

**EAST HAVEN TOWN COUNCIL  
PUBLIC HEARING MINUTES  
TUESDAY, APRIL 21, 2015**

In accordance with Chapter III, Section 6 of the East Haven Town Charter, the East Haven Legislative Town Council conducted a Public Hearing meeting on Tuesday, April 21, 2015, 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 7:00PM.

**Item #1**

Roll Call for Public Hearing #1- all 15 members present.

**Item #2**

To conduct Public Hearing #1 to discuss an "Ordinance adopting the Town and Board of Education Budgets and fixing the tax rate in mills for the 2015-2016 fiscal year of the Town of East Haven." - Town Side of the Budget.

Public comment:

- Salvatore Maltese-11 Holland Road, East Haven, CT- Mr. Maltese says the Board of Finance spent 5 nights going over the budget, he has the original budget and a lot of things in the budget were approved and passed by the Board of Finance. There were a few questions asked and when the budget came through there were 4 against it and 1 in favor. There were changes that they wanted to have made so they went to an extra meeting and made some changes. The Board of Education was flat funded and not getting a dime so they figured it would be impossible to operate so they appropriated another \$400,000 to their budget. As far as the Police cars, they said no to bonding for them so they put \$250,000 from the fund balance; he is not for bonding on cars. Sometimes in a Town it is not good to bond for cars or trucks if funds are available because they pay interest on a long term note, he is not for it whether it's 10 years/12 years, no matter what the administration. They put some money back into the library because they are an essential part of the Town so they appropriated another \$9,000 to them. That being said, the budget that the Town Council has is not the same budget that the Board of Finance received. He understands it goes upstairs and the Mayor can do what he wants and change things, but it should be on an even playing field and it was not. There was never a mention of salary increases. One thing that stuck in his mind was when it came back to him that the Board of Finance was looking at the budget in a

political way, it set him off. The Board of Finance is not political, they have their own minds and everyone has their own thoughts. They went back and made some changes they felt were necessary for the budget that is all they did. There was no political intent involved so everyone on the Council knows. It attacks the integrity on the Board of Finance which is the Mayor's Board and it attacks his credibility.

- Noreen Clough- 32 Chidsey Ave, East Haven, CT- Mrs. Clough says she is a Democratic member of the Board of Finance. They sat down with the budget and did not vote politically; there were 5 members who voted on the budget and they all had input in it. They took a lot of time and care and even took an extra night to go over everything one more time because they didn't agree with the Mayor's budget. One thing they didn't agree with was the library, the library needed \$9,000 for wages and medical, the Town side got some so they felt the library needed some as well. In their budget, the Board of Ed. got \$0; they felt they couldn't live with that so they put \$400,000 in there. Another issue they had was with the cars, the majority felt that we shouldn't bond for the cars, if anyone has seen the cars they don't last too long. They didn't really want to put back the mill rate but they felt after looking at everything, next year there will be a revaluation, and so there will be a tax cut this year and possibly an increase next year. They took 5 nights and listened to everyone and when she saw what the Council was presented and it was totally different, she felt that she wasted her time and it is valuable. They take a lot of care in what they do and she couldn't believe it. Revenues changed a lot from what was presented to them, they get one budget and then it's completely changed. She gave a couple of Town Council members a copy of what the Board of Finance did and if anyone else wants to see it they can. For the last three years the budget presented to the Board of Finance is totally different from what the Council gets. The first year there was a raise for the Mayor, she doesn't have a problem with raises but it wasn't in their budget. Last year it was the command center, \$1.2 million that they didn't have a chance to look at. This year, again, there were a lot of changes and it is very disheartening. There are Democrats and Republicans but when they sit on that Board they don't vote politically.
- Bruce George- Director, Hagan Memorial Library- 227 Main Street, East Haven, CT- Mr. George says in this budget request the library included its plan of service which was approved by the Board of Trustees in October 2014. The library's strong suit is it provides a service to the community. The plan of service shows that the library provides a variety of services, many of which have no other equivalent in the community. Some examples are the summer reading program for children providing a 6-8 week period of reading for 500 children when school is out, there is also a teen group where they provide community service hours. They received a grant from the National Library Association where they are

reviewing adult books in advance of publication, the library was 1 of 15 libraries in the country to receive this grant, which is notable, and the grant is through 2016. They have outreached to schools and organizations such as the Village at Mariner's Point, they have ongoing programs such as their early literacy program, WWII Veterans discussion group, job support groups, and computer training for adults. There is ongoing special programming and they overall have more than Blackstone Library in Branford or New Haven Public Library. The library employees make these services happen and they deserve a pay raise. The library originally requested \$6,080 for salary increases, but since they are giving 2% raises to non-bargaining Town employees the Library is requesting \$9,270, which is also a 2% pay increase that would be spread out among 18 dedicated and experienced employees. The employees have not received a pay raise since 2012.

- Bill Richardson, 136 Bennett Road, East Haven, CT- Mr. Richardson says he sat on the Council for a couple years and he knows how hard it is to work on the budget and spend long hours so he congratulates and thanks the Council, the Board of Finance and the Mayor for working hard on it. For the most part he agrees with the budget he doesn't see any major issues that come to his mind. He thinks the funding is adequate and the expenses are reasonable. There may be some minor tweaks that have occurred before and after. He asks the Council to take into consideration the ability of the Town's taxpayers to pay for the budget, take into consideration the ability to fund all of the needs of the Town. Most of all, please work together for the good of the Town, it is not a political agenda, work for the good of the citizens and adopt a budget that is good for everyone.
- Carl Ruggiero- 12 Oakhill Drive, East Haven, CT- Mr. Ruggiero says he sat on the Council for a long time. He thinks this is a good budget but it can be tweaked a little bit. He doesn't believe in bonding for Police cars, they tried it way back when he was first on the Council and it was not very good and didn't work out. The library, he thinks they can use some money there so they can put back the \$9,000 and it will not kill us. He thinks next year we will be in trouble, it is a revaluation year, housing has not gone up which means we will have to raise \$80,000,000 and have to go up on the mill rate. If property value goes down, the mill rate has to go up. He asks the Council to take a good look at it; he knows all the hard work they put in and the Board of Finance, let's come out with a good budget for the Town.
- Rich Depalma-10 Seaview Ave, East Haven, CT- Mr. Depalma says he is serving on the Board of Finance under the third Mayor. The grand list increased, he thinks it was announced April 6<sup>th</sup> that it was \$631,000, which would have been nice to know a week earlier that there was an extra \$631,000 in the budget. Within 6 days it increases by \$631,000. As Sal, Noreen and Carl mentioned, the

bonding for Police cars. We get 3-5 years out of the cars, so saying it will be paid off in the first 3 years is for a larger bond package. The Town may pay the car off early but they are paying a much larger bond package. When he first got on, bonding used to be a part of the presentation so they knew at budget time what they were going to pay for the whole year. They didn't get bonding 2 or 6 months later or once or twice during the year. They knew Board of Ed and Town side bonding up front and they need to get back to that procedure so they know the expenses at budget time. They will receive a bond package next month and there will be trucks, cars, roads, etc. and they review them all but it would have been nice to know two months ago. As Noreen and Sal expressed, that budget changed three times between the budget that was presented to them and the budget that went to the Council. Transparency, everyone should have the same numbers. With the Board of Education, we have too many buildings, he hopes the Board comes back in a month or two with a plan about consolidating/closing/moving, but it is going to require bonding. They can't move kids and fit them in one place, they will have to add a wing and it's going to be expensive. Contracts, there needs to be more in the contingency because contracts are being negotiated and he doesn't believe that money is there. If they think contracts are going to be settled, take a look at them and reserve the money instead of saying it has to be found somewhere. The library, its only \$9,000, we transfer \$100,000-\$200,000 in overtime. They haven't received a raise in 3-4 years, other Departments there are contractual obligations. When the library gets a raise, it will just be for that year, when they settle the Town Hall/PD/Fire they are contractual and they will get retro pay, the library isn't going to get retro pay, and they just get it for that one year. They made an issue last year that everyone is paying medical and they weren't so they started paying that, so now they are paying into medical so they are looking for an increase in salary, it's not big bucks.

- Lorena Venegas- 13 George Street, East Haven, CT- Ms. Venegas says she was here last year and is again this year. She is here as part of the library in support of the \$9,000 that is deserved because they not only help the community, they help improve wisdom. The library serves as a HUB for all generations of the Town no matter where you are from. The library is a central place where people go to get Wi-Fi, check genealogy, look at revolutionary history. Artists, poets and teachers all use the library. As a parent, the library has helped her and her kids. Over the last year she has become a parent educator through the family resource center at DC Moore School. She sees the families who need food, jobs, help with drugs and broken families; all of those people go to the library. They get DVDs for distractions, they use the computers because they don't have one at home. We need a library to serve the underserved and everyone knows someone who is affected; her neighbors are heroin addicts and its happening in

East Haven and we have tons of broken families and grandparents raising their grandkids and those grandparents go to the library. They get books, community networking, clubs, etc. The librarians there, Judy, Cynthia, they are amazing. Ms. Sasha is always working with kids in the library as well as the school systems. She says with her position now, there is a big wave of children who are going to have speech and language issues because people are not home because they are working two jobs, single parents, etc. The Massachusetts Library Association has a life value calculator to prove to government agencies that they are getting the most out of their money; they did that for the East Haven Library. She shares last year's results- the Library provided \$1.9 million in value to this community that means they got 2.4 times the money that was invested. If they had every adult user buy books based on the monthly borrowings statistics, that would have cost them \$592,000 in books, it would cost \$655,000 for children's books taking into account the approximately \$17 per book today. If parents had to pay for the programs for the children that they are getting right now for toddlers, elementary schools, etc. such as Lego's, movies, arts, crafts, Zumba, science programs, etc. She announces that on June 23<sup>rd</sup> they are having their first multicultural event. In terms of children's programming, if parents had to pay it would cost \$60,662 for library programs done last year. That's amazing work done by people who have not gotten a raise in over 3 years, they cannot let this happen because one of the library's greatest assets are the people working in the building. She wants to make sure they are protected now and moving forward so this doesn't happen again because they deserve it and are saving the Town money. In terms of DVDs, if they had to pay for them it would have been \$138,000. This month they had over 600 Wi-Fi connections. As far as what is happening with libraries in the State of CT they have done letter campaigns to them because libraries are on the cutting block, which is another reason why they need to protect the library on the local level because if it's not protected by the State, they will need help funding and maintaining the programs. They are looking at cutting grants which means cutting access to internet, eliminating the CT Education Network which connects the libraries with the schools through the DSL line, as well as the way kid's access books electronically. Let's protect it at the local level. She says Bruce is an amazing Director who faced a large battle coming in when people were not getting raises and had to begin paying health care last year. She highlights some of the programs that a lot of people use such as ask the attorney, tax preparation, alcohol substance abuse programs, etc. In her job now as a parent educator she is working with a lot of children with medical challenges, immigrants struggling to learn the language, etc. The library provides Spanish/English workshops, etc. She wants to make sure that they save the library and give them the \$9,000 they deserve.

- Paul Carbo- 10 Nicholas Drive, East Haven, CT- Mr. Carbo says he sat on the Board through 4 of the budgets, he knows what they have been going through and he also commends the Board of Finance for their work. Every time there is a budget, there are things people like and things people don't like. The four budgets he sat through, they bonded for things he didn't believe in either but they needed them and it was the only way to pay for them. This budget is funding education and the things the Town needs, he is truly in favor of it and he hopes the Council can come together and vote for it.
- Stephen Haddon- 5 Branhaven Drive, East Haven, CT- Mr. Haddon says he is on the Board of Trustees for the library and is upset he has to be there tonight. He says they submitted their budget with a request of a 1.2% increase for the staff of \$6,080 and it was rejected. They felt that it was a fair budget that filled their main goal of filling the hole in their health care account that they suffered with for the last few years. Then they found out after the fact that non-bargaining unit employees in this Town are getting a 2.5% increase. The employees of the library put up with year after year a no increase budget for the salary accounts, other than contractual for the past several years. This puts the Board of Trustees at risk with the employees by telling them this year they can't have an increase when it will become common knowledge to everyone that non-bargaining employees are getting a 2.5% increase which he thinks means Mr. Parente and Mr. Rizza. They have to tell them across the street that they can't get the 1.2% they originally asked for. This is not about Town employee v. non-town employee and what label they are going to get, these are Town service providers. He is back tonight to ask for a 2% increase across the board for the library employees which amount to \$9,270. Someone is going to come back and say they are not Town employees, but they are service providers to the Town and taxpayers of East Haven. Their budget is 90% funded by the Town, if they are going to price out who is and isn't a Town employee by who signs their paycheck, his suggestion to the Council is they need to think broader than that. They have not received an increase since 2012. Anyone can pick up a political slanted article in the newspaper and see a Taco comment slid in there somewhere. Candidates are going to be lined up forever running for the Mayor's Office and the first thing they are going to say is they want to change the image of the Town. He asks if they know what these non-Town employees have done since 2012. Two 4-hour Spanish classes taught by the librarians, established the first community multicultural committee, they are now tied in with East Haven Adult Education, Tuttle Elementary staff, JMMS staff, East Haven United, literacy volunteers, staff from East Shore District Health, family resource center and the girl scouts. They are holding their first multicultural fair on June 13<sup>th</sup>. The community service librarian holds free bi-lingual health workshops which were to address Obamacare issues that people were having. Their children's librarian runs

several bilingual groups for families and they are well attended. They have increased and improved the Spanish print collections which are in clear view areas. They partnered up with the Dept. of Social Services. They are currently trying to get bilingual volunteers. They also are reaching out to Adult Ed/ESL classes. He reads the Taco comment in the newspaper asking what we are doing; these people did this on the down low off the front page behind the scenes. He can almost guarantee no one knows all of this stuff is going on. They are not looking for credit, there is a need and they fulfill it. The other issue with raises is that they are running things a little differently with business practice and analytics tell them that Sunday will be the highest volume day on the turnstiles gate count. Currently, they are not open on Sunday but he would expect there to be discussion within this budget where they will ask employees to work on a Sunday, and they are putting them in a situation to move forward on that without an increase. With the gate and program counts over there, this is the most significant service provider in the Town. To the Council it may just be a line item in the budget, give them some money and they will go away, but that might not happen this year. It's an insult to tell someone they can't get an increase and then give a 2.5% increase to non-bargaining unit employees. He asks how bad the Council wants to look the day after they vote on it, he requests that \$9,270 be added to the salaries line item of the Library.

- Michael Enders- 23 Oregon Ave, East Haven, CT- Mr. Enders says he has been on the Board of Trustees for the library for a couple years now and he knows the Council has worked very hard on the Town's budget. They go over the library's budget every month when they meet and there is no fat in that budget. Most of their expenses stay the same and they have little control over them. Things that have gone up are the health care expenses; the employees didn't have to contribute anything to their health care expenses which rubbed a lot of people the wrong way. They have to contribute now and their salaries remain the same so that means they are getting less in their paycheck. They haven't gotten an increase in years. He heard a lot of comments about them not being Town employees so they don't get an increase but that makes no sense to him. 90% of the library's budget comes from the Town, technically it is not an agency of the Town but it ought to be treated like it is because 90% of the budget comes from the Town. Theoretically, the library can find someplace else in the budget, but there really are not other places for that money to come from. They don't have control over their expenses. Bruce George is an excellent negotiator and he bargains for everything the Town needs. Every month they talk about things the library needs and how to get the best value for the money they spend. He appreciates very much the work the Council is doing on the budget and he thinks they should appreciate the work they have done on this small part of the budget asking for a few thousand dollars out of the Town's \$80,000,000 budget.

- Ronald Whitney- 361 North High Street, East Haven, CT- Mr. Whitney says he is the newly appointed board member at the library. One of his first questions when coming on the board was what they do. He wanted to take a minute to read the official library mission statement of the library. The Hagan Library is a center for community enrichment and as such serves to provide information, resources and programs for lifelong learning as well as to improve the quality of life of East Haven residents by providing top notch collection materials through technology and cultural opportunities. With every mission statement come vision and values. So the vision of the library is to become the educational and cultural center of East Haven. The library would become the informational HUB for the community, stay abreast of current trends in technology, recognize and respond to community needs and maintain a comfortable environment. It is easy to use and accessible to all. The values they share with the Town at the library is access to information, ideas and creative works, intellection of diversity and cultures, lifelong learning and love of reading, responsiveness to the community and excellence in service. In regards to the technology and learning, everyone can access the library website and from there they can research the Town's history for information. There are no less than 50 items related to the history of the Town as well as East Haven advertiser news articles. With this technology, the library is considering switching over to fiber optics. The reason they need faster services is if you look at the statistics from March of 2014, they had 400 uses of the Wi-Fi within the library. This year they are up to 600, which is a 33% increase in uses of resources. For the Internet that is available on the library computers for the same period they had 1529 instances last year to now 1785 instances, which is a 14% increase. There is going to be a need to invest in the infrastructure and that includes the staff and digital assets. Some of the other gems over there that they are looking to digitize all the year books from EHHS that date back from 1936 to present and there is a portion of the East Haven advertiser, about 60,000 pages, that were not digitized previously.
- Donna Richo- 67 Charnes Drive, East Haven, CT- Ms. Richo says she observed the Board of Finance over the past several years and they are in her eyes a fine group of people who do what's best for the Town. The fact that they may have been blindsided by numbers that didn't match what is here tonight is a concern. The Board of Finance should have a paramount position in preparing this budget. Someone asked her about what is really done with the Board of Education budget, can it be flat funded and yes you can flat fund it. Failure to do so will put them in the position where next year, whatever is given this year will need to be the same next year. She says the revaluation is going to give us a lower tax base and then we will have to come up with more money. She found house bill 7019 which is trying to allow Town's to reduce their budget for the reduction in student enrollment. They have several formulas that they are working with but



she has not been able to find anywhere in the past three years where those bills have passed. So other than doing a flat funding for the Board of Ed, nothing else can be done. At the meeting on April 16<sup>th</sup>, the parents were incredibly angry they were not here to tell the Council to spend more money on the Board of Education, they were there to say they are frustrated with their Board and were looking to the Council to find them a way to make this Board of Education more accountable to them, the Town and the students. The Board of Education is not doing that right now, they feel they can do whatever they want and no one can touch them. At some point they have to take a stand and have the courage to say enough is enough, education isn't a dollar it is a process. She wishes the Council luck.

Councilman Joseph Santino makes a motion to adjourn.

Councilman Nicholas Palladino seconds the motion.

Councilman Santino withdraws his motion.

Council comment:

- Councilman Fred Parlato says he doesn't want anyone to get the wrong impression, but legally the Council cannot do anything with the Board of Education. As taxpayers, it can be done as individuals. 11 months ago when they began the budget, their directive to the Board of Education was that they wanted to see a plan for the reallocation/reorganization of the school system. He made the comment that the Superintendent was a new Sheriff in Town and he wanted to see some changes. He believes there is a meeting tonight for the initial presentation of the proposed reorganization of the schools, they haven't seen a preliminary and they won't be there tonight of course. They are looking for a minimum of at least 20% reduction in the Board of Education's budget when they reorganize the schools. They will not save that much on the physical plant because it's only 3.6% of the total budget for the Board of Education; salaries are 55% of the expenses at the Board of Education. If they close 5 schools they will not need the administrative staff but it doesn't mean they will fire the principals and assistants because they can bump down or whatever happens. Their hope was last year that they would have seen something concrete by now. State statutes say all the control the Council has is over the budget, which is a weighted thing to have but when they come before the Council and ask for something, they are split 6 different ways. If the Council tells them they only have a certain amount for the budget, the first thing they hear is they will cut out sports and then we hear from the parents. The Council is torn between many things. The presentation from the library, he asks where they were 6 months ago. He says if you want to sell something, you have to advertise. The library is a tremendous facility, it was last year that they finally said they have to pay a share

for the medical plans because everyone else in Town does. It's not that they don't want to give people money; but they have to prove that there is a need for it. The Hagaman Trust, he doesn't know if it is possible but has anyone explored getting more money out of that. They are going to come up with a budget tonight that is best for the whole Town and that is a very difficult thing to do, because you can't please everyone. There is a lot of experience there, that's what they were elected to do.

- Councilman Palladino says it was brought to his attention regarding the East Haven Town Council meeting from July 7, 2009. In the minutes they brought up something they wanted to add which was called the Undesignated Fund Balance Policy, it gives the policy and was voted on and was accepted. In the policy, #7 says the Town shall appropriate 1% of the previous year's real estate tax collections as a budget expenditure item to the following year's annual budget. Until such time the undesignated fund balance achieves the minimal 5% level. His question is are they at the 5% level and are they putting 1% of the previous year's real estate tax towards that in this budget.
- Town Attorney Joseph Zullo explains that he is aware of that meeting and the minutes and if you read the minutes, there was a motion to add that resolution to the agenda that was seconded and voted upon. There was never actually a vote on the actual resolution. He has ordered the tape from ETV to see if the minutes are inaccurate or if the actual resolution was not voted upon. If you go by the minutes, which are the legal definition of what occurred at that meeting, there was no vote on the resolution and the resolution is invalid. Just the same way that an ordinance would be invalid if it was not published in the paper and this has been discovered in the past. It is a policy, which was deemed to be good at the time, but it is of no legal binding effect to this Council. He will leave Mr. Rizza to the numbers.
- Councilman Palladino asks if he has reviewed the tape and is sure.
- Attorney Zullo says he ordered it through ETV, they have to go way back, but if they have it he will review it but unfortunately the minutes do not reflect it, which is a problem. Based on the minutes, the resolution is invalid as an ordinance would be if it were not published properly. He has reviewed the minutes and if the minutes published online are the same as the one in the Clerk's Office then it is invalid, plain and simple.
- Councilman Ken McKay asks if in 2010/2011 when they weren't in office they put in the 1%? We are putting \$600,000 in, we are collecting \$63,000,000; 1% is pretty close to \$600,000 going to the fund balance this year.
- Finance Director Paul Rizza says the revenue sheet shows the real estate collections for the fiscal year 2013-2014 was \$53,294,708, 1% of that number is \$532, 947. To answer the question, even though he does not feel that ordinance passed, we are still over the number.

- Councilman Palladino says ok so even if they find out this was done, we are still ok.
- Mr. Rizza says yes, we are currently over that but he does not believe based on the information from the Town Clerk and Town Attorney that the ordinance was properly voted on.
- Town Clerk Stacy Gravino explains to the Council that attached to the minutes from her book that Councilman Palladino has is a copy of the undesignated fund balance policy statement, which is not in the minute's book, nor is it in her office. Wherever this came from, did not come from the actual minute book or the Town Clerk's Office. The minutes came from it but not the policy, just to clarify that for everyone.
- Gene Ruocco-74 Bennett Road, East Haven, CT- Mr. Ruocco says the whole reason he came tonight was for this one thing because this was a very important policy and if you read the whole thing, Paul Hongo apologized for coming in late with it, Ken added it to the agenda. The reason they added it was because they had to go to Moody's the next day and brought this down and showed them there was a policy in place and it was voted on. It could be looked at like the vote was to add it to the agenda but he thinks the feeling at the time was a vote was taken to make this policy a policy, they went to New York with this policy. When Paul Hongo left, he left the original copy in Frank Gentile'sco's file cabinet. Stacy is right; he found the minutes but got the document from Paul Hongo who has every piece of paper that was developed during the four years of April Capone's administration. It would have been printed on Town letterhead, so this wasn't in the minutes but he didn't go down to Frank Gentile'sco's files where he knows there is a copy there because Paul Hongo left it there. If the 1% is equal to the real estate taxes that were collected as Paul says, then we are at the right number. More importantly, last month he thinks Paul and Joe were not aware of this policy. To have the Town Attorney and Finance Director make a public statement that they are not aware of such an important policy is not good. The whole reason for this is so that they never go in debt again, that the taxpayers of the Town are budgeting money into the fund balance. For the last four years when he hears about the growth of the fund balance because of the frugal attempt of the present administration, it spins him up a bit because he knows it has been budgeted for, it's a budget line item that people in this Town are paying to see the Town never runs a deficit in that reserve fund. That was his purpose for being there and if they want to cross the i's and dot the t's and look through every minute for the next year to see if it ever came back, go ahead but he knows it was intended and passed that night, it went to Moody's the next day and they got a better bond balance because of it. The remaining years of Mayor Capone's term and the beginning of Mr. Maturo coming back, this was followed. Why was it stated that they were not aware of it, unless he got misinformation.

- Mr. Rizza says when he came back into his office on Nov 21, 2011 he did read this. He was well aware of it; he was back about a week when he read it. They did not find minutes. He saw this in his computer; it doesn't mean that it was a policy. He also read the Moody's report that was issued. It said that they were told an ordinance had been voted on by the Town Council for a fund balance policy.
- Councilman McKay asks what the fund balance was when Mr. Rizza came back into office in 2010.
- Mr. Rizza says the audit that was issued for 2010-2011 the fund balance was \$200,000.
- Councilman McKay asks about the \$600,000 that was supposed to be put in.
- Chairman Anania says they are getting off topic; they have a budget to discuss. The bottom line is they are putting in what is supposed to be put in right now. Mr. Zullo will look into the legalities of the document and come up with an answer. But the bottom line is they are in compliance right now.
- Vice Chairman Robert Parente says to Mr. Rizza, people keep saying that next year we are going to be in a revaluation year, can he please explain that we are not.
- Mr. Rizza says the revaluation hasn't started yet and it will take over a year to complete it. The date will be the 2017-2018 fiscal year. It will be the October 2016 grand list that will be used for the 2017-2018 fiscal year.
- Councilman Parente says 2017-2018, so for people who keep saying we are not preparing for next year's revaluation, it is totally inaccurate. We are not having one next year, which will change our mill rate this year, or next year, period. It doesn't affect taxes until the mill rate is changed in 2017-2018. What we are setting now is for next year and it will not change the following year either, the new revaluation will not go into effect until 2017-2018. It is not a revaluation for next year where people are saying this is a bad budget because we need money for next year because the revaluation is going to change these numbers around. There is no revaluation next year that will affect the budget this year or next year, period. Also, there was concern about the way the Town charter stipulates, back to Mayor Luzzi's time when the charter was changed, where the budget book goes. When it gets produced from the Mayor's Office, he gives it to the Board of Finance. Yes they make their changes and recommendations and it then goes back to the Mayor who then evaluates what was said, what was done, what was recorded in the minutes and he makes changes. That is what is supposed to happen. That budget that comes to the Town Council is supposed to be different than the one the Board of Finance gets, by Town Charter it is supposed to be. So when the Board of Finance says they didn't see these figures, they make recommendations for changes, non-politically, and then it goes back to the Mayor. He evaluates what was said and done and then he does what he is

supposed to do, make any changes, take any recommendations he wants and then the Town Council gets it back. It's not going to look like the budget given to the Board of Finance; it is not supposed to, period. That is by Town Charter, so nobody was given inaccurate figures and nothing is being hidden. The Mayor made his final evaluation based on the input and they got that final budget, different from what was given to the Board of Finance. This is per charter not someone trying to make something any less transparent than it is. He personally doesn't believe in the change that was made way back, he doesn't believe it is how it should be, the Board of Finance should have a more working part but it was changed and the method is it goes to the Board of Finance who recommends changes, it goes back to the Mayor where he adds or subtracts anything then it comes back to the Council. That is procedure and that is the Town Charter. He appreciates the Board of Finance and their work.

- Councilman Badamo asks if they are going to be able to make a decision on the 2% for the library budget.

Councilman Badamo makes a motion that the Council put \$9,270 into the Library budget for increases.

Councilman Santino seconds the motion.

Attorney Zullo explains when they are doing an amendment it would be a motion to amend the budget Ordinance to be recommended to the full Town Council. They would set the recommendations now, make a list of them all during the Public Hearing and when they make their report to the full Town Council, they would make it with the series of amendments with the direction that the amendments be reflected in the Ordinance to be presented Thursday.

- Councilman Robert Sand states that if the Council is going to consider that amendment, he would like to take the \$10,000 out of the Board of Education's appropriation and move it to the Library.

Councilman Badamo withdraws his motion so they can make a list of all amendments.

Councilman McKay makes a motion the Republicans enter into a caucus.

Councilman Parente seconds the motion.

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

Republican caucus begins at 8:19PM.

Councilman Santino makes a motion the Democrats enter into a caucus.

Councilman Palladino seconds the motion.

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

Democratic caucus begins at 8:19PM.

Democratic caucus ends at 8:28PM.

Republican caucus ends at 8:37PM.

### **Item #3**

Adjournment of Public Hearing #1.

Councilman Palladino makes a motion.

Councilman Butler III seconds the motion.

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

### **Item #4**

Roll Call for Hearing Committee- all 15 members present.

### **Item #5**

Hearing Committee report to the full Town Council to recommend action on Public Hearing #1.

Councilman Santino makes a motion.

Councilman Mckay seconds the motion.

Motion is withdrawn.

- Attorney Zullo explains that this would be a motion to report to the full Town Council to recommend action on Public Hearing #1 with the following amendments.
- Councilman Riolino makes a motion to amend the budget to increase the Police Department budget line item for vehicles for \$250,000 for the purchase of police cars. He would also like to amend the budget for the Library in their salary account to reflect a 2.5% increase to salaries for \$11,587.50.
- Attorney Zullo says there is no need for a motion yet, that is just making the list of amendments
- Councilman Mckay says he would like to amend the 2.5% increase, that instead they add \$9,000 to their budget instead of \$11,587.50.

- Attorney Zullo says those two amendments are at odds so he suggests discussing that.
- Councilman Riolino says he would rescind his 2.5% and compromise.
- Councilman Santino says if they are going to do that, he would give them the \$9,270 they are looking for which the Council agrees upon.
- Councilman Sand says on that issue again, they are not looking to increase or decrease the budget; they are just looking to move some money around so it should be taken from the Board of Education's budget appropriation.
- Councilman Santino says he agrees with that but the Finance Director should decide where he would get it from, whatever is easiest for him.
- Councilman Sand says that is just his suggestion, if the Finance Director chooses to do that, that's fine.
- Attorney Zullo explains as of right now, with the list of amendments it is a change of \$259,270 for the Police and Library. If they are only going to specify expenses, the last amendment should be to direct the Director of Finance to adjust the revenue appropriately or they can designate how they want him to do that; in other words they can indicate they want to take the entire \$259,270 from the Board of Education allocation, that would be the direction.
- Attorney Zullo clarifies this would be a motion to amend the Budget Ordinance to reflect an extra \$250,000 appropriation to the Police Department and an extra appropriation of \$9,270 to the Library.

Councilman Parente makes a motion to increase the budget of the Library by \$9,270  
Councilman McKay seconds the motion.

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

Councilman Palladino makes a motion to clarify that the \$9,270 will be transferred into the salary line item for the Library.

Councilman Spaduzzi seconds the motion.

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

Councilman Riolino makes a motion to amend the budget to increase in the Police Department \$250,000 for their vehicles.

Councilman Palladino seconds the motion.

Council comment:

- Councilman Anthony Mansi asks if there is any guarantee that the Police are going to get the number of cars that they want.
- Councilman Santino says absolutely not, there is no guarantee.

- Mr. Rizza says they made a request initially for \$254,375, which is supposed to be 5-outfitted vehicles. So \$250,000 would make it \$4,000 short on the allocation.
- Councilman Mansi says if we are bonding the money for it, are they going to get 4 or 5 cars or will they only get 1 or 2 cars.
- Mr. Rizza says what they would be doing now is adding \$250,000 to the general operating budget in the general fund, account # 01-332-0440 for motor vehicles. That is the only place they would be able to use the money.
- Councilman Mansi says if they put the money in there instead of bonding it, they are guaranteed the vehicles but if we bond there is no guarantee.
- Mr. Rizza says no matter what is done, they are guaranteed \$250,000 for vehicles, whether they bond or not.

Roll call vote: 7 in favor- 8 oppose (Parente, McKay, Parlato, Gravino, Sand, Esposito, Spaduzzi and Mansi) - none abstain. Motion fails.

Councilman Sand makes and then withdraws a motion to put the \$254,000 in capital when advised that they are not at that point yet.

- Councilman Palladino says his concern with putting the cars in capital improvement is that all of the years he has been on the Police Department they were told they would put it in capital improvement and get 5 and then only got 1 or 2. Instead of the capital improvement money going for that, it went all different places. The only way to guarantee those cars would be purchased is to put it right in their budget in that line. If they didn't they would have to come to the Council to transfer the money and the Council can say no, buy those cars. 26 ½ years in the Department he never saw a capital improvement where they got what they were promised. He is skeptical of capital improvement, a lot can change and we will take the chance to buy the cars but may not. In his opinion, by not putting it in the line item there is no guarantee they would buy even 1 car.
- Councilman Santino adds they just bonded for equipment for Public Works, \$25,000 for one machine \$25,000 for the other and have done nothing with them. The backhoe was never repaired and they are just now speculating on the side cutter.
- Councilman Parente says it has been sent out and it was spent.
- Mr. Rizza says he knows that he has bought more than 1 car per year.
- Councilman Palladino asks if they bought the full-outfitted car.
- Mr. Rizza says to be honest he doesn't think they need 5 cars, they got 3 this year, they just got one two weeks ago.



- Councilman Palladino says Mr. Rizza doesn't drive a police car. He, Councilman Butler and Councilman Mansi have driven them and know what wear and tear they get 24/7.
- Mr. Rizza says that he has not driven in one but he has hand signed every repair bill to fix the cars, he knows what it is and he sees what is being spent.

Councilman McKay makes a motion to direct the Finance Director to amend the Revenue side appropriately.

Councilman Parente seconds the motion.

Roll call vote: 13 in favor- 2 oppose (Sand and Spaduzzi)- none abstain. Motion carries.

Councilman Parlato makes a motion to report to the full Town Council to recommend action in accordance to the amendments that were made tonight.

Councilman Santino seconds the motion.

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

#### **Item #6**

Adjournment of Hearing Committee.

Councilman McKay makes a motion.

Councilman Parlato seconds the motion.

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

Meeting is adjourned at 9:01PM.

Respectfully Submitted,

Danelle Feeley, Clerk, East Haven Legislative Town Council