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TOWN CLERK

TOWN OF EAST HAVEN BOARD OF FINANCE

MINUTES FOR MONDAY MARCH 15, 2021, AT 6:30 P.M. BUDGET WORKSHOP SUBCOMMITTEE MEETING

Noreen Clough read into the record:

**TO THE RESIDENTS AND TAXPAYERS OF THE TOWN OF EAST HAVEN
AND OTHER INTERESTED PARTIES:**

Due to Governor Ned Lamont's March 10, 2020 declaration of a public health emergency and civil preparedness emergency and his subsequently issued Executive Orders 7B and 7D: and, due to the spread of the Coronavirus Disease 2019 in the State of Connecticut including New Haven County, in-person public access to this meeting will not be permitted. **This will be a 100% electronic meeting.**

**The Public can access and participate in this Meeting
from a computer, tablet, or smartphone:
Join Zoom Meeting**

<https://us02web.zoom.us/j/6420630043?pwd=c2t3dno5Wk5QbEtLT25pL2lWOFBqUT09>

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The East Haven Board of Finance held a Board of Finance Budget Workshop meeting on Monday March 15, 2021 which commenced at 6:30 P.M. via ZOOM, to transact the following:

**The undersigned clerk states that there were many inaudible times during this meeting, fading in and out.*

Roll Call:

Rich DePalma, Noreen Clough, Beth Purcell, Rich Esposito, Ralph Vitale, and Al Purzycki were present. Mayor Joseph Carfora was absent. Jim Keeley, Finance Director was also present.

Capital:

Jim Keeley stated he sat down with the Mayor regarding the capital. Our goal has been, last year and this year to keep capital at a minimum until we start getting our debt under control. I will say this year we are hearing that we might be getting additional funds through the state for capital projects. Some of these we have cut, we are hoping we might get some additional monies that might go that way for the future. For now, our goal we were trying to stay about \$750k. We did put in an extra \$250 for the ice skating rink, because the Mayor knows how much the project means to the Town and the citizens and we did not want to start the project and some off chance not have enough funds. So, he put additional funds in there to be on the safe side. We had approved public works \$556,000.00 in paving or (\$565,000.00.) (the amount came over unclear to the undersigned clerk) We are going to use \$214,000.00 from our LoCip money which is common practice because that money is easy to keep track of when we are getting reimbursed, we have approved \$34,000.00 for a hot box and \$10,000.00 for a ? body.

Charlie Coyle spoke also spoke about a Hot Box. We are about the only Town around that does not have one. When you go up to Tilcon you have to get a minimum of 2 ton of asphalt and unless you are going to use the 2 ton in an hour or 2, you are throwing half of it away because it gets cold that quick even in the middle of summer it is 80 degrees. The hot box is controlled by propane and keep it for a day or two in that box. It is on a trailer and New Haven has 6 of them and other surrounding towns have them. You go up there and get the asphalt and do all your patching and you are not throwing anything away. When you are paying \$85/90 a ton and to keep throwing that away, that is a waste of a lot of money for the town. In the winter, rather than buying the cold batch that we buy which basically only gets us through the next storm or the next rain storm, that stuff is \$140.00 a ton it basically proves that over a period of time will definitely pay for itself. You can use it in the winter because there are places that sell recycled hot asphalt and you can get that do patching. In the summertime we have a lot of curbs that broke this year. You can 2 or 3 ton without it getting cold or wasting any of it. This is beneficial to the town and getting work done as well.

Ralph Vitale asked how much the hot box will cost. Charlie stated \$33,447.00. Over a period of time, it will save money because you are not throwing any asphalt away.

Animal Control. Jim Keeley stated Owen put in for a transit van for \$52,000.00. We have \$26,000.00 in the general fund and we did not put anything in the capital. We talked about we are trying not to include vehicles and we are hoping inaudible we find some inaudible or

perhaps we encumber and roll it over to another year, or Owen is very good at raising funds, perhaps he can raise some, either way we are not asking for capital.

Police Department. Chief Lennon is on and stated he went over the capital budget with the Mayor and Jim. The 3 big things that they are moving forward with this year, one being the most important is replacing the emergency generator at the pd. It doesn't just power the pd in an emergency with power loss it also powers the emergency dispatch center in the emergency operation center. The current generator we have the installation on it is from winter 2003/2004 and it is to the point now that we are starting to have some problems and failures with it. We test it monthly because of the EOC and state guidelines. We had 2 critical issues over the last year or more. We are looking to replace the generator with a newer model that can handle the load of all the additional things we have taken on in our building. In 2003/2004 when it was installed, we did not have the dispatch center in our building we did not have the ? in our building and we have more employees now even than 15/17 years ago. The new generator would be powered by natural gas with a propane backup which is more energy efficient. It has to go out to bid but just to get an idea on what it would cost, there is a pretty strong belief that we would be re appropriate our generator to another town building that does not have such a severe load such as ours. That is the most important thing we have. Secondly is our network and storage. Most of servers and storage (inaudible) Some are as young as five and the rest are close to that 8- or 9-year mark. We have replaced drives and replaced that stuff and the same thing. We are responsible for the storage for the police department, fire department and dispatch center. Our IT is determined that we are on borrowed time with that. Lastly, we did a parking lot upgrade last year and we still need to do a few things with it. One of the things at one of the meetings within the past few weeks was added security for some of the vehicles at the Police Department which the second phase of the upgrade of the parking lot would take care of some of that stuff.

Rich DePalma asked if they had damage to the vehicles. The chief said no, some of it has to do with safely secure evidence vehicles. We should have them both fenced in and on camera. They are on camera however they should be under both.

Al Purzycki asked how many hours are on the old generator. Chief does not know. He stated predating him he does not have records. In regards to power down outage numbers I could not surmise what that is.

Beth Purcell asked about the other items in for dispatch vehicles, emergency response equipment, headquarters upgrade. Is that a problem? Chief stated it will be fine. I spoke to Jim and some of the things we can push off till next year so we should be fine.

Al Purzycki asked if our mobile dispatch command vehicle is there any possibility of doing a vehicle through the government from old military vehicles. Chief stated those, if they become available, and they go extremely fast so the chance of us getting them is ? We push for all the grants we can for vehicles like that. The most recent, the deputy chief did it about 3.5 to 4 years ago. We did a grant for the crimes crash truck that we use for major scenes which is about the same size. We do try and find grants, unfortunately there is nothing out there now. The truck that

we do have, the same thing, we purchased is actually almost 18.5 years old and currently parked in Hamden and it runs but not in great shape.

Deputy Police Chief Tracey stated the generator, he believes it is one of the older ones that has a meter on it. There are a few hundred hours of run time on it. The concern is the reliability factor of it having to ? the past year, inaudible it is a reliability factor. We typically do get powered restored fairly quickly when it goes down, we are top priority. We have seen though even with some of the major storms it takes some time.

Fire Department: Jim Keeley stated the FD put a request in for \$285,000.00 total. \$200,000.00 for a support building to house equipment and vehicles. We are hoping to be able to get that money through state grant funds. If they come through. We have not supported this right now in this capital project mainly because of the cost of the building, some unknowns. There are hose and gear dryers, to dry equipment we thought were vital. We approved that for \$35,000.00. There is \$50,000.00 for Engine 5 body repairs for which we did not approve because we need to keep our numbers where they are, and we thought that was something that could fix in the future. Chief Marcarelli was unable to attend due to another meeting.

Library: Bruce presented. The elevator is based on (inaudible) Current elevator is a 1975 elevator and is not an ADA compliant. The project proposed would be ADA compliant, will access all levels and floors in the library building, eliminating physical barriers for people entering the building. It is an effective project. The Town and Library would apply for a category 2 CT State construction grant to do this. That grant will match up to \$250,000.00 in construction costs. It is a 50/50 match. This is an important project. Someone else spoke and stated it adds significant square footage to our usable space also.

Rich DePalma asked how often the current elevator used. Bruce stated it is not self-service and we have to bring people up so it primarily for the elderly right now and people who are disabled to bring them from the lower level to the upper level. If it was self-service, it would be used a lot more. Under the plan it would have access to every level including the original community room.

Beth Purcell asked if the total cost of the elevator \$500,000.00 or is 250,000.00. Bruce stated the total cost would be \$500,000.00. It was also added by I believe Steve spoke and stated that this is a generational type project. The original building built in 1929, the addition built started in 1974 and here it is in 2021. It is a generational type project and you do this once every 50 years or so.

BOE: Jim stated that the BOE requested \$1.14 million dollars and we agreed to only \$50,000.00 for town wide district façade and brick repair and cement and sidewalk repair. Currently the BOE in their? inaudible projects have \$900,000.00 in unspent money and some of these are duplicates and they asked for the elevator compliance which we still have \$150,000.00 from last year. We still have paving (?) from last year for \$150,000.00 we have not used yet. Carpet and tile we gave them \$100,000.00 last year. So basically, we went through and realized when people are requesting things department wise, we look at what they spent in the past and the “need”. If we still have monies available, we look at that when we make our determination.

RJ Caponera stated that the elevator at the academy we previously requested \$150,000.00 and that amount will not get us the full elevator. The additional \$200,000.00 request was to get us the full package. The \$150,000.00 will only give us the masonry work to get the shaft in place. To do the full job we need the additional \$200,000.00. The other funding you are seeing for the floor and tile repairs, is for our goal of replacing all our tile and carpeting in our schools right now. As they age, they are starting to lift up and cause a tripping hazard for students. They are not sanitary. We are starting to get complaints now from students with asthma. We can only clean them so much before they wear down further. The sidewalk repairs and all the asphalt repairs in the parking lot, we have a lot of foot traffic, so we are trying to prevent as many trips and falls from the wear and tear in the winters, filling in the potholes and trying to maintain those as much as they could. We appreciate what we have and will make the best of it.

Rich DePalma asked about the \$900,000.00 with what we approved in the past. Are any of those projects started? RJ stated that some are in motion right now and some are out to bid and we hope to address those as the weather turns.

Rich DePalma stated those are the only projects you have and everything else is completed. RJ said yes.

Fire Dept. continued.. Matt Marcarelli joined and stated that the request you have in front of you is a \$200,000.00 request for an auxiliary building at station 3. That request was denied by the mayor's office. The next one was repairs to engine 5, which? inaudible faded out, so I'm good there. And they left in the gear and hose dryers at a couple of the fire stations for \$35,000.00. I am in pretty good shape. We have done well with the fleet and other capital improvements other than the fact that you know we need a building. I am in pretty good shape for capital improvements for this year.

Ralph Vitale asked how much was the building that the mayor took out. Chief stated a lot. Chief further stated he put in for \$200,000.00 for a support building to house our ancillary vehicles rather than house them outside. I got a commitment from the mayor that we are expecting some federal dollars from the Covid stimulus plan and some of that may be for that.

Rich DePalma asked if ? inaudible money be available for this project. Jim stated right now what we are getting is, as the state budget coming through we are getting a little bit of hearsay as far as not only the dollar amounts, what we can possibly use it for, we are hearing we might get a significant amount but it might have to be used partly for covid related expenses but partly for capital projects. You will see as we talk about revenue later on today, we have not included any of that money in the general fund because we are not sure of the specifics right now. At the end of the day the money that comes through to us will be used wisely. Whether we get to come in the general fund or we have? inaudible projects that we are not bonding for. We are fairly confident we are going to get something; it is just a lot of back and forth. We don't have a set dollar amount or set parameters on what we can use that money for. Some of the stuff you see here, we do recognize there is a need for whether this year or future years, at the same time we are cognizant that we want to bond as little as possible.

Ice rink repairs: Jim Keeley stated we put in \$250,000.00. If you remember last year's we put in a capital request for a million and we also put \$300,00.00 for a LoCip request. The ? has gone out on Friday to start the bidding process. We are hoping that the \$250,000.00 is not needed, however at the same time, because it is so early in the process, we want to make sure that when the project starts going that we are not held up for any reason. Unfortunately these things take time to go through the Board of Finance and Town Council so we are putting in that additional \$250,000.00 with the hopes that we never have to bond in but it is there and we have authorization so we don't have to stop if we are a bit short. We will know more once our bid comes back; we will have a better idea of a total cost of the project.

Emergency generator for the senior center which is recommended by Chief Marcarelli. We are looking to use Covid relief money for that so although it is not in the capital project it is something is vital to the town. We use the senior center a lot for many things. The one that is there now we were told is almost not usable and with everything going on in this day and age that that is an emergency shelter spot and that is becoming a necessity to have that replaced and we are looking to use Covid relief funds to pay for that \$30,000.00.

Jim Keeley stated he knows in the past we have put requests there for (bonding? Not sure if this word is correct, unclear) packages for capital improvements and it has kind of been the trend where if we don't use it, we classify or use it somewhere else down the road. I think it is prudent that we start the practice of if the project doesn't get done, we don't need to bond the money unless we absolutely need it. Even though we authorize this I don't plan on going out to bond this year with our rating, we had a bad year, our ratings will get better and we look at having a good year and we will back out in the market next year looking to get some bonding done as little as possible. Just because we authorize this money does not mean we have to use it.

Rich DePalma asked Jim to provide the Board with our current bonding ?

Jim stated that our outstanding debt is 37.5 million. ? increase close to 4 million dollars the following year 22/23 and that will stay even for the next couple of years before we start dropping down in fiscal year 25/26. Rich DePalma stated that our total debt next year will be about 4 million. That includes the Honeywell project as well and the BOE as well is included in this.

Revenue:

Jim stated we are looking to meet our recommendation for the current year. Our revenue, our taxes are in good shape. We are currently over 97 % collection rate. 98% in real estate taxes and 97% overall and we are looking strong. If you look at next year's recommended you will see an increase of about 1.6 million dollars. That is 2-fold. We had an increase in the grand rate and we have another \$700,000.00 based on an increase in collection rate. Last year we used a low collection rate because we were unsure. These other numbers, Education and ? those are exactly the same as last year and that is what the state is reporting right now, obviously they are still preliminary but I am 99% confident. The water authority, this is a bill that we send that out from the tax assessor every year and that is based on additional properties and stuff like that, we update it and you see an increase there. It is based on real numbers, not an estimate. Greater New Haven Pollution Control Authority that is going to be \$63,000.00.? funds are another

number that comes directly from the state and that is what they give us as a preliminary number. The ? number is slightly lower again. It is state driven. That is the number we are given.

State property: another number that is state driven, right now there is some talk they are looking at a onetime make up, so we can't do any worse than that, but there is ongoing talk with the pilot program, but we have been assured and we have, the mayor and I, been in contact with state officials and they are guaranteeing us that it won't be any less than what we had last year. This is concerning Tweed.

Tax relief elderly is the same as last year.

Telecommunication property tax is a number we get late in the year, we just got the number this year so I used the \$52,000.00 which is what we just received in a letter in saying what we are going to get for this year. So normally we get about the same every year. That deals with all of the satellite dishes and the state accesses them a value and they just pay back to the municipalities that they reside in.

Veteran's exemption. Another number that comes from the state so that stays the same.

State of Connecticut department of children. I checked with Bob Petricelli. That is grant that will stay the same next year.

Off track betting. Unfortunately, we lost OTB so we won't be getting any money from them.

Interest income. I dropped that down. Accordingly, we are fortunate right now and we do have monies in the bank but the interest rates are so low. We move the funds around but even the cd's interest rates are so low it doesn't make sense to tie up the money for minimal returns. That is a conservative number.

Licenses and permits. They are pretty consistent with previous years.

Town clerk fees I raised up. You will look even when I estimated last year, they received more money than that going forward. The last month did not come, so I feel confident in that number.

Landfill fees. Still something we are working on. We have received a good deal, now that covid is hopefully phasing out, we should get more monies through that.

Building department fees ? The numbers so far have been a little on the low side, but with spring upon us we are hoping to get more construction and people doing more work and building that back up.

The Recreation and Athletic Complex fees. Big question mark for both of those. We have dropped them down quite a bit. Athletic Complex fees all goes into whether or not we get the skating rink up and running. We know it won't be for a full year but the mayor is committed to try and get this up and running asap with our feasibility schedules. If they don't come through on the revenue side, we should be able to save money on the appropriations side. We built the appropriations as if both programs were going to run.

Employee cost share. This is mostly due to cost of insurance. Some of the departments, as people retire, they actually contribute more to the cost share based on the language in the contract which should happen this year.

Police special assignments. 725 is more than within reach. That is a number that ?? at the end of the year. We don't really ?? So, you will see in June that number will significantly increase.

Rich DePalma asked if all the street work around town was the UI doing it. Jim stated yes.

We only do Police special assignments once a month. We are automatically a month behind schedule and it is actually on a different system that we have, so we bill it and at the end of the year we only need to record the receivables at year end, which we do so you will see a big spike in that number at the end of the year. So, during the year you are saying we are going to reach that. We are right near or at that number by year end.

Worker's compensation reimbursement. I brought that number down. Our numbers have really been good this year. In relation to appropriations, if the revenue is down some that is good that means our work force is out working. Hopefully that number stays low. We will see savings on the other side. That relates a lot to overtime.

Misc. Last year we had the Honeywell project which made up the majority of that million dollars that we have there. I went down to 250. We had last year \$132k in ? alone. We have other fees in there, copy expenses, and misc. fees. So, to be on the conservative side I said 250.

Selling town property. \$40k is for whenever we sell used vehicles and machinery. I do give kudos to PW department. We are starting to advertise our equipment online, government.deals, and Charlie and Tony work with that. We just received \$41k today for some old equipment we had.

93.45 million bottom line

Rich DePalma asked if the mill rate will be kept the same. Jim stated yes.

We balanced out. The way we do it. Revenues need to be prepared first.

Noreen asked under license permits fees, was that the counseling center it is zeroed out this year. We still have a couple more months to collect revenues for next year. I don't think we will make the revenue number because it is being closed.

General review.

Noreen stated one change I would like to make I am advocating for the vehicle for animal control. It was stated he could raise money but he is always raising money. I feel that is the least we could do for him and for everything he does for this town and my suggestion is to take money from the sidewalk capital project, \$26,000.00 from there. He has an old vehicle; he needs it and I think it is way past due for animal control. Rich DePalma asked about part time wages for park and rec, we are not going to absorb that 156 correct? Would you rather take some from each or take it from ?? We want to reallocate 26k to give Owen the full 52k. Do you want to take the

money out of the capital part or split b/w park rec and capital? Jim stated sure, (inaudible) Rich DePalma stated the way it is worded on the budget it is sidewalk capital projects Town wide. It isn't being bonded as capital but worded like that in our budget. Jim stated it was something that was added to try to keep the capital to a minimum and put some capital in our regular budget. This is more common place with most other towns. I think we should move forward to a dollar amount but again we will take small steps and go in the right direction. This would be considered capital but they were being funded from the general fund.

Rich DePalma asked park rec fees or sidewalk projects. Jim Keeley stated that it is more likely that we use the sidewalk capital money than we use the other funds. Jim stated we can take it out of the Park/Rec salaries.

Noreen asked for clarification was it stated with the rec department that summer camp is going to the Y in Branford. It is not the Y in Branford; it will be here in town and I believe we will be down on the beach and another location to run the camps out of.

Rich DePalma stated they will service it and they will pay their employees and the Town residents will pay for the service. Rich asked if it was a fee increase for the residents. Jim stated what he knows that in the past it was \$300.00 for the whole summer and that the Y would be running it for the same nominal fee so I believe it will be more expensive the actual cost, but I am not sure exactly.

Noreen stated a little background what they do is they do is 9-3 they pay for and then they paid extra for 2 hours in the morning and then 2 hours in the afternoon. The ? seasonal wages even though we don't we are not...(cut off) Rich DePalma stated we have the wages in the budget but right now we are not using the 156, just use some of it. Jim stated yes. Right now, we are looking for a rec director, we did not have a department head there preparing it so I believe, maybe not all of that money, but a large portion can be reallocated. Noreen stated basically we have the wages in there but we are not running summer camp.

Rich DePalma asked if there any other changes recommendations, Beth Purcell stated that she is advocating for the restoration of the assessor's position to full time. They had one of the full-time clerks go part time, with the reval and increased grand list I am thinking this more than warrants keeping this position full time. Noreen stated that was her second one too.

Noreen agreed with Beth, she understands what the reasoning might be but we are going in reval year. Beth stated they added \$8,000.00 for overtime so that could be removed if they restore the full-time position. We can move it up to salaries.

Rich DePalma asked what the difference \$18,000.00 to increase the salary. It was \$17,807.00. If we moved the \$8,000.00 up it would be a \$9,807.00 difference just for salaries. Jim agreed.

Rich DePalma asked if the overtime would be able to be reallocated to salary side or would we still need overtime. Jim stated if we were going to add an additional 10 hours it may not be needed. We could always come back to the board.

Jim stated if we take the \$8k from overtime would you be looking to take the rest of it from park/rec salary? And yes was the answer.

Rich DePalma asked the opinions of the other members. They all agreed with Rich DePalma, Noreen Clough and Beth Purcell, Ralph Vitale was not on the zoom call at this time.

Noreen stated that overall it is a fair budget To finish this year seeing the cars in this year and to see the revenue right away and the capital so it all came together and I am more than pleased to see the services increased and mill rate stay the same.

Rich DePalma said I think so too because there are items in this budget that should have been in this budget years past and we could have had a slight mill decrease, that only costs our taxpayers more money because you are bonding for 20 years that will only last 4 or 5 years. We could have done it a little cheaper, but this is the right way to do it. Noreen agreed.

Jim thanked Noreen as this will be her last year on the BOF, a total of 18 years.

Rich thanked the department heads for all they did and he thanked Jim and the Mayor and Michelle for all their work

Beth asked on Wednesday when we vote for the budget will it be the changes we made tonight. Rich DePalma confirmed yes.

Adjourn: Noreen made a motion to adjourn. Noreen seconds at 7:37 p.m.