

## **MINUTES OF THE SPECIAL MEETING OF THE BOARD OF SELECTMEN**

**April 26, 2016**

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The special meeting of the Board of Selectmen was called to order at 5:03 pm in the upstairs conference room 1 of the North Haven Memorial Town Hall, 18 Church, North Haven, CT.

### **Members Present**

First Selectman, Michael J. Freda  
Second Selectman, Timothy M. Doheny  
Third Selectman, Sally J. Buemi

Mr. Freda called the meeting to order and introduced himself, second selectman, Timothy Doheny and third selectman, Sally Buemi. Mr. Freda explained the purpose of the special meeting was to re-call the Annual Budget Town Meeting due to a change in the proposed budget figures resulting from the Board of Finance meeting held on April 20th.

Mr. Freda asked if there were any questions relative to the agenda. Hearing none, Mr. Freda stated that as a recap the Town is faced with anywhere from a \$3.4 to \$3.7 million dollar gap in funding. We have been told by OPM we are not getting \$1.4 million in this current fiscal year that we will not be able to make up. The State has exceeded their bonding package. Additionally the Town has taken \$938,000 in rescissions from the State from both ECS and the Town. The Board of Finance at their last meeting reduced our budget by the same amount.

The Town has budgeted \$1.4 million for next year for MRSA, but we are not confident that we will be receiving it. This does pose a risk, however, making an additional \$1.4 million in cuts on top of the \$938,000 would be very adverse to the Town services.

The Board then proceeded with the following notice to call for the Annual Budget Town Meeting to be held on Monday, May 9, 2016, at 7:00 P.M. in the auditorium of the North Haven High School, 221 Elm Street, North Haven, CT. Referendum to be held on Tuesday, May 17, 2016.

Notice is hereby given, pursuant to Chapter VII, Section 706 of the North Haven Town Charter that the Annual Budget Town Meeting of the electors and citizens qualified to vote in town meetings of the Town of North Haven, Connecticut, will be held in the auditorium of the North Haven High School, 221 Elm Street, on Monday, May 9, 2016 at 7:00 P.M. This Town Budget Meeting will conduct the following business:

1. To consider and act upon the recommendation of the Board of Finance to take action regarding the budget for the fiscal year July 1, 2016 to June 30, 2017;
2. To establish the due date and number of installments for the payment of property taxes (*Real Estate, Personal Property, Motor Vehicle and Supplemental Motor Vehicle*) in accordance with Sections 12-142 and 12-144a of the Connecticut General Statutes; and
3. Pursuant to Section 7-7 of the Connecticut General Statutes, to adjourn said town meeting at its conclusion and to submit the question concerning the adoption of a budget for fiscal year July 1, 2016 to June 30, 2017 to a vote by paper ballot on Tuesday, May 17, 2016, including the establishment of the exact hours of voting at REFERENDUM, pursuant to C.G.S. § 7-9b, that voting will take place between the hours of 6:00 A.M. and 8:00 P.M. at the following North Haven polling place:

- ***ALL DISTRICTS - Mildred Wakeley Rec. Center, 7 Linsley Street***

The aforesaid recommendations will be placed on paper ballots as the following question: ***“Shall the Town of North Haven, in accordance with the recommendation of the Board of Finance, approve and adopt a budget consisting of \$50,799,285 for the Board of Education and \$43,675,592 for the Town Government, for a total amount of \$94,474,877 for the fiscal year July 1, 2016 to June 30, 2017?”*** Voters approving said question will vote “YES” and those opposing said question will vote “NO”. Applications for ABSENTEE BALLOTS will be available in the Town Clerk’s Office, 18 Church Street, North Haven, CT.

Miss Buemi motioned to approve the call as read seconded by Mr. Doheny.  
Vote: Freda –Yes, Doheny –Yes, Buemi – Yes

The Board then entered into a lengthy discussion regarding the budget being proposed. Miss Buemi stated that she had a series of questions and concerns. Miss Buemi made the point that this is an unusual situation because the budget has changed since the last budget hearing. She would like to know if there could be not only comments, but questions and answers provided at the Town meeting, similar to the hearing. Miss Buemi felt that the statement that we lost \$938,000 in revenue from the State was misleading. She understands the \$351,702 came from reduction in ECS and the \$587,247 from the sales tax reduction. However, comparing the March 16<sup>th</sup> budget she only sees a difference of \$149,000. She sees it as a reduction in anticipated revenue and she spoke with Dave Yaccarino and the budget advisor to his group of legislators, and they told him we will get the \$3.6 million for ECS. Mr. Freda stated that even if we did, we are still faced with \$2.8 million that we can’t make up and can’t put money into the budget that we

are not sure we are going to get. Miss Buemi stated that she still feels it is misleading and we should say rather; than of the anticipated revenue increases that we thought we were going to get, it is \$938,000 less. The Board continued to discuss the issue regarding how the \$938,000 was reduced from both the Town and BOE and the proportional deductions. Miss Buemi felt the reduction to the BOE should have been equal to the \$351,702 that was reduced in ECS funding. Mr. Freda and Doheny felt that the BOE debt had to be factored into the equation. The Board discussed it further with Miss Buemi reiterating she felt the BOE was getting a disproportionate amount of the \$938,000 budget reduction.

Miss Buemi went on to discuss the fund balance going down with the total budget going up and is concerned about burning the candle from both ends and the potential to lose our AAA financial rating. Mr. Freda agreed and stated he was very concerned, we will need to borrow the \$1.4 million that we may not get this year, and if we do not get it again next year, we would need to dip into the fund balance again. The discussion continued among the selectmen and finance director, Ed Swinkoski, on the subject of the state funding.

Miss Buemi brought up the voluntary payment from Quinnipiac and her desire to have a commitment from them as well as including the anticipated revenue into the budget. Mr. Freda explained he does not feel comfortable counting on that money since it is voluntary, and would not ask for a formal agreement because that may come with stipulations.

The Board members continued the discussion including areas of services that could possibly be cut, property lease arrangements, and budgeting of MRSA and ECS funds into the FY 2016-2017 budget. They expressed their frustration with having to make decisions driven by time constraints when they do not have definitive information from the State. Mr. Freda reiterated that they kept the \$1.4 million in the FY 2016-2017 budget but the fact remains there is a chance we may not get it. Mr. Freda also stated that there are residents who have reached out to him saying that they are concerned about the 1.11 mill rate increase. Miss Buemi also questioned the Grand List figures. Mr. Freda explained the \$31 million is the aggregate amount and after adjustments it nets down to \$22 million. Mr. Freda explained we still have had good growth.

The Board continued to discuss the budget at length with public comment from residents Kristen Cohen, Buell Street; Nancy Barrett, Crestview Drive, and Tom Marak, NHEA President.

With no additional public comment Mr. Doheny motioned and Miss Buemi seconded to adjourn the meeting at 6:40 pm.

Vote: Freda –Yes, Doheny –Yes, Buemi - Yes