TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
March 18, 2023
Municipal Office Complex
Meeting Rooms 1 and 2
Via Zoom and YouTube Life

Participating:

Board of Finance Members:

Joseph Corbett
Bruce Dutch
Todd Gelston
Tracey Gionta
Harvey Thomas
Rebecca Whatley

Others:

Don Angersola – Facilities Director
Rob Funk – Finance Director
Irene Haines – First Selectwoman
Allison Murphy – Library Director
Linda Zemienieski – Executive Manager
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Gionta called the meeting to order at 9:01 a.m. and the attendees said the pledge of allegiance.

2023-2024 Budget

a. Public Safety

i. Police Officers – First Selectwoman Haines reported that the only changes to this budget from FY23 was a contractual increase in Salaries & Wages and a reduction to the Telephone/Cell Phone budget line. There was a brief discussion regarding staffing.

In response to a question raised by Ms. Whatley, Mr. Funk clarified why the narrative reflected a 4.6% negotiated increase while the budgeted numbers reflect a 3.6% increase in the police officers' budget for FY2023-2024.

ii. Resident State Trooper – Ms. Zemienieski reported that the Resident State Trooper budget had been reduced for FY24 because, based on their fringe benefits and Workers Comp calculations, the state had lowered the reimbursement rate they charge municipalities.

In response to an inquiry by Mr. Gelston, there was a general discussion about the cost of establishing a police department in lieu of contracting for the services of a Resident State Trooper. It was noted that start-up costs would be high and the on-going salaries and fringe benefits expense would exceed the contractual cost of a Resident State Trooper. It was further noted that, when needed, the Resident Trooper is backed-up by Troop K.

iii. Fire Department – Ms. Haines reported that there is a 4.9% contractual increase in Salaries and Wages. She reviewed the Fire Department's Overtime budget and explained the dynamics behind the expense. She noted that the Department is working on a scheduling plan that they hope will mitigate the OT expense somewhat.

Ms. Haines responded to several questions from the Board. There was a brief discussion regarding the Equipment budget line. Mr. Funk noted that an additional $12,139.00 is included in the Shared Services operating budget for the Fire Department's technology and internet. Ms. Haines briefly reviewed the realignment of technology expenses into some specific departmental operating budgets.

iv. Emergency Management/911 Services – Ms. Haines reviewed this budget and there was a general discussion regarding the Equipment expense. In response to a question from Mr. Gelston, Ms. Gionta and Ms. Zemienieski clarified what is included in the Purchased Property Services budget line. Ms. Haines responded to questions.

v. Paramedic Services – Ms. Haines provided an overview of EMT vs. paramedic services. She advised that the Town contracts with Middlesex Hospital for its paramedic services. Ms. Zemienieski provided background on the contract with Middlesex and she and Ms. Haines responded to questions from the Board.

There was a general discussion regarding the role of the Volunteer Ambulance Association. Ms. Haines discussed issues related to the Town's agreement with the Association and reviewed the actions she has taken to find a resolution to the matter. She responded to several questions from the BOF members.

vi. Building Department – Ms. Haines advised that the only change to the FY24 Building Department operating budget was the contractual increase in Salaries & Wages. There was a brief discussion about permit revenues returning to a more normal level.

vii. Regional Animal Control – Ms. Haines stated that the Town shares a regionalized Animal Control function with East Hampton. She noted that East Haddam's Animal Control Officer also works for the town of Columbia which pays East Haddam a monthly stipend for the Officer's use of the Town's vehicle and cell phone.

viii. Fire Marshal – Fire Marshal Angersola advised that the only changes to the FY24 operating budget is the contractual increase in Salaries & Wages and a $518 increase to the Telephone/Cell Phone budget line.

b. Culture & Recreation

i. Library System – Ms. Haines introduced Allison Murphy who is the new Library Director. Mr. Funk reviewed the Library budget and it was noted that, in addition to contractual increases, the Salaries & Wages budget line had been impacted by the mandated minimum wage increase that will go into effect on June 1.

In response to a comment from Mr. Gelston, there was a general discussion regarding staffing. Mr. Angersola discussed the cost savings benefits of the mini-splits that were recently installed in the library. Ms. Murphy provided an overview of her impressions of members of the Library Boards and the use of the Town libraries in general.

The Board took a short break at 10:26 a.m. The meeting reconvened at 10:36 a.m.

ii. Recreation Commission – Ms. Haines reviewed the Recreation Commission's operating budget and there was a brief discussion about the request to increase the Assistant Director's hours from 20 to 25 per week. In response to a question raised by Ms. Whatley, Mr. Funk provided a distinction between capital items and supplies. He stated he would clarify with the auditors about how to categorize the Nicols Field soccer goals.

There was a general discussion regarding several budget items and, in response to a request by Ms. Gionta, Mr. Funk pulled up information on the Recreation Commission's Special Revenue Fund. He noted that in FY23 $180,247.00, which includes a $9,500.00 transfer from the general fund, was contributed to the Commission's Special Revenue Fund. He noted that most of the funds were from summer day camp registrations.

Mr. Gelston expressed concern about the cost of the Department's registration software and there was a discussion regarding the Town's overall software expenditures in general.

iii. Town Greens, Grounds and Fields – Ms. Zemienieski reviewed this budget and provided information about staffing changes that have resulted in a reduction to the overall FY24 budget. She responded to questions and provided detailed information for the increase in the Other Supplies budget line.

iv. Lakes Association – Mr. Funk noted that the recent revisions to the BOF's policy for the Lakes Association needs to be further updated to address the Association's request to have the ability to apply to the BOF in any year to roll-over unused operating funds to their Capital Reserves account. Ms. Haines and Ms. Gionta provided additional information about the request.

It was further noted that the Association has requested their annual budget be provided in a lump sum rather than divided equally among the three lakes. Ms. Haines noted that there are different needs at each lake and she believes it is best to let the "experts" manage their own distribution of funds. She stated that she supported complying with the Association's request.

Ms. Haines responded to questions from the Board. Ms. Whatley expressed concern about the amount of the year-over-year increase in the Lakes Association's budgets. In response to a request from Mr. Gelston for more detailed information about the FY24 proposed budget increase, Ms. Haines agreed to give the Board a copy of the presentation the Lakes Association provided to the Board of Selectmen.

c. Health & Social Services

i. Youth & Family Services – Ms. Haines provided background information about Youth & Family Services (Y&FS) need for a case manager to coordinate multiple avenues of services to Town residents. She noted that Y&FS Director McCabe has also expressed a need for a Truancy and Juvenile Review Board Coordinator. Ms. Haines noted that both the case manager and coordinator positions were proposed as part-time but could be combined into one full-time position. She stated that Y&FS has received an on-going annual grant to help fund a case manager position and that they are asking the Town to increase the revenues it provides Y&FS by $14,276.00 (6.2%) to help fund the combined position.

There was a general discussion regarding the structure of Youth & Family Services organization. Ms. Haines responded to several questions from the Board.

ii. Early Childhood Council – Ms. Haines stated that there were no changes the Early Childhood Council's proposed FY24 operating budget.

iii. Health Inspection – Ms. Zemienieski stated that the cost to participate in the Chatham Health District (CHD) is based on a per capita charge. It was noted that the increase in the FY24 budget is a direct result of an increase in the per capita charge and because the Town's census has increased by 93 residents.

Ms. Haines reviewed the services CHD provides to the Town. Ms. Zemienieski reviewed the benefits of participating in the Everbridge system and responded to questions.

iv. Senior Services – Ms. Haines reviewed the proposed FY24 Senior Services operating budget and there was a brief discussion regarding staffing. She noted that Mr. Angersola had implemented an economical solution to the malfunctioning lights at the walking path.

Mr. Angersola acknowledged that there is a significant increase proposed for the Senior Services FY24 Building Maintenance budget. He advised that the Senior Center's building maintenance had been under-budgeted in previous years and, consequently, the FY24 projection is more realistic; additionally, he reviewed the need to remove several damaged/diseased trees on the property and that expense is also reflected in the Building Maintenance budget line.

v. Human Services – Ms. Zemienieski reviewed a list of organizations and the services they offer, without charge, to Town residents in need. She noted that the actual cost of the services provided and the number of East Haddam residents that are helped by these charitable organizations far outweigh the annual contribution the Town provides.
In response to a recommendation made by Mr. Thomas, the Board agreed to increase the Town's annual contribution to each of the seven organizations by $100.00.

vi. Cemeteries – Ms. Zemienieski and Mr. Angersola provided an overview of the Cemeteries Committee's role and responsibilities. Mr. Angersola stated that, in addition to the $10,300.00 proposed FY24 operating budget, the Committee would like the Town to establish a reserve fund and seed it with $10k to cover replacement materials for gates, stone walls, signs, tree removal, necessary equipment rentals and/or contractor work outside the normal scope of mowing and clean up. Ms. Zemienieski noted that $300.00 of the operating budget represents an annual stipend for the Bashan Hill Cemetery's caretaker.

Ms. Gionta noted that the Committee has asked the Town for $13k in FY24 Capital Reserves for monument maintenance. There was a general discussion regarding the Town's level of responsibility to maintain family monuments. Mr. Angersola advised that the American Legion and Boy Scouts have volunteered to assist with the maintenance of veterans' and historic headstones. He noted that a workshop on monument preservation will be held on April 29th at the Mount Parnassus Cemetery.

The Board recessed for lunch at 11:57 a.m. The meeting reconvened at 1:00 p.m.

d. Presentation and discussion regarding future Debt Strategy and Capital Funding

Ms. Gionta introduced the Town's Bond Counsel Bill Lindsay of Munistat. She reviewed the Board's FY2022-2023 plan to use ARPA funds to repay the Town for funds expended for three small capital projects totaling approximately $850k. She stated that federal guidelines now preclude the use of ARPA funds for the retirement of debt. Ms. Gionta reviewed a list of approved capital projects that are in the pipeline.

Mr. Lindsay distributed handouts and reviewed a PowerPoint presentation on the Town's debt impact and borrowing capacity. He reviewed the Town's overall concept for funding capital debt and discussed graphs that reflected the impact of additional debt, in $5M increments, on the Town's finances. He also discussed the benefits of utilizing short-term notes to finance the cost of capital projects prior to the completion of the projects.

Mr. Lindsay responded to questions and there was a general discussion regarding the pros and cons of repaying the Town's fund balance, through borrowing, for several small capital projects that have been completed. It was Mr. Lindsay's opinion that there would most likely be no negative credit impact if the Town decided not to repay its fund balance, particularly in the current interest rate environment.

There was a general discussion regarding the Board's strategy for borrowing for upcoming capital projects. Mr. Thomas recommended that the next steps are to create a comprehensive timeline of capital projects and their estimated costs.

e. Other Budget Items

Mr. Funk reviewed the impact of the proposed FY24 Operating Budget on the mill rate. He emphasized that his calculations are based on incomplete information and listed a number of assumptions he had made. There was a general discussion regarding the potential impact of the Town's budget on tax-payers. Mr. Funk responded to questions from the Board.

GUEST AND AUDIENCE COMMENTS

There were no guest and/or audience comments discussed at the meeting.

ADJOURNMENT

Motion made by Mr. Dutch to adjourn at 2:30 p.m. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Bruce Dutch
Secretary