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East Haven Board of Finance
Regular Meeting Minutes
June 19, 2019

Stacy Gravano, CTC
TOWN CLERK

The East Haven Board of Finance held a Regular Meeting on Wednesday June 19, 2019 at 7:00 P.M. in the Mario Giaimo, Joseph Vitale Meeting Room on the lower level of East Haven Town Hall, 250 Main Street, East Haven, CT 06512.

1. Roll Call

Chairman Richard DePalma, Noreen Clough, Beth Purcell, Richard Esposito Jr., and Marc Conte Sr. were present. Ralph Vitale was absent. Director of Finance –Paul Rizza was present as well.

2. Read and Approve Minutes from Meeting held on May 15, 2019

Noreen Clough makes a motion to approve Minutes from Meeting on May 15, 2019, and Beth Purcell seconds. All in Favor. Motion Carried.

3. Old Business

Noreen Clough stated we bonded \$7.2 million but they are asking for \$6.5 million. Paul Rizza stated that based on the recommendation that he received from the bond counsel and the underwriter, this was the number that was given to us by Honeywell which does not include any expenditures for borrowing. That was a good chunk of money. It will probably be more than a year before this gets done. We were initially going to take out \$3 million. Then add to it. It will be a one year note. Once we get a year under our belt under the operation that is when the savings will happen, after the first year. The Board stated how the Town bonds the money, the Board of Education reaps the benefits so the Board wanted to know how is it that we capture the payments because we are paying a bond note but Board of Education gets the savings. The money from rebate should be put in a special account. Paul said you can roll the rebate savings into a general fund or it could go into a special account. The Town could do that. The Board of Finance asked how we would get the payment from the Board of Education. Aldo's company should be giving us reports monthly. Beth Purcell asked if it make sense to move all the utilities into that one bucket that you were talking about and we would have the savings right there. The money will come from Honeywell not ECG, the company Aldo works for. The Board of Education pays their own utilities. Paul said it would be a good idea if the Board of Finance brought them (Honeywell and ECG) here in October or so to see how this actually is going to operate. The Board agreed that was a good idea

4. New Business

Noreen Clough stated the Board of Education is pulling their health insurance out of the program. She wanted to know how that impacts our rates. The reserve benefits audited number from July of 2018 was \$8 million. Paul cannot figure out a way to come up with an audited number to figure out our share or their share. It has to be clearly delineated by the auditor. Noreen Clough asked if what we budgeted for would there be a possibility if that went up. Paul said yes but they are still in a negotiation. You can't change the contract. Paul believes we had good communications with a number of companies and we had a good committee on the town side. We had a strong team going in. Noreen Clough asked Paul to let the Board of Finance know if rates go up for insurance.

Beth Purcell asked how the numbers looked for year end. Paul said we collect revenue in July and August that floats back to the previous year. It depends on how hard you are pushing delinquents. Paul states we have been pushing collections and using marshals and attorneys. Our drop dead for collection is August 29th. Marc Conte asked Paul what proof, regarding the general fund, what proof can Paul provide the Board of Finance that that money actually exists. The Audit isn't done until middle of December. You can look at the audit from last year.

5. **Public Comment**

None

6. **Fire Department**

To:	01-334-0175	Education	\$7,065.00
From:	01-334-0160	Holiday	\$7,065.00

Discussion: Chief stated last year we put engine 4 on as a paramedic unit which balanced out the runs for the other 2 paramedic units which precipitated some folks who had given up their ems responsibilities in previous years decided to go back into rotation and because of that they received paramedic or EMT bonus under the educational incentive. That line item has been pretty flat for many years.
Roll call. All in favor. Motion carried.

6a. **Registrar of Voters**

Noreen Clough made a motion to add 6a Registrar of Voter transfers to add the agenda. Beth Purcell seconds Noreen Clough made a motion to discuss, Beth Purcell seconds.
Discussion.

To:	01-110-0115	Part time wages	\$18,743.00
From:	01-110-0110	Regular Salaries	\$ 442.00
	01-110-0270	Telephone/utilities	\$ 2,000.00
	01-110-0360	Elected official reimb	\$ 1,025.00
	01-110-0520	Office supplies	\$ 450.00
	01-110-0615	Printing binding	\$ 202.00
	01-110-0643	Postage	\$ 550.00
	01-110-0658	Equip. Maintenance	\$ 5,325.00
	01-110-0675	School Custodians	\$ 553.00
	01-110-0694	Other contractual services	\$ 1,412.00
	01-885-0689	Contingency	<u>\$ 6,784.00</u>
			\$18,743.00

Discussion: This was all because of the special election from February.
Roll call, all in favor, motion carried.

6b. **Public Service**

Noreen Clough made a motion to add Public Service transfer of \$225,000.00 to agenda as 6b, Richard Esposito seconds. All in favor Motion carried. Noreen Clough makes a motion for discussion and Beth Purcell seconds.

All in favor, motion carried. Noreen Clough makes a makes a motion to refer to Town Council, Beth Purcell seconds. All in favor, motion carried.

To:	01-226-0676	Waste Collection	\$200,000.00
	01-226-0674	Trashmaster	\$ 25,000.00
From:	01-224-0110	Regular Salaries	\$200,000.00
	01-229-0201	Electricity	25,000.00

Discussion: Noreen Clough asked why we have \$225,000.00 left in public service. Paul said they ran four positions vacant all year. It was also asked why the waste collection is so high and it is because there is more out at the curb. We went out to bid for upcoming year. Noreen Clough wants to know if we will be up for next year. Paul said recycle is almost as much as the trash. We pay \$53.00 a ton to get rid of it. Recycle services we had \$41.00 left. This transfer will take care of us until end of the year.

Roll call. All in favor. Motion carried.

6c. **Senior Center**

Rich DePalma made a motion to add 6c. Beth Parcell seconds and made a motion to discuss. Noreen Clough seconds.

To:	01-665-0115	Part time wage	\$2,000.00
From:	01-665-0190	Overtime	\$2,000.00

They moved the part time to full time. So for next year there is enough money in there.
Roll call. All in favor. Motion carried.

6d. **Recreation Dept.**

Noreen Clough made a motion to add 6d to agenda, a motion to discuss and to refer to the Town Council. Beth Purcell seconds.

To:	01-661-0115	Part time wages	\$10,000.00
	01-661-0118	Seasonal wages	\$32,000.00
From:	01-661-0694	Other Cont. Services	\$24,000.00
	01-661-0201	Electric Town Pool	8,000.00
	01-661-0203	Natural gas	6,000.00
	01-661-0579	Pool Chemicals	3,000.00
	01-661-0646	Reg. dues and Subscrip	1,000.00

Discussion. Noreen Clough asked Paul if we are doing better on electricity and gas this year. Paul said a couple things happened. The LED lights on street are saving us money and the winter wasn't as cold. Louis Pane stated we have LED lighting at the ice rink and we have a computer program where we only use 10 percent of the lighting until 3 pm and at 80% at hockey time. The summer camp is good and should be same as last year. The other contractual, we had in the past paid a lifeguard with a 1099, and since we made a change,

we pay an employee for lifeguarding. With the recreation budget we will give back \$35,000.00 to \$40,000.00 year end. The ice rink budget was \$294,000.00 but brought in \$330k of revenue. Roll call. All in favor. Motion carried.

6e **Public Safety**

Noreen Clough made a motion to add 6e to agenda, a motion to discuss and to refer to the Town Council. Beth Purcell seconds.

To:	01-336-0190 overtime	10,000.00
	01-336-0115 part time wages	18,750.00
From :	01-336-0110 Regular salaries	\$10,000.00
	01-336-0110 Regular salaries	18,750.00

Discussion: Chief Lennon states that they were operating down most of year. They are down about 8 employees. Some were medical leave above and beyond the 8. 2 employees were in training. They are fully staffed now and one employee will be moving out of state but they have possible candidates. They have full backgrounds on applicants.

6f **Police Dept.**

Noreen Clough made a motion to add Police Department as 6f. Marc Conte seconds. Noreen Clough made a motion to discuss and to refer to Town Council. Beth Purcell seconds.

To:	01-332-0190 Overtime wages	\$ 50,000.00
	01-332-0190 Overtime wages	\$104,000.00
From:	01332-0192 Replace Vacation days	\$ 50,000.00
	01-332-0110 Regular Salaries	\$104,000.00

Discussion: Chief Lennon states we had a budget of \$875,000 and it looks like with this transfer overtime will be close to a \$1 million. Police chief ran a whole year with a minimum of 4 people injured. Not the same people at one time I was up to 7 people out last summer. The biggest cost is that we are running without 2 sergeants. One retired a few months ago and one is on injury leave. The amount of hours that he has had employees out on injury leave this is just to fill the mandatory positions we have to fill. Not every vacancy creates overtime. Two thirds of them do. Pretty confident this should cover until year end barring any major emergency. State mandates 52 and half, plus fire arms, every 3 years. We are doing that every year. Standards set through Department of Justice we are maintaining.

6g. **Legal Services**

Noreen Clough made a motion to add Legal Services as 6g. Marc Conte seconds. Noreen Clough made a motion to discuss and to refer to Town Council. Beth Purcell seconds. Roll call.

To:	011130668	Legal fees	\$210,000.00
From:	018810950	Self insurance	\$150,000.00
	018850689	Contingency	60,000.00

Discussion. Attorney Zullo stated we have 3 complex litigation cases driving our legal fees. Barberry Road Quarry cases, consolidated, The Daniel Germe case which just settled, and we have the trio off Ferraro cases which are continually costing us a lot of money. The 4th surprising case which did settle was the Biancer case which ran us \$20,761.00 just this year. We have the Ferraro Case which is at \$110,000.00 in outstanding legal fees and Germe case just settled which is actually about \$50,000.00 in legal fees. This transfer just about covers the legal fees. Our general fees which are fees that accumulated over the last 6 months, which are fees outside of retainer, my fees outside of the retainer is about \$6,300.00, Attorney Kolb 's fees for negotiating labor contracts are \$1,800.00 for one \$2,400.00 on one and a \$,4,400.00 on another. This is a collection of 3 complex litigation cases which strained the legal budget. The good news is the bulk of this is coming from self insurance. The right way to do it is to have it all on this year. Rich DePalma asked about our self insurance money. Attorney Joe Zullo stated it was about \$780,000.00 with all of these settlements taken out of it. This will get us to the end of the fiscal year. The Day Pittney case is \$19,000.00. We appropriately funded the self insurance this year. We will be cleared up. Next meeting we should get a full layout.

Roll call. All in favor Motion Carried.

7. **Adjournment**

Beth Purcell makes a motion to adjourn at 7:44 P.M. Richard Esposito, Jr. seconds. All in favor, motion carried.

Respectfully Submitted,

Susan Mauro
Board of Finance Clerk