't know the cost going into next year, but I know they're working on it, but we know they'll be saving. Rich DePalma asked how it's going with the YMCA taking over those programs. Liz stated that she just got her office moved up there, so she sees it up there. Seems like it's going OK. Right now, there are "inaudible" there at different times. They do before and after, seven to nine, I get there like 8:30 and I see them getting on the bus and they have aftercare for 4 to 6. Rich DePalma asked if we were offsetting any of those costs. Liz said she has to look into that. Beth asked if some of the other contractual here are for some of the bands and concerts? Liz said yes.

Roll call, all in favor, motion carried.

#### **VIII. Building Maintenance:**

To:	01-229-0190	OT Wages	\$15,000.00
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From :	01-229-0110	Regular Salaries	\$15,000.00
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Al made a motion to discuss. Beth seconds.

Discussion: Charlie stated we're trying to do a lot of catch-up on our buildings which over the years were dilapidated and some of that included overtime, and we went over. We are trying to do a lot of things ourselves, we put a roof on "inaudible " which we got a price of about \$50,000.00 to \$55,000.00 and we did it for under \$20,000.00 ourselves. The labor is costly when you go into overtime.

Beth asked if he is removing the money from regular salaries. Charlie stated we had a few comp cases, so we had extra in those salary accounts. Ralph had a question as to why this transfer and the next transfer is not being referred to the town council and Rich DePalma stated it is 2 different departments. Al stated to Charlie that he's over right now and you're going to have about a \$7,000.00 buffer if you take this money. Is that going to be enough for the end of the year. Yes, per Charlie. Rich asked if the regular salaries is because he was down a person or someone was out? That is what it was Charlie said we had a buffer in there because of that. Roll call, all in favor, motion carried

#### **IX. Public Service**

To:	01-224-0190	OT Wages	\$24,900.00
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From: 01-224-0110 Regular Salaries \$24,900.00

Beth makes a motion to Discuss and Rich Esposito seconds.

Rich DePalma asked if it was because of snowstorms. Charlie said he wants to set it up a little bit differently this year. When we do fireworks and fall festival and some of the other events on the green, they are all overtime. It doesn't take long when you have multiple guys working. Like the fall festival itself it's a large amount and it came out of a regular overtime account. It eats up and then if you're doing things periodically during the year. I'd like to put in special events line item. I think it makes sense. The fall festival is really a large event and we need to have the people there. We really should have a separate account for fireworks, festivals, and whatever other activities pertaining to non- regular work. That gets eaten up and that's where we are with this

Al said it looks like you have another \$9,000 buffer on this, and Charlie said yes. Roll call, all in favor, Motion carried.

#### **X Police Services**

To: 01-332-0440 Motor Vehicle	\$2,938.00
01-332-0440 Motor Vehicle	<u>\$2,938.00</u>
	\$5,876.00
From: 01-332-0561 Vehicle Supplies/parts	\$2,938.00
01-332-0662 Vehicle Repair/maint.	<u>\$2,938.00</u>
-	\$5,876.00

Beth Purcell made a motion to discuss, Ralph Vitale seconds.

#### **Discussion:**

Chief Lennon stated our budget was \$300,000 for the year and as everything else in this Country right now it's hard to get stuff. Things are taking a lot longer than they usually have and the prices have gone up. The biggest reason why we are going to be slightly over is because the average of police vehicles emergency lighting is costing about \$11,000. per vehicle give or take and that's just for the emergency lights. The most recent bid had it at \$12,095 so it went up a couple thousand dollars per vehicle and we usually factor in a little bit of a contingency for that type of stuff but that's the biggest reason we're coming up with an overage. If our calculations are right hopefully by the end of the year if no other prices go up, we should have right around two dollars left. Chief stated he has vehicles on order. The four Ford Explorers that we ordered actually took delivery last Thursday. They are at the emergency lighting company and are going to sit there for a little bit because they do not have all the equipment in yet. The lights and the controllers, and microchips are taking forever to come in. Rich DePalma if that was our car that was involved in that chase that spilled over. Chief Lennon stated yes.



Roll call, all in favor, motion carried.

**XI Adjournment**

Rich Esposito made a motion to adjourn and Al seconds.

**Board of Finance Clerk**

**Susan Mauro**

**January 26, 2022**