

**EAST HAVEN TOWN COUNCIL
REGULAR MEETING MINUTES
TUESDAY, MARCH 5, 2013**

The East Haven Town Council held a regular meeting Tuesday, March 5, 2013, 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 7:04PM.
Chairman Anania asks all to stand for the pledge of allegiance.

Item #1

Roll Call- 13 present – 2 absent (Santino and Badamo)

Item #2

Approval of minutes from February 5, 2013 regular meeting

Councilman Robert Cubellotti makes a motion.

Councilman Paul Carbo seconds the motion.

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

Item #3

Approval of minutes from February 20, 2013 Special Meeting

Councilman Anthony Purificato makes a motion

Councilman Carbo seconds the motion.

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

Item #4

No correspondence.

Item #5

Subcommittee Reports-

- Public Safety- nothing to report
- Board of Education-nothing to report
- Parks/Rec- no meeting/nothing to report

- Urban Renewal- Chairman Anania states that Shoprite will be opening on Rt. 80 by fall of this year; it will be good for the Town and bring in a lot of jobs for the people in Town.
- Finance- Councilman William Richardson states that they will be requesting a transfer tonight at the recommendation of the Board of Finance for \$75,000 from regular wages to overtime wages of the Police Department. Also, budget time is beginning so we will discuss several meeting dates tonight.

Item #6

Chairman Anania to address the Council regarding the upcoming budget workshop schedule

- Chairman Anania states that everyone should have the list of budget workshops. The meetings will begin at 6:30PM this year. He states that the Mayor will be presenting the budget to the Council on April 22, 2013 during a special council meeting and then workshops will begin. He expresses that it is important to attend as many meetings as you can but it is understandable that things do come up and you may have to miss a few.
- Councilman Robert Parente states that he does not want people coming before the Council unprepared as it has happened in the past. He explains that last year there were people coming before the Council who did not even bring a copy of their budget with them. He asks that everyone be informed and come prepared to answer any questions from either the Council or the Public.
- Chairman Anania adds that the Board of Education has been put by itself again because it seemed to work last year. The budget will hopefully be adopted on April 22, 2013, which is earlier this year.

Item #7

Presentation by Cohn Reznick regarding the 2011-2012 FY Audit-

Mr. Joseph Centofanti addresses the Council- He discusses the Audit report with the Council- Beginning on page 2-3 is the opinion on the Financial Statements, it is an unqualified clean opinion there were no problems in performing the audit. Pages 4-11 is the management discussion and analysis, there is an executive summary of what happened during the year and discussion of changes compared to the prior year. On page 9 it explains general fund operations, capital project funds and capital assets which will discuss major capital asset additions for the year. On page 10 is long-term debt as compared to the prior year. On page 15 it gives the unassigned fund balance for the year which was \$437,843. On page 20 are the budgetary statements which show the original budget, the final budget and the actual results for the year. It shows that there was a net increase in the Fund Balance of \$237,043 for the year which was accomplished from a couple of different sources; revenues were greater than the budget of \$36,080, expenditure savings of \$185,994 and offset by the transfers in of \$12,969 which gives the total increase of \$237,043 for the year. Schedules 1

and 2 give detail if you want to see specific revenue lines and expenditure lines. On pages 21-23 and 73-75 are the internal service funds: general liability, workers compensation and medical insurance. The change in net assets for general liability was decreased by \$1,654,048 and almost broke even for workers compensation which is pretty good, only decreasing by \$4,775 and medical insurance had a change in net assets with an increase of \$396,952. The target for general liability and worker's compensation is, in the best case scenario, to have your current assets equal to or greater than current liabilities. Worker's Compensation is more of a long term so it wouldn't be funded all in one year. Pages 73-75 break it down between current and long term. The Town OPEB liability is on page 54 and is \$59,580,092. No trust fund has been established, so this is not a funded liability; that was the liability as of June 30th. Annual required contribution made is on page 54 and is 40.7% of the actuary. The smaller report is the federal single audit report. Page 1 of that shows the schedule of federal monies spent by the Town during the fiscal year which is a total of 5.2 million dollars. There is an unqualified opinion on compliance. Two findings and no questioned costs are on page 3-4 which are the same ones from last year that need to be addressed in the current fiscal year. On page 5 it lists all the federal programs they did testing on: child nutrition, some education grants as well as a FEMA grant. On page 12 is a similar schedule of all the State monies spent by the Town, totaling 24.8 million dollars. There is unqualified opinion on compliance, 1 finding and no questioned costs on page 14, same finding as the single federal audit. On page 15 it lists all the state programs that were tested: adult education, property tax relief grants, elderly program. Mr. Centofanti points out some accounting things that will be coming up. Financial statements will be slightly different next year; there will be an addition of two categories, deferred outflows and inflows of resources. The big change in 2014 and 2015 is pension standards. Luckily the Town won't have to deal with standards since they are in the MERS plan. Down the road the standards will end up being the same and will end up on the balance sheet, right now it is in the footnotes.

Council comment:

- Councilman Riolino says that looking at the current assets when compared to current liabilities on page 12, it shows that we are very close as far as current assets paying for current liabilities. It shows receivables and receivables intergovernmental of 2.5 million; he asks Mr. Centofanti if he knows what that was composed of. He asks if that is within the Town of East Haven and if that is our different funds and talking about going from one fund to the general fund.
- Mr. Centofanti states that these top statements are a consolidation of all the Town activities, it converts what is on exhibit C and D. They are equivalent to a consolidated account; it is not something that could really be used to manage. It is on a different basis and all added together, it can be all different funds. Looking at exhibit C and D, those are a better statement to look at as far as managing individual funds.
- Chairman Anania says it seems to come up every year concerning the Board of Education reconciliations, the Bank accounts are not being done in a timely manner. He states that it

seems like it is ongoing, is there a simple fix to it. He asks if they recommend more help there.

- Mr. Centofanti says that as far as resources, he can't speak for that but it is something that should be prioritized. There has been more progress for the current fiscal year, so he is anticipating that if they stay on schedule, those comments should disappear. As of today it is in the best position it has been over the past several years. He met with the Board of Education and they were in pretty good shape.

Public comment:

- Donna Richo- 67 Charnes Drive, East Haven, CT- asks if it is correct that for the current liabilities we are funding 41% of the actual.
- Mr. Centofanti says that the 41% is the annual required contribution so of \$1,000,000 we funded 41% of the \$1,000,000.
- Ms. Richo asks about when we go to pension recording standards, how will it effect the balance sheet.
- Mr. Centofanti says it won't effect this particular Town because we don't have a pension fund, it will provide additional disclosure, a piece of it may show up but right now it is unclear, it may have some impact but without having a pension fund its not certain. If it does hit, it will be on the top statements so it won't really affect the general fund or budget or anything like that.

Item #8

To consider and act upon an Ordinance approving the following transfer at the recommendation of the Board of Finance:

Police Department

To:	01-332-0190	Overtime Wages	\$75,000.00
	Total:		\$75,000.00
From:	01-332-0110	Regular Wages	\$75,000.00
	Total		\$75,000.00

Reason: Transfer needed for shortage in overtime account.

Councilman Purificato makes a motion.
Councilman Riolino seconds the motion.

No Council comment.
No Public comment.

Roll call: 12 in favor – none oppose- 1 abstention (Depalma). Motion carries.

Item #9

To consider and act upon a Resolution requiring the Americans with Disabilities Act Commission to hold a reorganizational meeting.

A Resolution Requiring the Americans with Disabilities Act Commission to hold a Reorganizational Meeting

WHEREAS, the Americans with Disabilities Act Commission was created by resolution of the Legislative Town Council on January 5, 1993;

AND WHEREAS, the Town Council is the appointing authority for said board;

AND WHEREAS, Chapter 3, Section 5 of the East Haven Town Charter provides that the Town Council, by resolution, may regulate the internal operation of boards, commissions, and offices which it fills by appointment;

AND WHEREAS, the Town Council has determined that a reorganizational meeting of said commission should be held to promote the continued efficient operation of said board;

NOW, THEREFORE, BE IT RESOLVED that the Americans with Disabilities Act Commission is required to hold a reorganizational meeting within 60 days of the passing of this resolution.

Councilman Gary Depalma makes a motion.
Councilman Carbo seconds the motion.

Council comment:

- Councilman Parlato asks why this is coming to the Council; don't all boards have to reorganize, and is it on them to do so.
- Chairman Anania explains that all Boards are supposed to organize and as of yet, this Board has not. It needs to get a Chairman and a Vice Chairman and move forward with their business. It is up to the Council to make sure all Boards/Commissions do this.
- Councilman Carbo asks if we are changing personnel.
- Chairman Anania states that all the members will have to select the Chairman and Vice Chairman.

No public comment.

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

Item #10

To consider and act upon a Resolution authorizing Mayor Joseph Maturo, Jr., on behalf of the Town Council and the Town of East Haven, to enter into a contract with the CT State Library for a Historic Documents Preservation Grant.

A Resolution authorizing Mayor Joseph Maturo, Jr., on behalf of the Town Council and the Town of East Haven, to enter into a contract with the CT State Library for a Historic Documents Preservation Grant.

BE IT RESOLVED that Mayor Joseph Maturo, Jr. is authorized to execute and deliver, in the name and on behalf of the Town of East Haven, a contract with the Connecticut State Library for a Historic Documents Preservation Grant.

Councilman Carbo makes a motion.

Councilman Cubellotti seconds the motion.

- Stacy Gravino, Town Clerk- explains that this is an ongoing grant through the State for restoration of Vital Records. She states that she would like to continue doing it for 1938-1945. After this year, the company will plan out the next phase, and they hope to do it up to 1970.

No council comment.

Public comment:

- Donna Richo- 67 Charnes Drive, East Haven- Ms. Richo says the grant is continuing but do we have any matching. She asks if this is moving the records to the computer.
- Stacy states we do have a little, just over \$2,000. She explains that this is to revitalize, they are currently in bound books and the bindings have deteriorated. They are taking them out of the books and putting them in poly sleeves for protection. She explains these are for the vital records, they are not something they would want on the computer; they have to be secured.

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

Item #11

Discussion and potential action regarding the budget procedure and financial disclosure requirements for community groups who receive stipends from the Town.

Councilman Riolino makes a motion.

Councilman Carbo seconds the motion.

Council comment:

- Councilwoman Gravino explains that she distributed a list to everyone, of all of the organizations that we gave stipends to last year. She says she does not know if there are any additional ones but these were the ones in the budget last year. Her opinion is that we should not give them anything until we see their financials. She adds, it is not to say we will not give them the money, but she would like to see what they have.

Public comment:

- Donna Richo- 67 Charnes Drive, East Haven, CT- Ms. Richo asks if we have notified them so they will have the records ready for budget time.
- Councilwoman Gravino says that Finance Director Paul Rizza will be taking care of that

Council comment:

- Councilman Carbo asks if the people receiving these stipends could give the Council a small presentation so it will give them an idea what the money will be used for.
- Chairman Anania says they can do that if that is what the Council wants, they would just have to extend one of the workshops.
- Mr. Rizza explains that he plans to write a letter to them, asking for their latest financial statements and a brief statement explaining the utilization of the funds.
- Councilman Parlato states that at one time, before stipends were approved for any one group they had to show proof of insurance and financial statements. He states that was a rule and he isn't sure that it was ever done away with. For example, a group such as Youth Soccer, we have to be sure they have the proper insurance otherwise the Town ends up being liable for it. It was a prerequisite that may have fallen by the way side but there should be no resistance to providing these statements. We have to determine if their insurance is adequate enough for their activity.
- Chairman Anania states that he believes most of these organizations have their own insurance, naturally with any lawsuit the Town would be named first.
- Councilman Carbo states that if we get a statement and brief explanation, it will give us an idea of what they are doing which we haven't seen in the last two budgets.
- Councilman Richardson asks if we are prepared to withhold funds if they do not provide this information.
- Chairman Anania says no, he doesn't think that is the case in this budget; he doesn't know that legally they can withhold stipends. He explains that the intent is to make sure they are using the stipends for what they say they need them for.
- Attorney Zullo states that there isn't a legal justification as to why you can or cannot withhold funds, as the Council they can choose to budget something or not. For public policy reasons, the Council is the policy maker so there may be policy reasons why you don't want to withhold funds. Attorney Zullo suggests that to avoid any problems if they chose not to disclose financial statements, you can still make the funds available to them

but they would remain in the Town's account and the group would be required to submit a purchase order for each and every expense. You would know where the funds are going because they would have to come to Town Hall to get a check every time. Most groups will probably be inclined to disclose their financials because that process would be burdensome and it takes a few weeks to get the reimbursement check.

- Councilman Parente states that they have to keep in mind that these organizations are using Town property and Town assets such as the fields, rink, pool, etc. In allowing them to use those assets, we certainly are not allowing them to use it for personal gain. He states that he has a problem if any of the groups are using these assets for personal gain and getting stipends on top of it. He adds that if they refuse to show financial statements, he would like it to go a step further in saying they can't use Town facilities. He does not want to have the Town picking up any and all expenses and having a private organization reap the benefits with no expense to them.
- Chairman Anania agrees and if that does come about, they would have to take action on that specific organization because the Town should not pick up the burden for an organization to benefit.
- Councilwoman Gravino asks if they think the organizations should make a presentation.
- Councilman Carbo says if they are willing to show financials and provide a description of what they are using the money for, he is okay with that. But if one of the organizations refuses to do that, we shouldn't give them any financing.
- Councilman Parlato says that the Historical Society is a non-profit organization and they have to file a report of expenditures, so they should have written record right there. Every group has a treasurer and a certain amount of legal responsibility to create the documents. So if there is a question if someone is doing something they should not be doing, it is something that is easy to backtrack. He says his main concern is the insurance and the liability for the Town.
- Councilwoman Gravino says the East Haven swim club is privately run and they pay registration fees, but asks who maintains the pool.
- Councilman Parente says the Town of East Haven is responsible for all the maintenance and repairs for the pool; the Swim club does not pay for any of that.
- Chairman Anania says they used to try and hold over one year of operating expense in a reserve incase anything happened, but he does not know if that is still being done by all groups.
- Councilman Richardson asks if there is any policy they would have to set to go about this.
- Councilman Carbo says there should be a list of the three things we would like Paul Rizza to ask them: proof of insurance, financials and a brief description of what they are using the stipends for.

Public comment:

- Paul Cofrancesco- 32 Bennett Road- East Haven, CT- states that he previously sat on the Council, this discussion came up and the solution was to put some documents together

and they told the Finance Director not to release the funds until the requirements were met. They did fund them, but they couldn't get their money until the Finance Director had proper documentation then the money was released.

- Paul Thompson- 233 Mansfield Grove Road- East Haven, CT- states that it was a good point Mr. Parlato made about the insurance. He thinks the Town should be named on the policies to reduce liability to the Town.
- Attorney Zullo states that there are often cases where the Town is named on people's policies. When groups want to use our other facilities for a single day; we have the single use policy where it requires people to name the Town as an additional name on the Insurance policy.
- Vice Chairman Robert Sand asks Paul Cofrancesco about the past years, did they have this response from the groups.
- Mr. Cofrancesco responds that the previous Finance Director did not allow them to release the funds until the requirements were met as far as getting a copy of the insurance record, the financial statement and whatever else was put together.
- Vice Chairman Sand asks if this was done for the four years he was on the Council.
- Mr. Cofrancesco said no he thinks it took place the last two years he was on the Council.
- Vice Chairman Sand asked if they submitted financials to the Finance Director.
- Mr. Cofrancesco says he believes Tom Thompson got them all right away except for two groups and they finally came.
- Vice Chairman Sand asks Paul Rizza if he has a file on this in his office to which Mr. Rizza says no, he does not.
- Chairman Anania asks to solicit a motion for the three items that Councilman Carbo suggested: Insurance, financials and a brief statement as to what they are using their stipend for to be submitted to the Finance Director.
- Councilwoman Gravino asks where they ended up as far as them coming to speak to the Council and explain it.
- Attorney Zullo states that they can request their presence anytime; it doesn't have to be put into the motion.

Councilman Richardson makes a motion.

Councilman Riolino seconds the motion.

Council comment:

- Councilman Carbo asks if the Council can get a copy of the documents during the workshop that they can talk about rather than having them come unless they have a question.
- Councilwoman Gravino thinks it would be good to have something in advance, but they should still come.

Roll call vote: 12 in favor- none oppose- 1 abstention (Anania). Motion carries.

Item #12

To consider and act upon a Resolution setting a Public Hearing date and time to discuss revisions to the Town's Blight Ordinance. The public hearing shall take place on May 7, 2013, at 7:00PM, at the East Haven Senior Center, 91 Taylor Avenue, East Haven, Connecticut.

Councilman Carbo makes a motion.

Councilman Cubellotti seconds the motion.

Council comment:

- Councilman Parente asks what the revisions for this are.
- Attorney Joseph Zullo explains that this is just to set the date and time for the public hearing, but he will say that these revisions were required in order to comply with the changes from the State.

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

Item #13

To consider and act upon a Resolution setting a Public Hearing date and time to discuss the 2013-2014 Budget Ordinance – BOE Side. The public hearing shall take place on April 16, 2013, at 7:00PM, at the East Haven Senior Center, 91 Taylor Avenue, East Haven, Connecticut.

Councilman Carbo makes a motion.

Councilman Richardson seconds the motion.

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

Item #14

To consider and act upon a Resolution setting a Public Hearing date and time to discuss the 2013-2014 Budget Ordinance – Town Side. The public hearing shall take place on April 17, 2013, at 7:00PM, at the East Haven Senior Center, 91 Taylor Avenue, East Haven, Connecticut.

Councilman Purificato makes a motion.

Councilman Carbo seconds the motion.

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:

Ally Financial

Louisville PPC

P.O. Box 9001951

Louisville, KY 04290-1951

2010-03-59420 E/S 20890

Reason: Vehicle Sold 10/10

TOTAL: \$563.71

A Resolution to provide the a tax refund of \$563.71 to Ally Financial

WHEREAS, C.G.S. Section 12-129 provides that a local board of selectmen, or its equivalent, may, upon recommendation and certification of the Tax Collector, issue a refund for tax overpayments;

AND, WHEREAS, the following entity or person has requested a refund for the following overpayment:

Ally Financial

Louisville PPC

P.O. Box 9001951

Louisville, KY 04290-1951

2010-03-59420 E/S 20890

Reason: Vehicle Sold 10/10

TOTAL: \$563.71

NOW, THEREFORE, BE IT RESOLVED that said refund is approved and the tax collector is authorized to effectuate said refund.

Councilman Cubellotti makes a motion.

Councilman Richardson seconds the motion.

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

Item #16

Adjournment of Regular Meeting

Councilman Carbo makes a motion.

Councilman Cubellotti seconds the motion.

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

Meeting is adjourned at 7:57PM.

Respectfully Submitted,

Danelle Feeley, Clerk, East Haven Legislative Town Council