

EAST HAVEN TOWN COUNCIL
SPECIAL MEETING MINUTES
WEDNESDAY, APRIL 26, 2017Stacy Gravano, CTC
TOWN CLERK

The East Haven Town Council held a special meeting Wednesday, April 26, 2017, at 7:00PM at the East Haven Senior Center, 91 Taylor Avenue, East Haven, CT 06512.

Chairman Fred Parlato calls the meeting to order at 7:00PM.

Item #1

Roll Call- 12 present – 2 absent (Hennessey and Butler III).
A quorum is present.

Chairman Parlato asks all to stand for the pledge of allegiance.

Item #2

To consider and act upon a Resolution appointing William J. Gormley to the East Haven Legislative Town Council.

A Resolution appointing William J. Gormley to the East Haven Legislative Town Council

WHEREAS, a vacancy exists on the Legislative Town Council in one of the three seats from District 4;

AND WHEREAS, pursuant to Chapter 2, Section 4 of the East Haven Town Charter, the Legislative Town Council is the appointing authority for said position;

NOW THEREFORE, BE IT RESOLVED that William J. Gormley is hereby appointed to the aforementioned seat to serve out the present term, which expires 11/18/2017.

Councilman Ken Mckay makes a motion.
Councilman Robert Parente seconds the motion.

No public comment.
Council comment:

- Councilwoman Letizia Lettieri-Morales says as a point of order, she doesn't remember discussing this at the Admin. Meeting.
- Town Attorney Joseph Zullo says the Admin. Meeting doesn't set this Agenda, the Chairman sets this Agenda
- Councilwoman Lettieri-Morales says the whole Council was not made aware that Vincent Spaduzzi stepped down, she has not seen a letter of resignation.

- Attorney Zullo says notice to the Council isn't necessary via the Town Charter.
- Chairman Parlato says the notice is on file with the Town Clerk.
- Councilwoman Lettieri-Morales says she pulled the minutes from the Town Council meeting from 9/1/15 and there was a similar situation two years ago when Councilman Riolino and Councilman Thompson left and there were two Council members that are currently here and she quotes Councilman McKay saying he didn't feel comfortable voting someone in that night because they didn't have enough time to look over a resume and also he wanted to make sure there weren't other people out there that are interested. Councilwoman Judy Esposito says so they will be on the Council a few months and then will be running as incumbents. She has these same concerns now that they had two years ago.
- Councilman Nicholas Palladino says maybe the Charter doesn't say it and maybe the Standing Rules don't say it, but if a Council person resigned he thinks for the Chair or Vice-Chair whoever that takes the resignation the basic courtesy would be to notify the rest of the members; not everyone goes to Town Hall every day or ever so they should have been advised the person resigned so they knew and if anyone happened to be interested in that District they would be able to say so. His second concern is, and he knows the person they want to appoint for many years and he is a great guy he has nothing personally against him, but he has a problem that he has a patronage job. He has the same job he spoke about at the last meeting, people that are appointed by the Mayor's Office, they are not Civil Service workers or Union workers, they don't take a test to get the job; they are anointed to the job and serve at the pleasure of the Mayor. It puts a person like they want to put on, who is a nice guy, on the Council and tying his hands and he doesn't feel they need to put a person on whose job depends on one person; he doesn't think it is fair to that person or to the Council to have compromised people sitting on the Council. If the person has that kind of job and wants to run in an election where the people who vote for them know he/she is in that situation but to appoint them he doesn't think that would be right; he thinks other candidates should be looked into so they don't have another compromised person sitting on the Council.
- Councilman Santino asks what the process was, how did they come up with this candidate and is it the only one they went to and asked?
- Chairman Parlato says he notified the Clerk and the Mayor, it is on record in the clerk's office he was under the impression everyone was notified electronically. In the past he knows either the Mayor recommends or they put out feelers; nobody contacted him to say they were interested. Mr. Gormley expressed an interest in it.
- Councilman Santino asks if they can ask him how he found out about it. How did it come about publically if nobody knew?
- Chairman Parlato says they are pre-judging someone who took an interest in taking part of the democratic process; he doesn't think that is fair. To say it is a patronage job, he doesn't think that's fair. He says he also had a patronage job working for the Town three times and he doesn't think that changes anything. He is a taxpayer and lives in East Haven. We shouldn't pre-judge anyone, he is

filling the unexpired term of an individual who did not show up for many meetings and he expressed the need to have a full Council. Mr. Gormley is the candidate and that is going to stand; if they don't like it they can vote against it.

- Councilman Santino says there are other Republican candidates that are there that are interested in it and nobody was notified about it.
- Chairman Parlato says nobody contacted him.
- Councilman Santino says how are the people supposed to know if nobody called to say there was an opening in their district; there is a man right there Steven Tracey that ran for them last year for State Rep who is interested in it and was denied.
- Chairman Parlato says he doesn't remember Steve giving him a call if he knew about it, he says Steve knew about it so don't tell him he didn't.
- Councilman Palladino says how would he know if he himself is a Councilman and didn't know.
- Councilwoman Lettieri-Morales strongly reiterates that two great Council members McKay and Esposito's reasons two years ago should still stand. Second, if you vote him on he now gets a chance to vote on a budget, which he has not come to one budget meeting for.
- Chairman Parlato says he has taken care of that, he perceived that to be a problem and he has taken care of it.

Roll call vote: 8 in favor- 4 oppose- (Santino, Palladino, Lettieri-Morales, Archambault)- none abstain. Motion carries.

Item #2a

Administration of the Oath of Office to William J. Gormley by Town Attorney Joseph Zullo (if favorable action is taken on Agenda Item 2).

*William Gormley is hereinafter included in the roll call/voting of the remainder of the items on the Agenda.

Item #3

Approval of minutes from the April 4, 2017 Regular Meeting.

Councilman William Richardson makes a motion.

Councilman McKay seconds the motion.

No public comment.

No Council comment.

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

Item #4

Approval of minutes from April 17, 2017 Public Hearing.

Councilman Richardson makes a motion.

Councilman Judy Esposito seconds the motion

No public comment.

No Council comment.

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

Item #5

Approval of minutes from April 18, 2017 Public Hearing.

Councilwoman Susan Archambault makes a motion.

Councilman Richard Anania seconds the motion.

No public comment.

Council comment:

- Councilman Palladino says in this meeting the Town Attorney started to explain the Mayor's philosophy with respect to the raises and the salaries of the Fire and Police Chiefs and then talked about how these people have no union protection. Nowhere in the minutes and nowhere where he recalls did anyone on the Council, including the Chairman or Vice Chairman ask the Attorney for an opinion. This wasn't a legal opinion, this was basically his opinion that these people deserve a raise and he took offense to the fact that he considers them patronage jobs which by definition they are, and he doesn't feel he should have been talking as if he were a Councilman trying to encourage them to give raises when one of the people involved is very near and dear to him. He thinks that is very close to being totally inappropriate, if he is asked to give a legal opinion he gives very good ones but this was just his personal opinion that these people deserve the raise and he doesn't think the Town Attorney, as far as the Standing Rules or the Town Charter is his responsibility or authority to do so.
- Chairman Parlato says he is not going to comment on that, he thinks the Town Attorney did not try to convince us, he more or less informed us. Everyone has his or her own opinion on it and he will leave it at that.
- Councilman Palladino says he thinks the minutes speak for themselves and you will see he is encouraging them to vote.

- Chairman Parlato says what's in the minutes and the way he and other people on the Council interpret them may be different.

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

Item #6

To consider and act upon a Resolution enacting and approving an "Ordinance adopting the Town and Board of Education Budgets and fixing the tax rate in mills for the 2017-2018 fiscal year of the Town of East Haven."

AUTHORIZING ORDINANCE OF THE East Haven Town Council

An Ordinance adopting the Town and Board of Education Budgets and fixing the tax rate in mills for the 2017-2018 fiscal year of the Town of East Haven.

WHEREAS, in accordance with the provisions of the General Statutes of the State of Connecticut and the Town Charter of the Town of East Haven, this Council is empowered to adopt a budget and set the tax rate in mills, 31.55 for the 2017-2018 fiscal year;

AND WHEREAS, the Town Council has reviewed the budget submitted by the Mayor and has held public hearings and budget workshops thereon and made various changes;

NOW THEREFORE, be it **ORDAINED**:

Section 1. Total estimated revenues for the fiscal year are as follows:

REVENUES

Current & Delinquent Town Taxes	\$ 62,661,553.00
State and Federal Grants for Education	\$ 20,465,318.00
State Grants and Payments in Lieu of Taxes	\$ 2,573,799.00
Other State Grants	\$ 91,719.00
Income from Short Term Investments	\$ 66,700.00
Licenses, Permits, Fees, and Services	\$ 1,497,850.00
Miscellaneous	\$ 2,180,050.00
TOTAL ESTIMATED REVENUES	\$ 89,536,989.00

Section 2. Total appropriations for the fiscal year are as follows:

APPROPRIATIONS

General Government	\$ 2,863,962.00
Employee Benefits	\$ 10,168,632.00
Public Services	\$ 5,516,044.00
Public Safety	\$ 12,372,310.00
Health	\$ 262,613.00
Social Services	\$ 59,250.00
Counseling & Community Services	\$ 777,239.00
Housing Authority	\$ 850.00
Urban Renewal	\$ 42,450.00
School Building Committee	\$ 2,600.00
Library	\$ 804,148.00
Recreation	\$ 487,274.00
Recreation/Ice Rink	\$ 299,120.00
Senior Center	\$ 217,639.00
Debt Service	\$ 3,207,801.00
Community Services	\$ 109,200.00
Insurance	\$ 2,488,000.00
General Services	\$ 2,047,500.00
Fund Balance Contribution	\$ 100,000.00

Total Board of Education Appropriation	\$ 47,710,357.00
--	------------------

TOTAL BUDGETED APPROPRIATIONS	\$ 89,536,989.00
--------------------------------------	-------------------------

Section 3. This ordinance shall be deemed to approve the budget proposed to the Council by the Mayor on March 28, 2017, except as modified by the Finance Director or the Town Council throughout the budget workshop process, and except as the same may be specially amended by this ordinance. The Director of Finance is directed to adjust all figures and summaries in the budget services reports to reflect the amendments, if any, to the Mayor's proposed budget which are set forth in this ordinance as finally approved.

Section 4. Salaries of Elected Officials. Pursuant to Chapter 7, Section 9 and Chapter 3, Section 5 of the Town Charter, the following shall constitute the salary schedule of the position of "Mayor" for the budget year next preceding such official's election:

Fiscal Year	Salary of position of "Mayor"
2017-2018 (7/1/2017-11/18/2017)	\$87,125.00
2017-2018	\$98,211.50
2018-2019	\$109,298.00

This Ordinance was approved by the Town Council on April 26, 2017 and shall be effective in accordance with the provisions of the East Haven Town Charter.

Respectfully,

Submitted by:

Danelle Feeley, Council Clerk

Date

Stacy Gravino, Town Clerk

Date

Joseph Maturo, Jr., Mayor

Date

Place seal below:

Councilman Richardson makes a motion.

Councilman McKay seconds the motion.

- Vice Chairman Sand asks Finance Director Paul Rizza to explain the report they were given as it has an impact on the budget ordinance.
- Finance Director Paul Rizza addresses the Council regarding the report they received and explains they reviewed the general fund and grants funds, general ledger balances, revenues and expenditures reports through February 28, 2017 and they also reviewed certain revenue and expenditures accounts with management to identify accounts that should be closely monitored. They reviewed bank reconciliations for both the general fund and grant programs. They also provided recommendations based on the procedures that were performed. They went in and made some adjustments based on their review and their previous experience with our school district as a whole. They looked at and focused on the largest accounts which are the salaries, benefits/health insurance, special education costs, transportation, utilizes and retirement/sick/vacation payouts. They reviewed those through February 28, 2017 and obtained information from a number of people at the board from the period March 1, 2016-June 30, 2017, which was the projection period. The budget projection was developed based on known information and/or average monthly costs, which is a good way to estimate it. He references page 2 where

they made the following assumptions to complete the projections- all salary accounts, unless identified as a vacancy, will be fully expended; non-salary lines not reviewed in detail as noted above, will be full spent; certain budget line items as identified are fully spent as of February 28, 2017 and will not have any additional expenditures; no grants will be overspent as of June 30, 2017; no new positions will be added for the remainder of the fiscal year and current positions that are vacant will not be filled; no new students with special education needs will be added for the remainder of the year; estimated amounts to be collected to offset expenditures will be received by the Town (excess cost grant, state teacher retirement payments for medical insurance, and retiree payments) those payments move directly to the Board of Education; the 2016 Alliance Grant is formally approved for carryover by the State; all information provided by the Departments was complete. Based on the procedures performance and the assumptions described above, the projected budget status for the East Haven Public Schools at June 30, 2017 is approximately a \$169,000 positive balance, or as they put it, underspent. As noted above if any of the assumptions change or additional information becomes available, budget projection must be recalculated using the updated information. On page 3 they indicate they reconciled the general fund and grant funds and both accounts were reconciled to the date of February 28, 2017 and state that the information provided and included in this analysis was the best information available at the time of inquiry and review. As new information becomes available it must be incorporated into the analysis to update the budget projection. No amounts presented in this report should be considered audited in accordance with generally accepted accounting principals, it is important to understand that there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected or those differences may be material. They have no responsibility to update the report for events and circumstances occurring after the date of this report. The budget projection and this report are intended solely for the information and use of the Town of East Haven and East Haven Public Schools and is not intended to be and should not be used by anyone other than these specified parties. On page 4 they talk about recommendations and the first one is recommending at a minimum on a quarterly basis the East Haven Public Schools complete a similar process that was completed to develop this report to ensure the general ledger balances are correct and the basis to develop a budget projection. Mr. Rizza says because of the shortness of time, if they are going to do it on a quarterly basis it would be June 30th so if there were any problems it would be much too late to take any corrective action and he has spoken to Jim Farrell so they are going to try to update at the end of April and they will utilize the format they have spoken about. Their second

recommendation was that for known adjustments to projections or purchase orders that cause a line item to be over spent that a transfer request be developed by the Business Manager and submitted to the Board for approval. The transfer request should include the source of funds for transfer, which is another budget line item. Once approved the budget transfer should be recorded in the budget status report to prevent line items from being over expended. The final recommendation is that they noted the Business Office and Personnel Department have developed and implemented a new form to communicate, approve and document the source of funding for new positions. Mr. Rizza says that has been in place since late January or early February. They add that they recommend that the form be the basis for a transfer requested to be developed by the Business Manager and submitted to the Board for approval to ensure the most current budget amounts are reflected in the status report and reporting to the Board. Mr. Rizza says that status report is usually a monthly report that shows all of the accounts and expenditures for the end of the month. On page 5 they prepared a summary of the East Haven Public Schools final budget status report for the year ending June 30, 2016, by major area, in order to provide perspective of the budget line items that resulted in the over expenditure of the budget. They provide a full summary as Exhibit A but that exhibit shows the budget line over spent by the most significant amount in the medical insurance line totaling \$1,309,975. The other category that was significantly overspent was the special education line totaling \$475,136. The under expenditures in the other lines were used to offset these amounts with the net over expenditures totaling \$918,675. Getting to the transaction timeline- for the fiscal year ending June 30, 2016, the Town transferred to East Haven Public Schools bank accounts the amount of the approved budget of \$47,159,449. There were no additional appropriations approved to the Board of Education budget therefore the Town did not transfer any additional monies to the Board of Education for the June 30, 2016 fiscal year. At July 1, 2016 the Town began transferring monies for the fiscal year 2017 appropriation upon the request of the East Haven Public Schools to fund payroll and vendor payments. Some of the payment requests were related to the June 30, 2106 fiscal year and therefore monies transferred by the Town to the East Haven Public Schools from the fiscal year 2017 education appropriation were used to pay the amounts that resulted in the over expenditure of fiscal year 2016 appropriation.

- Vice Chairman Sand says it is stated that the over expenditure is now something that has to procedurally be requested by the Board of Education to the Board of Finance and then the Town Council to make certain that the 2016 year is made whole, that is his understanding.

- Mr. Rizza says that is his understanding also but they will probably have to end up with a legal opinion prior to doing that.
- Councilman Richard Anania says so that shortfall would have to come out of our surplus?
- Mr. Rizza says when the auditor presented the audit, in the audit report they included the \$918,000 over expenditure as expense in the old year so when they did the final totals the expenditure was already recorded and we did have enough money from the excess revenue at the end of the 2016 year to offset the expense.
- Councilman Anania asks if that was on the Town side or the Board side.
- Mr. Rizza says the Town side. At the end of the year, after the over expenditure had come out of our result of operations, the \$918,000 was subtracted so instead of giving us \$2,000,000 to add to the fund balance, we only added \$1,100,000 so it was taken already. The only thing that hasn't been processed is actual cash; because the appropriation was fully transferred of \$47,100,000 before the end of June and as the report reads on page 5, there was no more money to the transfer came from the 2017 year used to pay amounts that resulted from the over expenditure of fiscal year 2016.
- Councilman Anania says the money that was moved around was Board of Ed. money, nothing was taken from Town money as of right now?
- Mr. Rizza says because of the over expenditure there was no more 2016 appropriation because it was obviously less than what they totally spent so in order to cover those 2016 expenses, some 2017 money moved because it was the only money available to the Board and they used that money to pay the old bills. What would currently happen if nothing happens through the Board of Finance or the Council, they will be roughly \$900,000 short for the fiscal year we are currently in because that is where the money came from. So we would have to increase the appropriation. The money is already moved but it would be restored back to the current year.
- Councilman Anania says so basically the Board of Ed. is short and they come to the Town to replenish it. On the Town side, if we are short where do we go? The taxpayers? He is just thinking outside of the box because we don't know what the Governor will do.
- Councilman Richardson seeks clarification that no monies were physically transferred, it was only done on paper.
- Mr. Rizza says none of the \$900,000 moved.
- Councilman Richardson says so if the Board of Education doesn't come to the Council to request the \$918,000 then they will have a shortage, correct?
- Mr. Rizza says yes, they will be short for the current year.

- Councilman Richardson asks why it needs a legal opinion then to have that happen.
- Mr. Rizza says he is not so much concerned about the transaction but he has read our Charter and it does not mention anything like this. It mentions reopening the budget but he thinks that would be in a process before the year starts. Say we pass a budget tonight and a month from now the State finally does something and their numbers are out of whack from ours he would suggest at that point that they reopen the budget because they have to make changes based on the State whether they are positive or negative. He has never done what is being discussed at this point.
- Councilman Richardson says the way he understands it and Mr. Rizza can correct him if he is wrong but they have to come to the Town Council and Board of Finance for the transfer, and he wants to find a legal way to make that happen.
- Mr. Rizza says because there is a lack of cash, they have to correct the situation otherwise it will just keep on going and that is not a good accounting practice. Since the expense has already been shown in our audit as an expense, it doesn't leave us a lot of options in his opinion. He says you either do it or you roll over another teacher's salary like they did in 1990.
- Councilman Richardson says so it was taken from our rainy day fund.
- Mr. Rizza says it never really made it to the rainy day fund; it was taken out prior, which is why they only rolled \$1.1 million dollars into the rainy day fund when it should have been \$2 million dollars.
- Councilman Richardson says so there is \$900,000 sitting there.
- Mr. Rizza says it was spent.
- Vice Chairman Sand says the Chairman calculated the amount of savings as the Board of Education by reducing its facilities in that year which was additional savings that is washed out.
- Mr. Rizza says that was reprogrammed.
- Mr. Rizza adds that he has spoken about moving \$100,000 out of our medical benefits account to contingency and when he spoke to them he knew basic numbers but he doesn't like to give generalizations when it comes to money because it is either spent or not spent at the end of the year. We are in partnership with the Board of Education with our medical benefits; we are basically one big group along with our retirees and theirs. So he wanted to give an overview of where this money all came from. We had a little more than \$100,000 maybe \$20,000 more so he left it in medical because it wouldn't make much difference where it went. The Board did much better for that money, there are a few reasons why it happened and the number he is working with at the moment with Jim Farrell is about \$700,000. How did that happen? It totals roughly a little over \$850,000. They had good experiences, not as many pay

outs, not a lot of claims and that ran from last July up to the last reporting period, which was February. They also did get an early preliminary estimate of what the total would be for the Town and the Board that came in January and that number was \$15.5 million dollars. When we got our renewal about two weeks ago we had an additional reduction from the \$15.5 million to slightly under \$15 million so because of our good experience we had a reduction, which is good. They also had another slight \$100,000 or so reduction in the administrative cost we pay Anthem to pay claims for both the Town and the Board. That was kind of an informal negotiation they had with Anthem because they looked to reduce the administrative costs since we do have a monitor or overseer between the Town and Anthem and he recommended that maybe we go out to bid the administration because you don't have to have Anthem as the only group to administer. After about 2.5 months, Anthem decided to reduce their administrative fees and the savings are about \$100,000-\$125,000 based on the number of claims they pay next year. The reasoning behind why the Board has so much is because they have more people than we do in the program, roughly about 67% for them and we are about 33%. There is one other factor in that the Town runs their HSA programs through Anthem and the Town has 7 individuals on the HSA programs and the Board has 150 and HSA is much cheaper than the regular Anthem policies. The Board for all those reasons had good experience, had reduction in the cost and the HSA numbers along with the size of their pool so they are looking at a savings right now of about \$700,000. That is currently budgeted in the \$47 million dollar budget so it is in the medical account at this point. He is not insinuating anything as far as what type of an allocation the Board gets hopefully tonight, whether it is up or down or whatever.

- Councilman Richardson says so the Governor's budget is looking to give the East Haven Board of Education an additional \$1.1 million dollars. A letter came, so he is asking about that because of when they will be voting on it.
- Mr. Rizza says if it takes them all of this time to get here, he doesn't have ultimate faith in the State to get it done timely.
- Vice Chairman Sands says the money Mr. Rizza was just talking about in possible savings in the healthcare account, it's not something that has been calculated as payment so it's not a number that can be moved out?
- Mr. Rizza says it is currently in that account the Board waits until the Council takes their action. They have done a lot of work on the budget already so they don't start, in earnest, until the Council finishes because if the number goes up and they are working on a lower number it is easy to go up but very tough to come down.
- Vice Chairman Sand asks if there is any difference in the payments to the Board of Education for health insurance that offsets the expense, in a line item it shows

somewhere between \$7 million dollars and then the actual shows around \$9 million.

- Mr. Rizza says basically when they are starting their budget around November they are using the history going back a few years to see what they spent on whatever they are looking to budget and that is the \$8 million or \$9 million he had mentioned and they go back 4-5 years and it's obviously less because insurances have gone up so they budget at a start point not even having the preliminary numbers from Anthem.
- Vice Chairman Sand says the offset is what he was worried about, is the Board of Education expecting the same dollar amount coming in to make those offsets?
- Mr. Rizza says did they expect the offset, no. He thinks it came to them and to him larger than anticipated. He didn't look too far into it other than the participants in each grouping which was something but the good experience we had he thinks was a larger portion of the reduction we had than anything else also the HSA numbers because those are also broken down by percentage.
- Councilman Richardson says Mr. Rizza mentioned in the recommendations the monthly status report the Board is going to get; will the Council also get that?
- Mr. Rizza says yes, they will get one every month.
- Chairman Parlato says for everyone on the Board of Education that is covered under the medical plan, there are co-pays. Does the Board of Education get any revenue from those people?
- Mr. Rizza says yes.
- Chairman Parlato asks where that is indicated in the Board of Education's budget.
- Mr. Rizza says it is not; it is an offset to the expenditures. We have a revenue report and since the Board doesn't have a revenue report, they will take whatever cost share comes in on a monthly basis and offset, which they will see when they get the monthly reports. They will see where it says healthcare benefits or something like that with a big number, which is the expenditure of \$8 million or \$9 million and then there is another column for transfers being moved in or out which is appropriation money. The other line is the one that talks about receipts which is where they report the receipts, which are really a reduction in the expenditures. So it is netted out.
- Chairman Parlato says so to make it simpler, if the Board of Education's budget is \$9 million dollars for their medial expenses, do they have to pay \$9 million dollars without any revenue coming out?
- Mr. Rizza says no.
- Chairman Parlato asks if the co-pays are offsetting part of that and Mr. Rizza says yes.
- Chairman Parlato asks what kind of account that is going into.

- Mr. Rizza says it is shown as part of the payment that would go back to Anthem because it is all in that one grouping. They could make a one-line revenue sheet, which makes no sense so far as long as they have been here they have netted out the expense. The only receipts you get are the cost shares or if the retirees have a contribution to their benefits.
- Chairman Parlato says to make it even simpler if they budget \$9 million dollars for medical benefits do they pay \$9 million in the year?
- Mr. Rizza says yes, but if they have \$9 million budgeted and spend \$9 million dollars to Anthem, they get maybe \$500,000 from the cost share then technically their expense is \$8,500,000. They have slight revenue but of course it doesn't cover the whole thing.
- Councilman Santino says by the monthly statement they will submit, will it explain what is going on each month, will there be accountability?
- Mr. Rizza says it will come right off the computer from the records that are audited and it will go to them every month.
- Councilwoman Susan Archambault says something may happen with the Governor's budget where it cuts how much money they get. She asks why they can't do everything but the Board of Education because if they get cut quite a bit of money, shouldn't they know about it before they set the budget? She is just wondering if they can hold off on the Board of Education before they go in and make a decision, so she wants to know if it is legal and they can do it or the whole budget has to be done at once.
- Attorney Zullo says they may have read that Hamden passed the budget without a mill rate and decided that when the State budget was done they would go back and re-open it. We can't do that in East Haven, we have a deadline for the entire budget. Our Charter says we have to set the entire budget and set the tax rate in mills by a certain time every year. In order to set the tax rate in mills, so you know how much revenue is being collected, they have to assign a number to the Board of Education. So at this point they have to use their best guess as to what will work.
- Councilman Santino says to Mr. Rizza he knows they are in the hole the \$900,000, but just based on what is going around, does he know anything about them ordering new trucks?
- Mr. Rizza says if they did he is not aware of that and Jim Farrell says not to his knowledge.
- Councilman Santino says it would be trucks they leased for like \$750 each. Are they renewing a lease?
- Jim Farrell says they don't have any new trucks they are renewing leases on trucks that are 3 or 4 years old.

- Councilman Santino says Public Works has trucks from 1987, they nickel and dime the Town side and they are in the hole \$900,000 getting new trucks and equipment. For the Building/Grounds budget the Town took over the grass and everything and that line item still has the \$600,000, the Town is doing most of the work.

Councilman Parente calls a Republican Caucus at 7:56PM.

Republican Caucus ends at 8:09PM.

No public comment.

Council comment:

- Councilman Palladino says he can't see giving raises to certain people who don't pay for their health benefits and not giving raises to certain people. The Board of Education asked for \$100,000 to put security in the schools and we balked at that but are giving raises to people who don't pay for benefit like the cops and firemen do.
- Councilman Parente says the Board of Education is going to have almost \$1,000,00 in their budget to play with, spend or do what they hopefully feel is right for the children of the Town. He trusts they will do that and hopes next year we aren't back here wondering what happened. With that, he supports the budget.
- Councilwoman Lettieri-Morales says she can't support giving the Mayor a 24.2% raise and she can't support giving some of the non-union employees 3% raises especially with the Fire Chief that was just hired and she can't support giving the money to the Board of Education. She thinks everyone should pay attention to the information from State Rep. Albis and State Rep Lemar because she doesn't think they are going to get the funding.

Roll call vote: 9 in favor- 3 oppose (Santino, Palladino, Lettieri-Morales)- 1 abstention (Gormley). Motion carries.

Item #7

To consider and act upon a Resolution setting a public hearing date and time to discuss "An Ordinance making various revisions to the Town's Floodplain Management Ordinance." The Public Hearing shall take place on May 2, 2017, at 7:00PM, at the East Haven Senior Center, 91 Taylor Avenue, East Haven, Connecticut.

Councilman Mckay makes a motion.

Councilman Parente seconds the motion.

No public comment.

No council comment.

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

- Chairman Parlato thanks the Council for all of the hard work they put into the budget, this has been a difficult year. He thanks Paul Rizza who has gone far beyond what he believes is his obligation and he keeps the Council informed and educated on the budget process. As the Chairman, believe it or not, he likes when not everyone agrees on everything, the dissent has brought out good points and there is nothing wrong with that. He thinks the budget they have will make it a difficult year because of the State's budget status but the Council is going to be able to better monitor the Board of Education's activities so they can either assist them or direct them in a better manner. He welcomes the new people on Board. He says as far as the raises given he thinks it reflects that the Town appreciates their efforts. He doesn't think there is a monetary amount to give someone in the protection services for the hours they put in are far beyond what the job calls for and it takes a certain individual to take on those responsibilities and we appreciate that they chose to come to East Haven.

Item #8

Adjournment of Special Meeting.

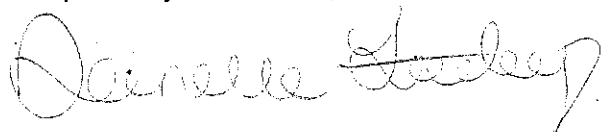
Councilwoman Archambault makes a motion.

Councilman Mckay seconds the motion.

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

Meeting is adjourned at 8:16PM.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Danelle Feeley".

Danelle Feeley, Clerk, East Haven Legislative Town Council