

**EAST HAVEN TOWN COUNCIL
SPECIAL MEETING MINUTES
MONDAY, MARCH 28, 2016**

The East Haven Town Council held a special meeting Monday, March 28, 2016, at 7:00PM at the East Haven High School Auditorium, 35 Wheelbarrow Lane, East Haven, CT, 06513.

Chairman Fred Parlato calls the meeting to order at 7:00PM and asks all to stand for the pledge of allegiance.

Item #1

Roll Call- 10 present – 5 absent (Santino, Depalma, Palladino, Archambault and Butler III). A quorum is present.

Item #2

State of the Town Address to be presented by the Honorable Mayor Joseph Maturo, Jr.

Chairman Fred Parlato invites Mayor Joseph Maturo Jr. to the stage.
(Full State of the Town Address attached to minutes)

Chairman Parlato entertains a motion to move item #4 ahead of item #3 to give Mayor Maturo a short break.

Councilman William Richardson makes a motion.

Councilman Vincent Spaduzzi seconds the motion.

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

Item #4

To consider and act upon a "Resolution endorsing the South Central Regional Council of Governments' Regional Performance Incentive Program proposals for Planimetric Data Development and a Regional Open Space Inventory."

Councilman Robert Parente makes a motion.

Councilwoman Letizia Lettieri-Morales seconds the motion.

No public comment.

Council comment:

- Chairman Parlato explains that this is being done tonight because there was a deadline for SCRCOG to get the endorsement from all 15 municipalities. This money will benefit all 15 groups that belong to this organization and it is for open space and planimetric data development.

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

Item #3

2016-2017 FY Budget Address to be presented by the Honorable Mayor Joseph Maturo, Jr.

Chairman Parlato invites Mayor Maturo to the stage.
(Full budget address attached to minutes).

Item #5

Adjournment of Special Meeting.

Councilman Ken McKay makes a motion to adjourn.
Councilman Richardson seconds the motion.
Voice vote: all in favor-none oppose-none abstain.

Meeting is adjourned at 8:33PM.

Respectfully Submitted,

Danelle Feeley, Clerk, East Haven Legislative Town Council

ITEMS #2 and #3

The State of the Town Address and Budget Address will be distributed on the night of the meeting as has customarily been done.

A Resolution endorsing the South Central Regional Council of Governments' Regional Performance Incentive Program proposals for Planimetric Data Development and a Regional Open Space Inventory

WHEREAS, East Haven is a member of the South Central Regional Council of Governments;

AND WHEREAS, the South Central Regional Council of Governments wishes to pursue proposals for Planimetric Data Development and a Regional Open Space Inventory which would benefit all members of the South Central Regional Council of Governments;

NOW THEREFORE, BE IT RESOLVED that the East Haven Town Council and the Town of East Haven endorse the South Central Regional Council of Governments' Regional Performance Incentive Program proposals for Planimetric Data Development and a Regional Open Space Inventory.

2016 STATE OF THE TOWN ADDRESS

Good evening ladies and gentlemen, honorable members of the Legislative Town Council, residents of our great community, and guests. Welcome to East Haven High School.

By Charter, I am required to address the Town Council each year to speak about the state of our Town and to present my budget recommendations for the upcoming fiscal year. I address you tonight for the fifteenth time in my career as Mayor with sincere appreciation to the residents of this community who put their trust in my team and I for another two years with their resounding support this past November. I remain humbled and thankful for the opportunity to continue to serve the people and the community that I love.

The story of East Haven, especially since 2011, has been marked by shared struggle and resilience. With hard work, grounded in a commitment to respect for all individuals, we have put what the New Haven Register called "the dark days" in our Town's history squarely in the past and made real progress restoring accountability and public trust in both our government and our Police Department.

At the time same, we've pulled ourselves out of the ugly cycle of deficit-spending and ended our dependency on costly borrowing, breaking the bad fiscal habits of the past administration. In these short five years, we've transformed our community from one of the most indebted towns on the shoreline into a model of fiscal success for others to follow.

You can call it a "metamorphosis," or a "renaissance." In fact others, including the New Haven Register, have done so. I call it "pride." We have re-inspired pride in East Haven, both for those who call East Haven home and for others across the region, by re-committing to the principles of respect, fair play, and hard work that have always defined what it has meant to be from East Haven.

Over the past five years we've faced cultural struggles, tragic accidents, natural disasters, and unique fiscal challenges that would have sent any municipality spiraling into chaos. However, it is with great pride that I say that we have emerged from those "dark days" as a **STRONGER** community than we have ever been.

POLICE DEPARTMENT/DOJ/DIVERSITY

Looking ahead, December 21, 2016 will mark a historic day for the Town of East Haven. That date, which is only a mere nine months away, is the four-year anniversary and the anticipated termination date of the Police Department's agreement with the Department of Justice. Our police officers and leaders have worked tirelessly to comply with that agreement and their success has been recognized by leaders and law enforcement professionals across the country. On December 21, 2016, they will be able to pride themselves on one more achievement: **They will be the first police department in the nation to have satisfied their obligations under a DOJ consent decree BOTH on time and under-budget.**

While the cultural inequities and social dysfunction of the past certainly posed unique challenges for our police department, the greatest challenge still lies ahead. Looking past December, we must ready ourselves for independence from the stringent reporting and oversight requirements that we have abided by for the last four years. We must take steps to ensure that we preserve the accountability, transparency, and tolerance that we have worked so hard to restore within our Police Department so that future generations are never again faced with the challenges we've worked so hard to overcome. We have an abundance of talented professionals within our Police Department and I know they are prepared to take on the challenges of the future and to lead our department with pride for generations to come.

200 TYLER STREET

While we begin to ready our police department for a new era of self-sufficiency, another critical project sitting right in the heart of this community remains to be addressed. For nearly twenty years, four administrations and three mayors have struggled with implementing a meaningful new use for the old High School located at 200 Tyler Street. However, there can be no disagreement that the time has come to put an end to the partisan jockeying that has, for too long, inhibited the Town from revitalizing this precious and historic building.

In November, I appointed a Blue Ribbon Commission to hold public hearings, solicit public comment, and make a recommendation to me regarding the highest and best use for that property. Relying on that

recommendation, I recently requested an "8-24 Referral" from the Planning and Zoning Commission for a "mixed community use" for the building that calls for the rehabilitation of the pool and gymnasium facilities along with space for a host of other Town groups. I am pleased to announce that just one week ago, the Planning and Zoning Commission issued a favorable referral on my proposed plan, opening the door for the Town to begin negotiations with developers about a concrete re-use plan for the building.

As presented to the Planning and Zoning Commission, the present re-use plan would generate over \$400,000 dollars per year in new tax revenue – the equivalent of hiring NINE new teachers in our schools. On the same token, new tax revenue from the project could be diverted to fund other projects around Town or back to the taxpayers in the form of another modest tax decrease.

In the months ahead, Sal Brancati, the Town's Economic Development Coordinator, will be negotiating with developers to craft a plan that best incorporates these ideas and the residents' vision for this building.

With the exception of the potential reorganization of our school system, the redevelopment of the 200 Tyler Street building is, without question, the most important capital development project this Town will undertake in the next ten years. As such, it is my promise to the residents that we will work tirelessly to ensure that any plan for that building is enacted in accordance with the Town's overall plan of development and, more importantly, with the will of the people.

I want to reassure residents that we remain committed to ensuring that this process precedes transparently. If and when the Town identifies a preferred developer, the residents will have a number of opportunities to review any development plan and provide their input before the Town Council.

TOWNWIDE IMPROVEMENTS

While developing a general re-use plan for 200 Tyler Street has been a priority, we have also completed a number of exciting improvements across Town in the past year.

Early in 2015, I commissioned our Town Council leaders to address the parking, safety, and congestion problems at the beach that residents had been complaining about for years. Following my push, the Town Council and the Board of Police Commissioners formed a joint task force to walk the area, meet with residents, and draft modifications to the parking plan along our shore. As a result, new “no parking” zones were enacted along the south side of Cosey Beach Avenue and in other places. At the same time, parking was expanded along a few spots on the north side of Cosey Beach Avenue. Finally, and perhaps most importantly, the Town Council adopted revised parking regulations that now include hefty fines for violators. Only a few weeks into last year’s summer season, the Police Department had written so many parking tickets that they temporarily ran out of ticket books. Violators finally got the message.

In addition to revising our parking regulations, we also took steps to beautify our shoreline last year by removing the old “Page” link fence and replacing it with a beautiful stone accent wall measuring 470 feet long. In constructing the wall, Town officials surveyed residents living along the shore to get input on the wall’s color and height to ensure that it would accent their homes.

Additionally, just nine months ago, the Town opened a new police substation at East Farms Village on Messina Drive as part of an effort to improve its ties to the community. I am pleased to report that this new substation has helped increase public safety, promote efficiency, and allowed our officers to be more accessible to residents on a daily basis. In addition, the Town was able to negotiate its lease for the substation space at no costs to the taxpayers. Perhaps best of all, our seniors feel safer living at Messina Drive.

Moving off the streets into the world of cyberspace, last year the Town spent months redesigning its website. The project, which involved migrating 500 individual web pages and over 1,500 PDF files to the new site, culminated in the Town's July launch of its new, streamlined, and ADA compliant Town website. In addition to hosting information about each Town Department and important news about Town events, this new “citizen service portal” contains a “How do I?” section and also allows residents to sign up for “E-Alerts.” Since the site was designed to be mobile-device friendly, residents can access the site on their phones and tablets as well. In conjunction with the launch of the website, Town Council members were also provided with new Chromebooks and official Town e-mail addresses to

facilitate better communication with residents. If you have not seen the new site or wish to contact your local Town Council representatives, I encourage you to visit “www.townofeasthaven.org” to explore all that our new site has to offer.

ECONOMIC DEVELOPMENT

In addition to a number of Town-wide improvements, the Town also saw a substantial increase in economic development in the past year thanks to the efforts of the Town’s economic development coordinator Sal Brancati.

At present, the Town is working with the “East Haven Veterinarian Hospital and Pet Center” to open a pet hospital in the Home Depot Shopping Plaza. In addition to medical care, the facility will offer daycare, training, and rental supplies.

On the medical forefront, the Town also helped to relocate the “Fair Haven Community Health Clinic,” an early childhood medical facility, to the Stop and Shop Plaza. The facility, which is presently under construction, will offer primary medical care and is set to open in the next few weeks.

Additionally, this past year, the Town Council approved a plan for Elks Lodge #0025, presently located on State Street in New Haven, to relocate to the old “Apizza Grande” building on Coe Avenue. Although the final contract has not been negotiated yet, the Town anticipates selling the property in the coming weeks and that the lodge may open by the fall of this year. And for those of you who miss the actual “Apizza Grande,” we

also have good news. The original “Apizza Grande” is actually slated to re-open a 7,500 square foot restaurant just up the road at 400 Coe Avenue within the next couple of months.

The past year also saw exciting growth in our Industrial Park, which is slated to be entirely full in the coming months. Next week, the Town Council is set to approve the sale of land abutting the Industrial Park to accommodate the relocation of “Augliera Moving and Storage” to 158 Commerce Street. This relocation, while bringing a tremendous new business to East Haven, is also estimated to bring in \$60,000 dollars in new yearly tax revenue. At the same time, the 84 Group Empire and Mercantile Company, which imports and distributes moving supplies for large retailers, is also anticipated to open soon at 133 Commerce Street.

Finally, as part of the Town’s efforts to continue “going green,” the Town is presently in negotiations to lease land abutting the Industrial Park for a 4-Megawatt Solar Farm. If it comes to fruition, this solar farm will not only bring in a host of new tax revenue, but it will also save the Town approximately 20% on its monthly energy bills.

EDUCATION

While business continues to flourish here in East Haven, our students, faculty, and staff up at the Board of Education also continue to make headlines.

Early last year, the “School-Based Health Center” opened at Momauguin School. In addition to vaccinations and dental check-ups, the center is geared toward providing mental and behavioral health services. This new program is funded by state and federal grants and has zero cost to the taxpayers. Best of all, while the center accepts health insurance, there are no co-pays or deductibles and those who are uninsured are still treated.

Over the last twelve months, the school district also implemented a number of improvements to enhance teaching and learning. Specifically, the district introduced a new teacher evaluation system, implemented new strategies in literacy, and expanded preschool programming. Throughout the last year, the district also continued its “one-to-one” Chromebook initiative, which aims to provide each student in grades three through nine with a Chromebook.

Finally, last year, the Board of Education held focus groups across Town to solicit input from parents about the improvements they felt were most needed in our schools. Following those meetings, the Board of Education has begun to move forward with a district-wide school facilities plan that will modernize our schools and reduce operational costs. Although the Board’s plan has yet to proceed to the Board of Finance or Town Council, we are all eager to see it unfold.

SPECIAL RECOGNITION/RESIDENTS

At this time one year ago, we were tuning in each week to American Idol to watch East Haven native Nick Fradiani mesmerize America with his

incredible vocal talent. As you all certainly know, Nick not only won the entire 2015 Idol Competition, he has recently gone on to launch his first hit single “Get You Home.” Congratulations to Nick and the entire Fradiani family – you’ve made East Haven proud.

While Nick Fradiani made headlines on national television, our High School Girls Softball Team was making waves right here at home. With a 4-2 victory over Fitch last June, our High School Girl’s Softball Team took home the 2015 CIAC Class L State Championship – the first state title for girl’s softball since 1984. East Haven went into that tournament as the “10 seed,” but we came out in dramatic fashion as champions. Once again, congratulations to our girls softball team and to Coach Crisafi.

Moving on... Our Town employees and department heads have worked hard throughout the past year to continue to offer exceptional services and resources to our residents. As always, I want to touch briefly on a few highlights from each department over the past year.

WORK OF DEPARTMENT HEADS/CURRENT PEOPLE

Town Clerk – Stacy Gravino

The Town Clerk’s office, headed by Stacy Gravino, has continued to make capital upgrades, most of which have been completed with grants and at no cost to the taxpayers. In the past year, Stacy’s office upgraded its computer system to improve customer service, negotiated with “Municode” to publish the Town’s codes and regulations right on the Town’s website,

and upgraded both the dog licensing and birth certificate computer programs. Additionally, the Town Clerk's office received capitol improvement monies to begin back-scanning land records from 2004 to 1977.

Assessor – Michael Milici

The Assessor's office, which is headed by Michael Milici, is now in the middle of the State mandated town wide revaluation. This is a "statistical" revaluation in which house-to-house inspections are not required. Only sold, new, and improved properties will be visited and new values will be effective for the October 1, 2016 grand list.

In the past year, the Assessor's Office, in conjunction with the Building Department, initiated a project to identify all of the incorrectly numbered addresses on homes in town. The ultimate goal of the project is to correct any mis-numbered homes to ensure compliance with the Town's ordinance requiring all homes to have a proper address. While this project may seem trivial, it will actual increase public safety considerably by helping emergency responders correctly identify homes and respond to homes with more accuracy. After all, when seconds count, our emergency responders need to be able to identify homes accurately and quickly.

Senior Center – Jan Jougat

Our Senior Center, headed by Jan Jougat, enjoyed another busy year. This past year, the Senior Center received a new Flat-Screen HDTV from

the Mayor's Office and new tables and chairs, donated by the wonderful people over at the Village at Mariner's Point.

As usual, this past year, seniors enjoyed the daily lunch program, aerobics, line dancing, knitting, card games, monthly movies, and many day/overnight trips. Additionally, the Center continued to offer a variety of educational and health programs.

Social Services/Youth Services– Bob Petrucelli

Bob Petrucelli is the head of both our “Social Services” and “Youth Services” programs here in Town, both of which had incredibly busy years.

Last year, through the “CT Renters Rebate Program,” Bob’s office processed 570 applications netting Town residents over \$280,000 in rental rebates. For those who may not be familiar with this program, it provides an annual rebate check to East Haven renters who are 65 years of age or older or fully disabled. Additionally, through the CT Energy Assistance Program, Bob’s office processed 535 applications netting income-eligible residents over \$390,000 in assistance.

This past year, the Youth Services Department partnered with the East Haven Police Department to divert 20 East Haven youth offenders from the Juvenile Court system through the Juvenile Review Board Program.

Tax Collector – Lisa Basilicato

Moving on... This past year the tax department, thanks to the efforts of Lisa Basilicato, enjoyed another strong tax collection year. Lisa indicates that the Town has already reached the budgeted collection goal of 98% for the present fiscal year and that her department is working hard in conjunction with the Town Attorney to continue pursuing delinquent taxpayers.

In Addition, Lisa reports that while the Town's website presently allows residents to view and pay taxes online with any major credit card, debit card, or by E-Check, the tax office will soon be capable of accepting credit and debit cards right in the office.

Animal Control – Owen Little

During the past year, the Animal Shelter obtained body cameras for both animal control officers. These cameras, which are the same as those utilized by our Police Officers, will protect our officers and ensure that they continue to conduct themselves with a high degree of professionalism.

In addition, last year, the Shelter instituted a monthly fundraiser program in conjunction with "Lucky Dog Grooming." Each second Sunday of every month, residents can bring their dogs and cats to the animal shelter and get their nails clipped for a donation of \$10.00. The Animal Shelter receives 100% of the proceeds from this great program.

Also, Owen reports that the shelter was recently able to purchase a 24ft X 48ft prefabricated pavilion to be installed at the Animal Shelter by Public Works and funded entirely through donations made to the shelter. Owen reports that the pavilion is intended to be an inviting place for people to visit and meet with animals that are up for adoption, especially during inclement weather. The pavilion will also be used to host the shelter's rabies clinics and as a supplemental area to train animals.

Planning and Zoning – Chris Soto

Throughout the past year, the Planning and Zoning Department, led by Chris Soto, processed over 240 zoning permit applications for everything from small decks and additions to large commercial spaces. Chris reports that the department has generated over \$7,200 in permit fees within this time frame. Over that same timeframe, his department has processed over 16 applications for initial or modified site plans, many of which have been applications for businesses to occupy vacant commercial or industrial space.

Also, Chris reports that his department has been working diligently to enforce the Town's Anti-Blight Regulations over the past year. Efforts have included cracking down on homeowners and businesses who store junked vehicles on residential properties. Chris indicates that in the last 9 months, his department has resolved 38 blight actions and that it continues to work on several others.

Building Department – Jim Bassett

Our Building Department, led by Jim Bassett, shares an office with the Zoning Department and works hard to ensure that all building projects in Town are up to the prevailing codes. In addition to everything reported by the zoning department, our building official reports that in calendar year 2015, the Town issued 1,146 (up from 980 permits in 2014) for \$16.3 million dollars in construction work. According to Jim, in 2015, the Town saw 20 new homes built and saw 124 homes invest in solar panels.

Public Services/Engineering – Kevin White and Bob Parente

Our Engineering and Public Works departments, headed by Kevin White and Bobby Parente, had an incredibly busy year. Last year, their department repaved 13 roads and replaced broken catch-basins on roads across Town. Using Town-resources, as opposed to outside contractors, the Town reconstructed and repaved Hampton and Pequot Roads and performed minor drainage improvements, repaved 500 feet of Proto Drive, performed work on Barberry Road, and performed leveling work on Rock Road, Kenneth Street, Roma Street, and Thompson Street.

As many of you know, the area around Kimberly Avenue and Forbes Place has always been prone to flooding. As a result, last year the Town performed drainage improvements and installed all new underground piping along the length of Kimberly Avenue. In addition, the State is currently reviewing a traffic project for the Forbes /Kimberly intersection

that would further address the traffic flow problems at this historically busy intersection.

Insofar as upcoming and ongoing capital improvement projects, Kevin reports that the North High Street Sidewalk Project continues to progress. The scope of the project has been refined after three public hearings and a tentative timeline for construction has been established. In addition, the Engineering Department has continued to maintain the permits necessary to perform yearly cleanout of debris from the Farm River to help prevent flooding in a number of areas across Town.

Counseling and Community Services – Beth Trotta

The Counseling and Community Services program, headed by Beth Trotta of BHCare, Inc. continued to offer quality mental and behavioral health counseling services thanks to the expansion of management services by BH Care. This past year, the center implemented a new electronic health record system to assist with billing and patient privacy. Beth also reports that thanks to the hard work of several new doctors working at the center, wait times for aid continue to remain low.

Library - Bruce George

One of East Haven's greatest resources and most prized treasures is our Library, which is headed by Bruce George.

Recently, the Library upgraded to a fiber optic cable internet connection, which will provide better and more reliable internet connection speeds for the Library's public access computer network and Public Wi-Fi network.

Bruce also reports that Sarah Mallory, the Library's part-time specialist and Teen Advisory Group Librarian, authored and received a "Teen Top Ten Grant" from the "Young Adult Library Services Association" for the Library's Teen Advisory Group. The Library's Teen Advisory Group is one of only 15 groups from across the country to be awarded this grant. The duration of the grant is 2 years. During this time, the Teen Advisory Group will be reviewing teen books prior to their publication release date to provide feedback to publishers.

Finally, Bruce reports that January 2016 monthly programming for children is up 58% over last January and was up 15.6% for February over the previous year.

Recreation Department – Lou Pane

Our Recreation Department, headed by Lou Pane, continues to offer a number of youth and adult programs each and every year. This year, the Department will be offering many programs, including Beach Yoga, Beach Zumba, Beach Aerobics, and Beach Volleyball along with a number of youth activity camps with art, sports, and recreational themes.

The Recreation Department also reports that Ice Rink is on track to generate a profit to the town for the 4th consecutive year. Countless

teams, including those in Town, use our rink and Lou has done a tremendous job of making sure that the rink pays for itself and generates a profit.

Police Department – Chief Brent Larrabee

While I highlighted the incredible progress our Police Department has made in the past three years earlier in my speech, I do want to highlight some of their achievements from the past year.

This past year, the Town entertained a visit from Attorney General Loretta Lynch who praised the department's reform efforts and identified East Haven as a "model" for the nation. Shortly after, Chief Larrabee, Deputy Lennon, Father Tom Sievel, and myself attended a Community Policing Forum at the White House with twenty other municipal delegations from across the country to discuss East Haven's reform story and best practices for community policing. Our East Haven delegation brought a unique perspective to the event and our police executives and I both shared and gained valuable advice on implementing best practices on a variety of law enforcement topics.

Additionally, this past April, the Police Department's "Citizens' Police Academy" graduated its first class and is slated to host a second semester beginning April 6, 2016. At the same time, the department began a "Cadet Program," where local students can enroll and get hands-on training on in-house policing operations. At present, the department has three cadets enrolled, all of whom are doing tremendously well.

Throughout the past year, the Police Department continued to diversify its ranks through a series of historic promotions and new hires. It is clear that our efforts to diversify our force have brought a multitude of new perspectives to the department which have fundamentally improved the quality of police service and way our officers interact with members of the community.

In addition, early last year, the Town officially restored the K-9 unit, following a temporary suspension of the program during the Town's early efforts to comply with the DOJ's consent decree. "Max" along with his handler John Finnimore graduated from their joint training class in July. Since graduating they have teamed up in a number of investigations to aid our officers.

Finally, Lt. Murgo and Father Sievel (one of the department's chaplains) were recently accepted into the University of New Haven's "Transforming Youth Justice: A Leadership Development Program." The program is entirely grant funded and provides valuable training with respect to strategies for effective youth policing.

Fire Department – Chief Doug Jackson

The East Haven Fire Department, led by Chief Jackson, responded to a record 6,700 calls for service during 2015. Chief Jackson reports that last year, the department also maintained all of its training initiatives and its ISO Class 3 Rating (Insurance Safety Office) through our training and equipment maintenance programs. The Chief indicates that our medical

response firefighters also maintained their Paramedic and EMT licensing through rigorous continuing certification classes and testing.

Chief Jackson indicates that last year, the department members proudly recorded 2 CPR saves in addition to one additional save of a fire victim from the second floor of a dwelling who was in respiratory arrest and who was revived on scene prior to his transport for further treatment.

Additionally, in the past year, the department was able to make great strides with a town funded capital project that replaced the department's paramedic monitor/defibrillators with new technology based units utilized by the Advanced Life Support Paramedics.

Last year, the Fire Department continued its training and cooperation with the US Coast Guard and entered into an agreement with them in which our department will be utilized in Search and Rescue Operations in our area and be equipped with additional life saving and response equipment as part of the package.

FINANCES

While our department heads reported a host of accomplishments in the last year, our Finance Director helped guide our Town another budget surplus. Although I will give a complete report regarding the Town's financial situation shortly, I am proud to confirm that the Town produced a surplus of over \$1.29 million dollars in the last fiscal year, bringing the Town's fund balance to over \$3.85 million dollars – its highest level since 2008.

IMPORTANT DATES

Before I conclude, I'd like to remind everyone of the dates of some of the great upcoming events scheduled across Town.

The National Day of Prayer is Thursday, May 5th.

The Pause for the Pledge of Allegiance is Tuesday, June 14th.

The VVA Chapter 484 Fireworks and Beach Party is scheduled for Saturday, June 25th with a rain date of Monday, June 27th. The feature act is going to be "The Idol Kings" with a tribute to America Rock Band "Journey."

Senior Day will be held Saturday, August 20th on the Town Green.

And the 25th Annual East Haven Fall Festival will be held on September 9th, 10th, and 11th on the Town Green and will feature the nationally renowned act "The Spinners."

CONCLUSION

I want to conclude my fifteenth State of the Town Address the way I began – by thanking all of the residents for the opportunity to continue to lead this great community.

The next chapter of East Haven's rich and colorful history remains to be written and it will be defined by the decisions we make as we confront the fiscal and social challenges on the horizon. As we forge ahead to face those challenges, especially in this divided and sometimes hostile political era, we must do so through collaboration, cooperation, and compromise. Working together, we have restored pride to East Haven and I know that with continued hard work **AND** teamwork, we will remain a community of pride and a community of choice for years to come.

Thank you all, God Bless our Community, and God Bless our great Country.



Town of East Haven Mayor Joseph Maturo, Jr.

2016-2017 Fiscal Year Budget Presentation

March 28, 2016 – East Haven High School

Opening Slide:

First, I'd like to thank the Board of Finance along with all of the department heads that sat with that Board and reviewed my initial recommendations.

I'd also like to thank our Finance Director, Paul Rizza. Mr. Rizza worked incredibly hard on this budget and he deserves to be recognized for that hard work.



What was the Town's financial position at the close of the 2014-2015 Fiscal Year?

1. With that said, I'd like to present my budget by first recapping the Town's financial position at the close of the 2014-2015 fiscal year.



East Haven ended the 2014-2015 fiscal year with a surplus of \$1.29 million dollars.

TOTAL EXPENDITURES.....	91,461,789	2,571,681	8,418,942	102,452,612
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	1,237,572	(2,564,811)	146,894	(1,180,345)
OTHER FINANCING SOURCES (USES):				
Issuance of refunding bonds.....		6,890,000		6,890,000
Payments to bond escrow agents.....		(7,833,920)		(7,833,920)
Capital lease.....		268,081		268,081
Bond premium.....		1,120,967		1,120,967
Transfers in.....	61,290		74,885	136,175
Transfers out.....		(8,878)	(127,297)	(136,175)
NET OTHER FINANCING SOURCES (USES).....	61,290	436,250	(52,412)	445,128
NET CHANGE IN FUND BALANCES.....	1,298,862	(2,128,561)	94,482	(735,217)
FUND BALANCE, JULY 1, 2014.....	2,551,976	228,227	3,010,967	5,791,170
FUND BALANCE, JUNE 30, 2015.....	\$ 3,850,838	\$ (1,900,334)	\$ 3,105,449	\$ 5,055,953

- Page 18, FY 2013-2014 Annual Financial Report

2. As Page 18 of the Annual Financial Report shows, the Town ended the 2014-2015 Fiscal Year with a surplus of \$1.29 million dollars.



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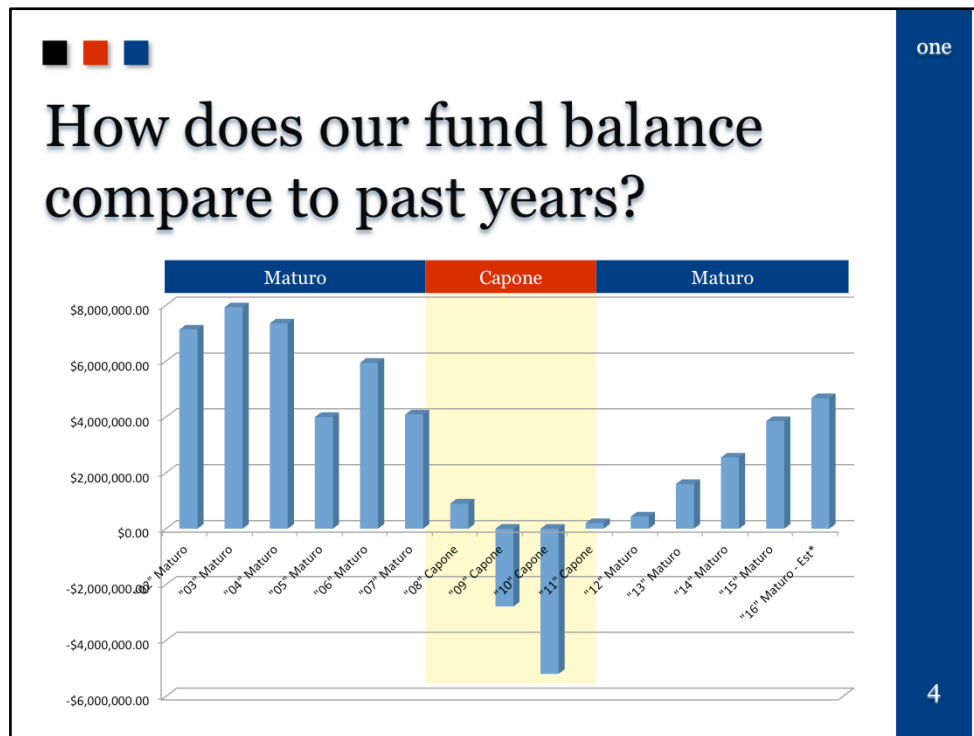
As a result, East Haven's fund balance increased to \$3.85 million dollars.

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- Page 18, FY 2013-2014 Annual Financial Report

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3. That money was added to the Town's rainy day fund, increasing the balance of this fund from \$2.55 million dollars to \$3.85 million dollars. This marks an increase of 50.8% in just one year.



4. You may be asking, “How does this compare with previous years?”

Between 1997 and 2007 during my first 10 years in office, the Town balanced 10 straight budgets and maintained a running surplus of generally no less than \$4 million dollars. Between 2007 and 2011, during my team’s absence from office, the Town ran three straight deficits which completely exhausted this fund, causing it to spiral into a deficit.

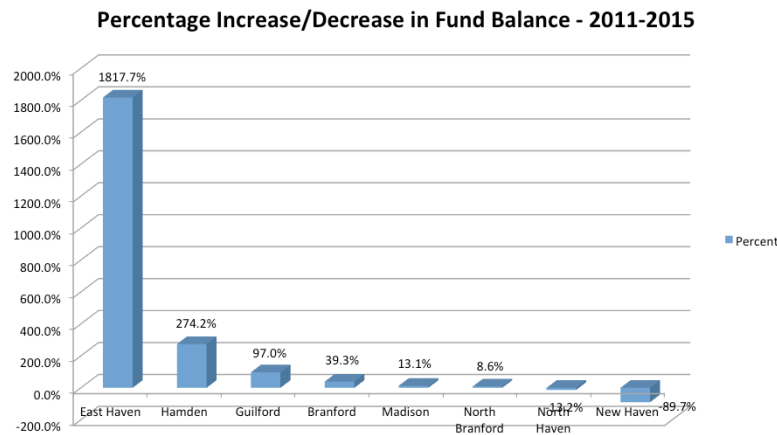
As you can see, when we resumed office in 2011, the rainy day fund contained just \$200,000 dollars. Since then, we have steadily worked to restore it. Based on a projected surplus this year, the rainy day fund is forecasted to reach \$4.6 million dollars – a full \$600,000 dollars more than I left the Town in 2007.

As a result, I am proud to say that as of the June 30th of this year, we will have finally and officially reversed the fiscal damage the Town sustained between 2007 and 2011 because we will have **COMPLETELY** restored our rainy day fund.



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How does this compare to neighboring towns?



5

5. It is clear that thanks to sound budgeting and fiscal restraint, East Haven has made a dramatic financial turnaround. In fact, our success replenishing our fund balance is even more impressive when you compare our progress since 2011 to neighboring Towns.

Since 2011, we have increased our fund balance by over 1,800%! The Towns with the next largest fund balance growth in the immediate region are Hamden and Guilford, with 274% and 97% respectively.



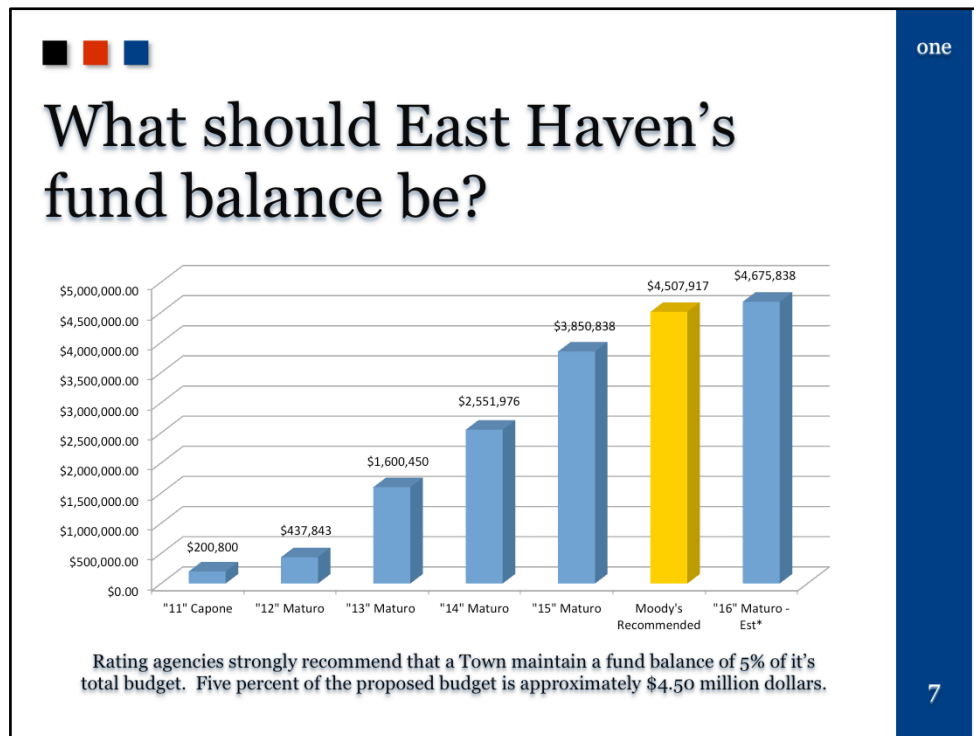
How does this compare to neighboring towns?

Town	7/1/2011	7/1/2012	7/1/2013	7/1/2014	7/1/2015	Reduction/ Increase	Percent
East Haven	\$200,800.00	\$437,843.00	\$1,600,450.00	\$2,551,976.00	\$3,850,838.00	\$3,650,038.00	1817.7%
Hamden	\$813,304.00	\$1,194,991.00	\$1,689,070.00	\$2,217,340.00	\$3,043,752.00	\$2,230,448.00	274.2%
Guilford	\$4,522,231.00	\$5,084,142.00	\$6,617,254.00	\$7,838,225.00	\$8,908,166.00	\$4,385,935.00	97.0%
Branford	\$17,776,116.00	\$19,340,439.00	\$21,638,146.00	\$22,967,686.00	\$24,760,187.00	\$6,984,071.00	39.3%
Madison	\$9,530,278.00	\$10,028,892.00	\$8,971,912.00	\$10,224,649.00	\$10,778,063.00	\$1,247,785.00	13.1%
North Branford	\$6,680,812.00	\$7,071,993.00	\$7,084,024.00	\$6,535,116.00	\$7,254,419.00	\$573,607.00	8.6%
North Haven	\$14,422,930.00	\$13,535,428.00	\$13,493,204.00	\$13,426,263.00	\$12,513,181.00	-\$1,909,749.00	-13.2%
New Haven	\$16,827,620.00	\$8,791,796.00	-\$4,721,555.00	\$22,047.00	\$1,726,001.00	-\$15,101,619.00	-89.7%

- 2011-2015 Annual Financial Reports, Various Municipalities

6. By contrast, the City of New Haven, as a result of consecutive operating deficits a few years ago, has experienced an 89.7% drop in its fund balance. Other neighboring Towns with already-healthy fund balances, like Branford and Madison, have seen modest increases of between 13.1% and 39.3%.

At the end of the day, the dramatic increase in our fund balance in such a short period of time is evidence that our corrective efforts have been an overwhelming success.



7. As I've indicated in the past, credit rating agencies, like Moody's and Standards & Poor, strongly recommend that the Town have a minimum savings account equal to 5% of its operating budget. Five percent of our proposed budget is about \$4.5 million dollars.

In the upcoming budget year, we are projecting to have a fund balance of approximately \$4.67 million dollars on hand. As a result, it is once again with great pride that I say that the 2016-2017 budget will be the **FIRST IN 10 YEARS** (the first since my 2006-2007 budget) in which we will have officially met the recommendation of Moody's and Standards and Poor's with respect to our fund balance.



What is the Town's long-term debt position?

OUTSTANDING LONG-TERM DEBT

	2015	2014
General purpose bonds	\$ 22,204,108	\$ 24,578,234
School bonds	8,310,892	12,186,766
Sewer	360,000	720,000
Bond anticipation notes	1,500,000	-
Total	<u>\$ 32,375,000</u>	<u>\$ 37,485,000</u>

Annual Financial Report, 2014-2015, P. 18

In FY '14-'15, the Town paid down \$5.11 million,
or 13.6%, of its long term debt.

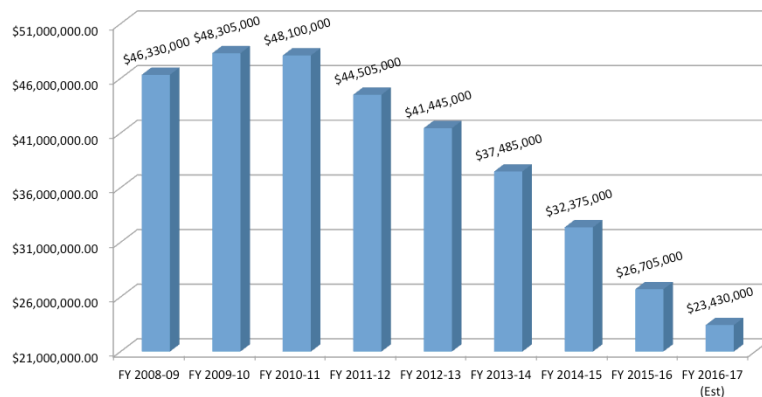
8. In addition to the Town's fund balance, debt is another key factor that affects our budget and our taxes. Like you and I, the Town has long term debt.

According to our last audit, the Town began the 2014-2015 fiscal year with \$37.4 million dollars in long term debt. In the last budget year, we paid off 5.11 million dollars of that debt, or 13.6% percent, reducing our total long term debt to \$32.3 million dollars.



How does our debt position compare to past years?

Outstanding Debt - FY '08-'09 to FY '16-'17 (Est.)



9. In the present fiscal year, the Town is slated to make interest and principal payments of \$6.7 million dollars toward its long term debt.

In the budget I will be proposing tonight, the Town is slated to make interest and principal payments of \$4.4 million dollars toward its long term debt.

Based on these payments, the Town's long term debt will be approximately \$23.4 million dollars. This marks an astounding \$22.9 million dollar (or 49%) reduction in the Town's debt since 2008.

In fact, upon passage of this budget, the town's long-term debt position will be at its lowest level in the Town's modern history.

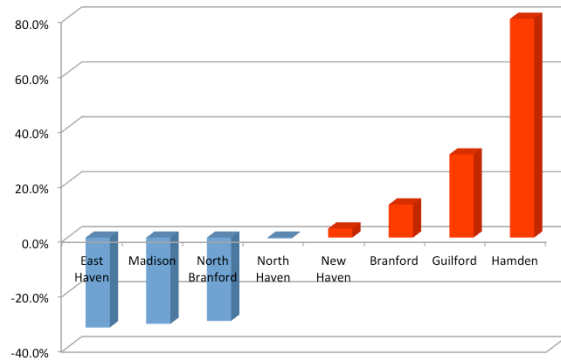
Looking ahead to future years, based on our current debt schedule, we are actually slated to pay off 80% of our remaining debt in the next 9 years provided we continue to exercise fiscal restraint.



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How does this compare to neighboring towns?

Debt Reduction (by %) - FY '10-'11 to '14-'15



Town	Percent
East Haven	-32.7%
Madison	-31.4%
North Branford	-30.3%
North Haven	-0.3%
New Haven	3.3%
Branford	12.0%
Guilford	30.3%
Hamden	79.6%

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10. As you can see, since July of 2011, East Haven has paid off an incredible 32.7% of its long term debt. In fact, if you go back through our neighbors' yearly audits, East Haven has paid off the largest percentage of its long-term debt of any of its surrounding neighbors.

As you can see, not only have we increased our fund balance tremendously, we've also paid off an incredible amount of debt.



What factors have the greatest influence on the Town's budget?

11. Now that I've given you a summary of the progress we made since 2011 and in the last fiscal year, I want to speak briefly about what factors influence a municipal budget. Put simply, the budget is composed of two parts: expenses and revenues.



Key factors that affect the expense side of the budget:

- i. Non-discretionary expenses
(benefits, insurance, legal expenses, and debt service)
- ii. Utilities
(water, sewer, heat, and electricity)
- iii. Public Safety/Services
(education, police, fire, public works)

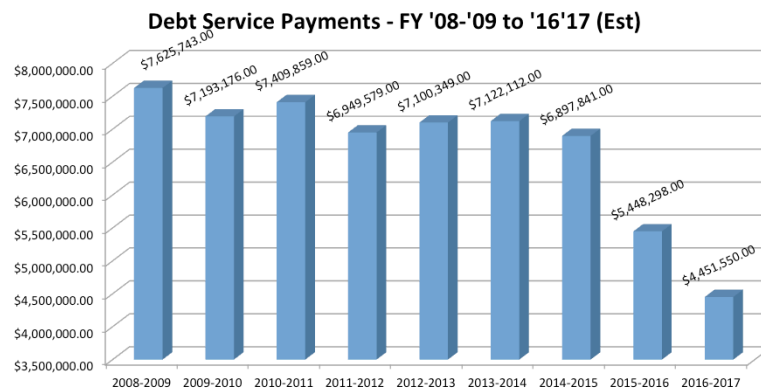
12. While there are many different types of expenses, several are incurred every year. They are expenses which may be required by contract or which are essential to running our community on a day-to-day basis.

For example, employee benefits, insurance, and debt service are expenses we must pay each year. Legal services are essential to the defense of the Town. Utilities like water, sewer, heat, and electricity are required if we wish to keep our buildings open and operational. And finally, education, police, fire, and public works services are essential to ensure the continued safety of our Community.



two

Debt Service – A Key to the Proposed FY 16-17 Budget:



13

13. As I indicated, debt payments are non-discretionary. Just like a mortgage, we must pay our debt. However, **THE CATCH** is that we always have the option to decide how much debt we are going to take on.

As I demonstrated earlier, since 2011, the Town of East Haven has committed to a policy of bonding only when we absolutely must. As a result, we've reduced the total amount of our long-term debt **AND** the size of our yearly debt payments.

In the 2008-2009 budget year, our debt payment was a whopping \$7.62 million dollars. In the upcoming budget, thanks to the debt we've paid off, our debt service payment is only \$4.45 million – a difference of \$3.17 million dollars. With the savings from these lower debt payments, we've increased funding to education, restored our rainy day fund, and last year enacted the largest tax decrease in a non-revaluation year since 1989.



Debt Payments – and our Bond Rating

Year	Bond Rating
2007, 2008	A
2009	A- N.H. Register – 8/5/2009
2010	BBB+ N.H. Register – 7/31/2010
2011	BBB+ N.H. Register – 8/2/2011
2012, 2013	BBB+
2014, 2015	A-

14. Another large reason we were able to reduce our debt stems from the credit rating increase we earned two years ago.

Specifically, up until the 2007-2008 fiscal year, we had earned an “A” credit rating from Standard and Poor’s. However, in 2009 and 2010, the S&P lowered our bond rating – TWICE. At BBB+, the rating was just above what is considered “junk bond” status.

However, in 2014, thanks to our efforts to restore the rainy day fund, S&P raised our credit rating back to “A-”, allowing us to obtain significantly better bond rates and to refinance some high-interest bonds.

Restructuring our debt allowed us to pay that debt down faster and with less interest.

Based on the fact that we’ve completely restored our fund balance and reduced our debt to historically low levels, the Town is optimistic that it will earn another credit rating increase when it seeks to bond for the capital improvement program this summer.



Key factors that affect the revenue side of the budget:

- i. Growth or loss in the value of the town's Grand List
(the list of all taxable property in Town)
- i. State/Federal funding
- ii. Fees brought in by the Town

15. On the other side of the budget, the main sources of income for the Town are from taxes, state and federal funding, and miscellaneous fees (such as building permit fees or fees for recording documents on the land records).



Grand List Growth – A Key to the Proposed FY16-17 Budget:

List Type	2013	2014	2015	+/- from 2014
Real Property	\$1,761,323,070	\$1,778,095,050	\$1,787,888,790	+\$16,153,0460
Motor Vehicles	\$161,724,299	\$164,469,374	\$163,162,700	-\$1,306,674
Personal Property	\$52,458,158	\$55,743,230	\$60,409,210	+\$4,665,980
TOTAL	\$1,975,505,527	\$1,998,307,654	\$2,011,460,700	+\$16,153,046 (+.80%)

In the last year, the list of taxable property in East Haven grew by almost \$16 million dollars – or .80%. The growth was in large part to economic development efforts in recent years.

16. In my address to you last year, I indicated that growing the grand list was a priority for the upcoming year and another reason why the Town was able to implement a historic tax decrease. As I've explained before, bringing new businesses into Town increases the list of taxable property, reducing the tax burden on residents.

In the last year, we have grown our grand list by over \$16 million dollars – the second year in a row in which grand list growth has topped \$16 million. To put this in perspective, \$16 million dollars represents approximately \$500,000 dollars in new tax revenue for the Town in the upcoming budget year.

As you can see, stimulating grand list growth, in the form of new businesses, greatly improves the Town's tax position each year. This grand list growth and its resulting tax revenue will help shore up our budget and help us absorb cuts in State funding resulting from the State's continuing budget problems.

three

three

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The Proposed 2016-2017
Budget - Highlights

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17. Moving on, I'd now like to take you through an overview of my proposed budget for the 2016-2017 fiscal year.



three

The Big Picture – Part 1:

Expenditures: \$89,530,581.00

Fund Balance

Contribution: \$600,000.00

TOTAL BUDGET: \$90,130,581.00

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18. Overall, my budget calls for \$89.53 million dollars in expenditures. In addition, my budget calls for a \$600,000 appropriation to continue to shore up the fund balance. As a result, the overall proposed budget is just over \$90 million dollars.



The Big Picture – Part 2:

- i. 1.87% Increase in Expenses over FY '15-'16
- ii. \$250,000 increase in funding for education
- iii. \$600,000 in funding to continue to shore up the Town's Fund Balance

19. My proposed budget represents a 1.87% increase in expenditures over the prior fiscal year. Importantly, it calls for a \$250,000 dollar increase in funding to education. Finally, it appropriates \$600,000 dollars to continue to restore our fund balance.



three

Line item increases affecting the budget :

Department	% Increase	\$ Increase
Insurance/Employee Benefits	12.26%	\$1,084,591.00
Education	.50%	\$250,000.00
Public Services	8.01%	\$176,369.00
Police Dept.	3.04%	\$155,906.00
Fire Dept.	1.95%	\$104,262.00
TOTAL		+\$1,771,128.00

20

20. As you can see, increases to Insurance, Education, Public Services, Police, and the Fire Department represent the largest increases in my budget.

Due to rising insurance costs, the Town was hit with a massive \$1.08 million dollar increase in insurance costs. The next largest increase goes to our children, in the form of a \$250,000 dollar increase to education. The remaining \$330,000 dollars in extra funding is spread out among the Public Services Department, Police Department, and Fire Department.



three

Line item reductions affecting the budget – Part 1:

Department	% Decrease	\$ Decrease
Debt Service	-18.29%	\$996,748.00
General Services	-4.74%	\$100,000.00
Health	-9.62%	\$25,287.00
Legal	-.240%	\$12,000.00
TOTAL		-\$1,134,035.00

21

21. On the other hand, my proposed budget also reflects some valuable line item reductions. This budget year, thanks to our effort to reduce our debt, our debt service payment drops just under \$1 million dollars. In addition, the general services budget sees a reduction of \$100,000 dollars. The Regional Health District line item sees a reduction of \$25,000 thanks to streamlined operations and cost-savings. Finally, the legal department sees a reduction of \$12,000 resulting from the continued resolution of large cases.

As you can see, reducing debt service was the key this year to being able to absorb the \$1 million dollar increase in our insurance costs.



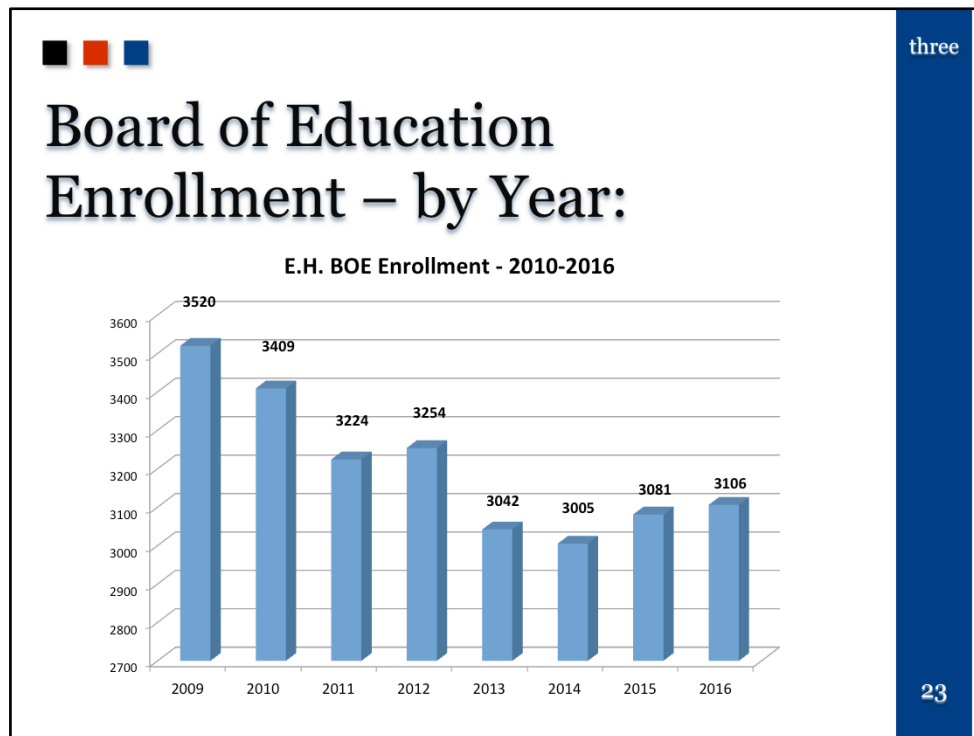
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Board of Education Funding – by Year:

School Year	+/- by \$	+/- by %	Mayor
2004-2005	\$1.85 million	5.17%	Maturo
2005-2006	\$1.3 million	3.45%	Maturo
2006-2007	\$1.64 million	4.23%	Maturo
2007-2008	\$1.75 million	4.31%	Maturo
2008-2009	\$1.40 million	3.30%	Capone
2009-2010	-\$85,500.00	-.001%	Capone
2010-2011	\$384,281	.88%	Capone
2011-2012	\$247,388	.56%	Capone
2012-2013	\$500,000	1.13%	Maturo
2013-2014	\$416,357	.92%	Maturo
2014-2015	\$1.2 million	2.65%	Maturo
2015-2016	\$750,000	1.62%	Maturo
2016-2017 – Proposed	\$250,000	.50%	Maturo

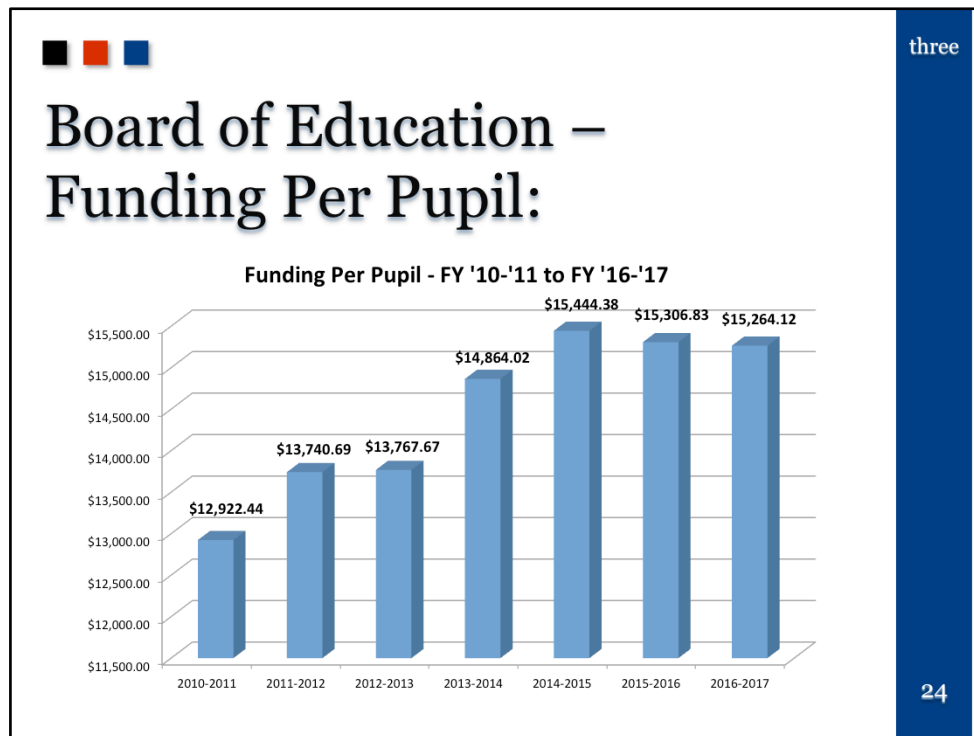
22

22. Since 2011 alone, my administration has appropriated over \$2.8 million dollars in new funding for the Board of Education. This year, the district has announced plans to close two schools as the first step in the Board of Education's consolidation plans. As a result, my budget proposal calls for a \$250,000 dollar increase in funding for education, which represents a realistic and responsible increase in funding given the expected reduction in operating and staff costs that will be generated by the Board of Education's consolidation plan.



23. As you can see, enrollment in our school system has been steadily decreasing for the past 7 years. Based on current numbers, it looks like it has stabilized around 3,100 students – down from a high of 3,900 students when I first took office in 1997.

In light of this, the Town's increase in funding of \$250,000 dollars should greatly aid the Board in improving curriculum and the overall educational experience for our students.



24. As you can see, as a result of the proposed increase in education funding, we will be allocating \$15,264 dollars per student in the next fiscal year – approximately \$2,500 more than was allocated just 5 years ago.

As I do every year, I'd like to take a brief moment to express how proud I am of all of the talented students we have in our great community. Throughout our school system we have volunteers, artists, performers, accomplished athletes, and dedicated scholars. We have athletic teams that win regional and national tournaments and an amazing band that consistently earns national recognition for its dedication, commitment, and talent. Our young people are wonderful ambassadors for our Town and they remain a shining example of the great things we are doing here in our community.

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The Bottom Line: What's going to happen with taxes?

25. In the end, every budget address always comes down to one question: “What’s going to happen with taxes?” Well, let’s take a look.



In the 2015-2016 FY, the mill rate was set at 31.55.

The Result:

- Over 6,200 of the +/-10,000 homes in Town continued to pay \$374 less (on average) in taxes than they were paying prior to 2011.

26. In the present fiscal year, the mill rate was set at 31.55. As a result, over 6,200 of the 10,000 homes in Town continued to pay \$374 less (on average) in taxes than they were paying prior to my resuming office in 2011.



Example Property #1

Ozone Road, East Haven – 1,090 Sq. Feet,
2 Bedrooms, 1 Bath



four

Year	Value	Mill Rate	Taxes	\$ +/- from '11-'12	% +/- from '11-'12
2011-2012	\$143,450	26.59	\$3,814	-	-
2015-2016	\$102,840	31.55	\$3,244	\$569.00	14.9%

In the 2014-2015 FY, this taxpayer continued to pay \$569 less in taxes than he or she was paying under the prior administration.

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27. For example, the owner of this property – a 2 bedroom, 1 bath cape located on Ozone Road paid \$569 dollars less than he or she was paying prior to my resuming office in 2011.



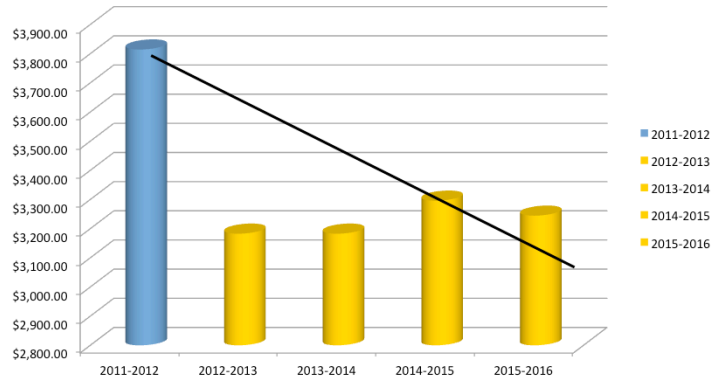
Example Property #1

Ozone Road, East Haven – 1,090 Sq. Feet,
2 Bedrooms, 1 Bath



four

Ozone Rd. Example Property 1 - Taxes



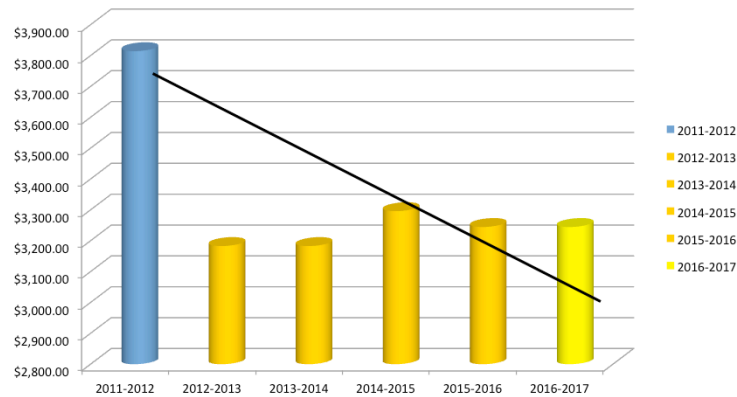
28

28. As you can see, with the exception of a minor bump in the 2014-2015 fiscal year, taxes have been steadily declining, with a large majority of homeowners paying less in taxes than in 2011.



Mill Rate Proposal – NO CHANGE in the Mill Rate

Ozone Rd. Example Property 1 - Taxes



29. For the upcoming fiscal year, I am proposing that the mill rate remain unchanged. This will preserve the tax savings we generated last year when we instituted the largest tax decrease in a non-revaluation year since 1989.

In the end, my recommendation to leave the mill rate unchanged was made possible due to two primary factors: the \$1 million dollar reduction in our debt payments and the increase in revenue from growth in our grand list. This budget proposal rewards taxpayers with another year of stable, predictable taxes.



Budget Review– Overall

- **No Change** in the Mill Rate
- \$250,000 dollars in funding for the BOE
- \$600,000 dollars to continue to restore the Town's rainy day fund
- \$1 million dollars in savings on long-term debt payments
- Increased funding for Police, Fire, and Public Services

30. Just to summarize - My proposed budget provides for **no change in the mill rate**. It provides for \$250,000 dollars in new funding for the Board of Education and \$600,000 dollars to continue to stabilize the rainy day fund. This budget also provides vital funding for our Police, Fire, and Public Services Departments so that they can continue to protect and serve our residents.



Town of East Haven Mayor Joseph Maturo, Jr.

2015-2016 Fiscal Year Budget Presentation

March 30, 2015 – East Haven High School

Closing Slide:

I'd like to thank everyone for coming out tonight and I encourage you all to participate in the budget process as it heads to the Town Council for approval.

Thank you, and good night.