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**EAST HAVEN BOARD OF FINANCE
BUDGET WORKSHOP MEETING MINUTES
MARCH 19, 2024**

The East Haven Board of Finance held a Budget Workshop Meeting on Tuesday, March 19, 2024, at 6:30 P.M. in the Senior Center in order to transact the Following:

Roll Call

Mayor Joseph Carfora was not present, Richard Esposito, Beth Purcell, Al Purzycki, Chris Perdo, Ralph Vitale (by phone) and Ron DeSena were present. Jim Keeley, Finance Director was also present.

a. Revenue Review

Rich stated we did get a Revenue review at the last meeting.

b. General Budget Review

The biggest item on there is a zero dollar increase to the BOE. Al made a motion to discuss that, Beth seconds. Al stated if the increase for the salaries is \$1,000,000.00, then a zero increase is difficult to fathom. Beth stated especially when everyone else got their contractually obligated pay increases. Chris stated he sits through every meeting. I see sometimes there is wasteful spending, but with us jumping all over the place, I feel that by us giving nothing now, I feel like we are going to have to give them more the following year to catch up. We do low ball them, because some people believe they have extra funds. I thought we could look in the budget to see where we can stay within the same means of the mill rate increase set by mayor's budget and see where we can re-evaluate the funds of the other departments and move some funds to the BOE. Rich stated he makes a good point of staying within the mill rate and current budget. Beth stated it was a 2.05 mill rate increase, and yet we flat funded the BOE. Chris looked at the fire department and public works salary budgets and the way he looked at personal service reports, I add up each of the FD salaries at the rate that is projected for the coming year, I end up with almost \$129,500.00 extra. Beth is that with the contractual increase. Chris stated that is what it should be. Chris thought maybe it was miscalculated. Jim will look at it as well. Chris stated also with Public Works there is a \$40,000.00 overage but there are 6 vacancies and last year's budget there were the same 6 vacancies, so we are funding those positions and that is a few hundred thousand. Chris states because they have been vacant for over a year, maybe we can pull some of that money. Jim stated one thing when it comes to

salaries, other than fire, it is a crap shoot because all the contracts are up. Al stated we have the reserve set aside for that. Jim stated yes. Some other discussion (inaudible) Jim stated that is the accrual from one year to the next, to make sure when the payrolls overlap you get paid in July (inaudible) Jim stated when he first started, they did not accrue the payroll, that is why we had to sell WPCA because BOE's accrual got so high so we had no way of getting the money back to make up the 7-million-dollar difference. Sometimes they were accruing if there was money left in the funds, so if the line item had salaries available, they would accrue that dept. When I first started we had 3 years and June 30th was going to land on a Friday, the last payroll. So, I had discussions at the time with the auditor to get it closer to the real number. At the time everyone was paid current. Some employees are current and some are paid in arrears. Chris stated the biggest ones he had seen was the fire dept and PW. Ralph asked how many jobs we have in the IT dept. Jim stated it is budgeted for 2 and we have one person right now. Ralph stated how much is budgeted for the person that we do not have. Jim stated about \$78,000.00. Ralph asked how long had that person been gone for. Jim stated October. Ralph said that the IT Dept. seems to be running. Ralph said there is \$78,000.00 right there. Beth stated wasn't Tina in ARPA funds,, Jim said that is why it went up. We have not increased anyone. It is just allocating her from one to the other. At one time we talked about the BOE (inaudible), they had 4 full time and 5 or 6 per diem IT people. Ralph thought we were not funding permanent positions (inaudible). Jim stated we did at the beginning because we were implementing a lot of new changes which is why we allocated money to ARPA and we needed personnel to get it done. Jim said he wishes we could have an IT person to help with MUNIS. A lot of the other departments are leaning heavily on finance and we just lost our purchasing agent too, we are tied up right now. Part of it we need to direct some of the work flow its got to be to the IT dept.. It is one thing when it is a budgeting question but some of it is technical questions and it is easier to just call us, but we cannot survive that way forever. Whether or not we can do without that person, I do not know. We are trying. We had discussion on the phone with MUNIS and voiced my displeasure and they have not gotten back to me. It is an IT problem and I do not have someone here to be able to fix that. Ralph asked if the person we have now, if they have the skills to handle this problem. Jim said probably no, because they have no experience with MUNIS but you are looking at a position for \$75k and it would cost you twice as much as that to get the person that would be able to fix it. Ralph said the \$75k is not going to help us then. Ralph said if we hire an IT person for \$75k who cannot handle what we want, why are we going spend the money that will not meet our needs anyway. Ralph said there is no answer. Inaudible. Ralph said this is not a good use of tax payers' money. Chris said it is a Union position. Jim stated that the way he thinks of it is you take \$75,000.00 out of the Town's budget and give it to the BOE that has 6 IT people. Ralph said it comes down to is that there is a \$150,000.00 problem and (inaudible) and hire someone for \$30,000..00 to call MUNIS and ask the same questions you were going to ask them, that is almost clerical. Because if they cannot fix the problem, they are not an IT person. Beth said it is a system implementation. Chris said there are still other departments that can use that IT person for regular IT stuff. Jim said part of what we need, to be able to hire someone that would know how to do

everything is just out of our reach unless we really up the salary, either way you need people, at least in my department we need a go between sometimes. You are trying to get a problem solved and you are talking to other IT people and we are not speaking the same language. We need someone to be a buffer. Beth asked if this position was posted. Jim said to the best of my knowledge it was not. The vacant position no. Beth asked if the person that is in the position now, was that posted. Jim stated yes. Ralph asked if Jim could send the job description to him. There was discussion on the salaries for PW and FD and the BOARD double checked numbers. Ralph asked Chris what his understanding is of the new assistant superintendent that they say they needed. Chris spoke with their finance director RJ on it and they are getting rid of a high up position held by Julie Church, her job is being eliminated and they added a second assistant superintendent. One assistant will oversee the curriculum from K-5 and the other will over see 6 through 12 and according to RJ they are saving \$15,000.00 on the first year just because of the change in salaries of the new people starting. That is not part of the increase that they are asking for. Chris was also saying that where he works they have 20 people in the IT department and when they implement a new program, those people have to call that program up and work with them directly. Ralph understands that. You have to have some basic knowledge. I would think that you would have to have qualifications. Beth said they are implementation a whole new finance software. Ron stated we have all the overtime and then all the open positions, maybe we reduce the overtime in the departments and then use the open positions to pay toward the overtime because the open positions are being funded anyway. Police has been underfunded on overtime and now this time they are getting close to what they should be getting. Chris stated maybe they can get some procedures on attendance records because it has gotten out of control, and he does understand that the state has mandates but every department has different mandates that are not funded. Beth stated part of the problem too is that if you have open positions sometimes they need the overtime to cover for that open position and you should not have both. Chris states he understands they need a buffer in there but the way he added it up it looked like PW has \$40,000.00 as a buffer in there but they have 6 vacancies. At least 5 of the 6 were the same ones as last year. IT has been 5 months but PW has been over a year. Rich states I like the approach, we can leave a small buffer in there and take a percentage. Every year if you have zero or close to zero to BOE, you have to eventually make up for that. Ralph stated we flat funded the BOE and we are still going up 2 mills, we can cut a half of mill out. There are residents that are living marginally already and we say the Town's bills go up, so is everyone's that will be paying the extra 2 mills. If there is stuff we can hack out, maybe we do not need to go up 2 mills.. Chris stated the hard part is that if you keep it zero for the BOE, everyone else got their contractual raises and it is a slap in the face to 350 teachers. Ralph said he is a fan of the BOE, and he understands that, but if you are saying that everyone got their contractual, and there is extra money here and there then take some money back so everyone gets slapped in the face equally. The tax payers are the ones getting slapped in the face. Beth asked if we lowered taxes last year. The members stated no we kept the same mill rate. Beth asked if we had a reval last year. It was stated that the reval was in 2021 and the next one is 2026. Jim stated it looks like the \$45k in the regular salaries and they put it in the part time salaries.

So, it is a difference of \$45k? (inaudible) Beth stated when some of the grants run out you have to reevaluate the work flow, you cannot offer all those programs. Chris stated (inaudible) was funded by ARPA so they cut that out. A lot of the newer programs they are doing are not as funded by us as you think, they are supplemented by after school programs mostly. The shop is all in the classroom. Jim has had this conversation with police and fire, sometimes you get the position funded, but not the benefits. So, every person you add on, there is a benefit package, retirement, MERS.

Beth said the \$45k is out of fire. Beth agrees on police that the overtime is funded for all the heads, and maybe that should come down. Right now, it states they spent 926 as of January. Chris said we just did a transfer of 325k. Chris said it has to come down to a conversation with the chief and looking at their policies and attendance records. Rich stated if we were to take a percentage of the vacancies from PW and the 45k from Fire we can give that to the BOE and stick with Mill rate as it stands. Chris said the savings from PW salary line and the savings from fire and instead of flatting BOE, give that to BOE. Al asked what would we take out of PW. There are 6 vacancies and Rich stated let's start with half. Al stated that is around \$185k. Rich stated maybe we start with 2 vacancies in case they start to hire. Al asked the members if they should take part of the 78k from IT. Chris said that is a growing department and that still has to be figured out. Chris thinks 225k is better than nothing. Ralph stated he did not think it was that much because they asked for 2 million. Chris stated this would keep it at the same mill rate increase and the budget. Rich stated we will vote on this tomorrow.

Al stated we will be voting on the recreation rink and moving 18k for electricity and 17k in natural gas is the new budget consider the efficiencies that we are starting to see or are we over funded there. Jim stated he wished he could give a definitive answer. Ralph asked if we are violating the charter. Jim stated we are not making a transfer now; we are just stating that there is a transfer for tomorrow and it has come to our attention so maybe we can adjust the budget due to the transfers that will come before us. Al stated right now we budgeted for electricity last year for 125k and this year is 125k but they are going to be taking 17k out tomorrow, for Natural gas it was 48k last year and this year it is 40k this year. Beth stated the electricity is the same as last year but they are moving \$18k out. Al stated the Mayor's budget was leaving it at 125k. Ralph stated it is over funded then. Al stated they took money out of natural gas which is ok. Al stated we could take ½ maybe 9k out of ice rink (half of the 18k). We would have 259k. Rich states that leaves Police funded properly with true overtime, it does not touch fire because we found the 45k and the transfer proves they do not need the full 18k, we are only moving half and then the last piece is that we take 3 of the PW vacancies, now we fund BOE keeping the mill rate at 2. Per Al, 185k from PW, 45 from fire and then 9k from Rec. That comes to 259k. Beth asked how come Social Services was roughly 30k and then when they go to Youth Services it is 37k. Jim stated he believes that was for some part time wages for staff for \$6,600.00. Beth stated all these departments are adding all these parts time positions and yet we are flat funding BOE. Chris said he spoke with Liz and these programs she is looking for extra funding for part time staff, we get revenue from a lot of these programs as well. Jim stated it is in the Revenue account. Beth asked if anyone wanted to talk about the ROV office. Rich stated do we want to give any of the money we found to them. Beth said they have all these state mandates to cover extra hours. Rich stated the 9k helps. Chris stated we gave them an increase this year. Al said they are getting money from the state. This time they broke it down, salary wise. Rich stated we

could take that 9k and give to them. The discussions went on to state they had a big increase this year. Al stated they are going to have to deal with no funding next year from the State. Rich stated the 9k helps with the part time wages. Al stated it is the early voting people. Rich stated it helps. I think if we give the 9k from Rec to ROV, the 250k to BOE we keep the Mill rate at 2. Jim reiterated that we take 9k from Rec to ROV, the 45k from fire and take 185 from PW. Beth said there is no wiggle room in debt services. Jim stated correct. Jim also mentioned he had a typo with legal for 9k and he will take that from general services. It was noted for 1k and should have been 10k. Ralph stated the Mayor does not have to take our suggestions. Jim stated he will change the numbers on the sheets from what we discussed and will have new sheets and forwarded them to BOF reflecting what the BOF is proposing and that is what will go to the Mayor. The Mayor can choose to accept or go with the budget he already had. However, the BOF will be on the record with what you propose. Rich stated tomorrow under new business we can discuss if anyone has any other thoughts. Ralph stated the Mayor returns the budget, the question is do we want to vote on his budget or our budget. So, if he brings us back the same budget, we are back where we started from. Jim stated you vote on what your recommendations are to the Mayor. Rich stated we are at least highlighting all the important things that the TC should know about.

Adjournment

Al made a motion to adjourn at 7:29 P.M. Beth seconds. All in favor.

Board of Finance Clerk

Susan Mauro

4/2/2023