

TOWN OF STONINGTON
BOARD OF FINANCE MEETING
Stonington Police Department Meeting Room
Wednesday, September 7th, 2022
7:15 PM

A meeting of the Board of Finance was held on this date at the Stonington Police Department Meeting Room. Members present were Chairman Tim O'Brien, Michael Fauerbach, Deborah Norman, Lynn Young, Bob Statchen and Chris Johnson.

The Chairman called the meeting to order at 7:16 pm.

Public Comments: None.

Previous Minutes: The Chairman called for a motion to approve the August 3rd meeting minutes and August 24th special meeting minutes. Ms. Norman motioned, with Ms. Young seconding the motion. The Chairman requested any corrections or additions to the minutes from Board Members. Mr. Fauerbach reported a grammar correction needed in the August 24th minutes, and Ms. Young clarified in the August 3rd minutes, she wasn't opposed to funding the Veteran's Memorial with tax dollars per se, just not with local or property tax dollars, followed by a grammar correction. The Chairman called for a vote on the motion to approve the minutes, and the motion unanimously carried.

The Chairman asked for a motion to move the Board Member discussion regarding the need to fill the vacant Board position left by the passing of David Motherway, to the first item under new business, before the discussion about the renegotiated Solid Waste contract as reflected in the meeting agenda. Mr. Statchen motioned, and Ms. Young seconded the motion. The Chairman called for discussion about the agenda change with the Board, and there was none. The motion was passed unanimously.

Discussion regarding the need to fill the vacant Board position: Chairman O'Brien explained the representative chosen to fill the vacant position will only be seated until the next Municipal Election, taking place in November 2023. The Chairman continued, saying that according to the charter, the vacant Board position is to be filled by a Republican or unaffiliated party member, as Mr. Motherway was represented by the Republican Party. Chairman O'Brien noted he had met with the Republican Town Committee Chairman to evaluate potential candidates. Based on these discussions the Chairman agreed to recommend Bryan Bentz, a past BOF Chairman and Republican Town Committee member, to fill the vacant Board position. The Chairman formally nominated Mr. Bentz, before opening the floor to further discussion.

Ms. Young pointed out that there is a time limit for the nomination, and the Chairman confirmed there's a 60-day window (starting at the end of August) to fill the seat. Mr. Fauerbach expressed his respect for Mr. Bentz, having worked with him on the Board previously. Mr. Bentz commented that he looks forward to working once again with the Board through the remainder of Mr. Motherway's term, adding that he hopes his previous budget experience will be of benefit to the Board during the next budget cycle. The Chairman called for a motion to vote to approve Mr. Bentz's addition to the Board. Ms. Young motioned, with Mr. Statchen seconding the motion. The Chairman called for further discussion and there was none; the motion unanimously passed. The Chairman invited Mr. Bentz to participate in the current meeting, with the caveat that he won't be able to vote on any Board business until he is sworn in.

Discussion of renegotiated Solid Waste Residential hauling contract: Jill Senior, the Solid Waste Manager, discussed the new residential waste hauling contract with F. E. Crandall Disposal Inc., for curbside trash collection for the 22/23, 23/24 and 24/25 fiscal years, with the option for two additional years. Ms. Senior asked the Board for an additional \$222,918.00 of funding for fiscal 22/23, due to the increase in the contract for fiscal 22/23 subsequent to passing of the fiscal 22/23 Town budget. The renegotiated contract for fiscal 22/23 increased from \$720,000.00 to \$942,918.00. Ms. Senior noted that historically, the Town has had lower collection costs than the rest of the region for years, and she considers the proposed increase reasonable given the services provided. F. E. Crandall cited rising fuel costs, labor, maintenance, and an increase in tonnage as reasons for contract renegotiation. Offering further context, Chairman O'Brien noted that Crandall provides additional services to the Town, that other Towns don't receive from their haulers such as recycling and the Christmas Tree disposal services.

Ms. Young asked Ms. Senior if F. E. Crandall was requesting modifications to an existing contract or if this was a new contract. Ms. Senior stated that fiscal 22/23 would have been the last year of a five-year contract, but that Crandall indicated that it could not continue to provide service to the Town at the previously contracted rate, so the decision was made to negotiate a new three-year contract starting with fiscal 22/23. Mr. Fauerbach asked Ms. Senior if it would be worthwhile to go out to bid for a new trash hauling contract. Ms. Senior explained what the per unit cost for household would be under the new contract, and that in her estimation it was still below market, and that going out to bid would likely result in a substantial increase beyond the new contract that was negotiated. The Members discussed several options, with the Chairman opining that bidding the contract could result in a per unit cost of between \$15.00–20.00 per household, based on his discussions with the Solid Waste manager. Ms. Senior said the proposed F. E. Crandall contract would cost \$10.25 per household for fiscal 22/23, with an increase to \$11.50 for 23/24, and \$13.00 for 24/25. The Board Members discussed other details of the three-year contract, which included an optional two-year extension, along with various market and planning considerations. The Chairman stipulated the ongoing discussion wasn't an action item at this point but was meant to gauge the Board's support of the renegotiated contract, noting that come January 2023, the Board would have to determine how it would fund the additional cost of \$222,918.00. All Board Members unanimously agreed to support the new contract and committed to keeping F. E. Crandall hauling for the Town and funding the requested budget increase in January 2023.

Discussion about Police Department new position request: Chief of Police Jay DelGrosso started by explaining that he has implemented a new time tracking system for officers' time in an effort to reduce overtime, and also implemented a new system for tracking department bills and expenses, in an effort to tighten up management oversight of budget line-items, per the BOF's recommendation at an earlier meeting.

Chief DelGrosso then went on to discuss his request and need for an additional command position in the PD staffing hierarchy. The Chief summarized his written memo, which was disseminated to the Board, explaining the need for a larger command staff, which would include creating a new Deputy Chief position, which would be filled by the current Captain, and then backfilling the Captain, Lieutenant, and Sergeant positions, which would be made vacant by promotions.

Chief DelGrosso explained the Captain's responsibilities would include Accreditation Manager and Emergency Management Director responsibilities. Chief DelGrosso stated the Accreditation Manager position is required by law, and after assessing department administrative, budgetary and structural needs, is proposing the Captain position as the best option to assume those duties. Chief DelGrosso emphasized a need to transfer administrative duties from the unionized Lieutenant positions to the non-unionized Captain role, which is better suited for scheduling and the overtime demands the position will require.

The Chief also noted that a new entry-level officer would be hired under his plan, to backfill the vacancy that would be created from an officer being promoted to Sergeant to backfill the vacant Sergeant position created under the plan, to maintain the current patrolman level of staffing.

After consulting with the Town Finance and Administrative Services Directors, Chief DelGrosso was able to identify a potential \$104,000.00 of surplus in the PD's officer's salary line-item, by staggering the hiring of the three currently vacant officer positions, which could be used to help fund the new Deputy Chief position.

The Chairman recalled the former Chief's earlier request for the new Deputy and redefined Captain positions during budget negotiations, and believes that both the current and former Chiefs make a strong argument for the creation of the new Deputy Chief position. Chief DelGrosso calculated that creating the new Deputy position and redefining the Captain position in fiscal 22/23 would result in an annualized net budget increase of \$138,200.74 for fiscal year 22/23, but the actual cost, assuming a start date of 2/1/23, would likely be closer to \$75,000.00.

Mr. Fauerbach asked why the Accreditation Manager position needs to be a Captain, and the Chief replied that Accreditation requires a senior-level education, plus experience with department regulations and policy. The Board continued to discuss overtime, administrative and recruitment challenges in detail with Chief DelGrosso.

Chairman O'Brien asked Mr. Sullivan if the cost analysis memo projections are still accurate, and Mr. Sullivan explained they may have improved because the two new recruits that were anticipated to begin the academy on 9/1/22 didn't materialize. However, Captain Olson noted that an experienced officer had been hired in lieu of one of the anticipated academy recruits, but Mr. Sullivan was unaware of this and couldn't say what the net effect on the projection might be. The Finance Director answered several other questions from Board Members about costs and/or savings that may arise from unfilled positions. Chairman O'Brien summarized that the Chief is

asking the Board to fund police salary line-items an additional \$34,000.00 for fiscal 22/23, to support the department hiring and restructuring plan for fiscal 22/23, with an additional budget appropriation or other funding mechanism come January 2023. Chairman O'Brien polled each Board Member as to their support of the Chief's plan based on his presentation and discussion. Each Board Member shared their views, ultimately agreeing to support Chief DelGrosso's request, with the caveat it should remain an "ongoing discussion" until January 2023.

Bid Waiver Request from the Director of Administrative Services (Planning Department archiving and scanning services): The Director of Administrative Services, Patti Burmahl, representing the Town Planner, Keith Brynes, requested a bid waiver for the Joseph Merritt Company to provide scanning and archiving services at a proposed cost of \$128,000.00, noting there is \$128,500.00 in CIP to fund the project. The Chairman called for a motion to approve the bid waiver request: Mr. Fauerbach motioned, and Mr. Johnson seconded the motion. Ms. Burmahl discussed the intensive archival process the Planning Department is undertaking, to preserve and remove extensive paperwork from its offices. Ms. Burmahl outlined what the archiving process will consist of, essentially the transferring of all sorts of planning documents to Laserfiche. Ms. Burmahl cited several benefits of using the Joseph Merritt Company, including affordability, and that they are also on the State bid list for these services. Mr. Fauerbach asked how much work remained beyond what would be covered by the bid waiver request. Ms. Burmahl responded that it is a large, long-term project, and that this request is just the beginning. She also noted that Planning and Zoning has to retain every document in its office, and that by archiving them and moving paper files offsite, it will free up a significant space in the Planning and Zoning office.

The Chairman called for a vote on the bid waiver request, and the motion passed unanimously.

Line-Item Transfers for fiscal 2021/2022:

- 1) The Chairman requested a motion to approve a line-item transfer request from the Director of Finance, for year-end line-item transfers to cover budget line-items with budget deficits for fiscal 2021/2022, in total \$35,648.00. Ms. Young motioned, and Ms. Norman seconded the motion. The Chairman called for discussion among Board Members and there was none. The Chairman called for a vote, and the motion unanimously passed.
- 2) The Chairman called for a motion to approve a line-item transfer request from the Director of Finance to transfer the \$30,000.00 balance from the "Accrued Leave Payout" line-item to "Reserve for Compensated Absences" in fund #228 for fiscal 2021/2022. Mr. Fauerbach made the motion, and Mr. Statchen seconded. The Chairman called for discussion; there was none. The motion was passed unanimously.

- 3) The Chairman asked for a motion to approve a line-item transfer request from the Director of Finance to transfer \$64,000.00 balance of “Accrued Leave Payout for Adays” line-item in the Police Department budget to “Reserve for Compensated Absences” in fund #228 for fiscal 2021/2022. Ms. Norman motioned, which was seconded by Mr. Statchen. The Board requested clarification from Mr. Sullivan about the total transfer amount due to an agenda misprint, and Mr. Sullivan verified \$64,000.00 as the correct total. The Chairman called for further discussion and there was none. The motion unanimously passed.

Additional Appropriation Request in fiscal 2022/2023: Mr. Sullivan presented a pending list of additional appropriation requests to the Board totaling \$353,928.00. He also informed the Board that one of the requests was from the Town Clerk to migrate a Town server to a cloud-based, SaaS system for a total cost of \$8,190.00. Mr. Sullivan outlined the benefits of the SaaS system, one of them being seamless updates and security patches. The request consists of a \$7,300.00, one-time installation fee, plus an \$840.00 increase in annual subscription costs. Mr. Sullivan asked for the Board’s blessing to continue with the project, which is planned for January 2023. Chairman O’Brien stressed the importance of a U.S.-based cloud provider for security purposes, and Mr. Sullivan said he’ll review the contract with the Town Clerk and the technical aspects with the Town Engineer, Roger Kizer, to ensure the Board’s concerns are addressed. Mr. Johnson also requested a security assessment before moving forward with the project.

Correspondence: Chairman O’Brien acknowledged a correspondence letter circulated to Board Members, which didn’t require further discussion.

Liaison Reports

CIP Liaison report: None.

WPCA Liaison report: Ms. Young noted some defects with connections were discovered on Route 27, with potential repairs now being assessed, and would likely be funded by last year’s WPCA bond issuance.

BOE Liaison report: Chairman O’Brien introduced Alisha Stripling, the new BOE Director of Finance. The Chairman asked for any questions, and Ms. Young asked about progress with fuel contracts. Mr. Sullivan reported fuel prices were locked in the previous Friday, heating oil was purchased at \$3.816 per gallon, diesel purchased at \$3.848 per gallon, and gasoline at \$2.99 per gallon. There was further discussion among Board Members pertaining to last year’s fuel costs and operations.

Other Liaison reports: Chairman O’Brien offered news from the Retirement Board, the retirement fund numbers look good despite market concerns, and the pension plan discount rate remains lower than most others in Connecticut.

Mr. Fauerbach noted he received an email from Linda Camelio, the Town Tax Collector, to report on tax collection rates – real estate tax is at 53.9%, personal property tax at 53% and motor

vehicle tax at 92.6%, year to date.

Ms. Young asked Mr. Sullivan a question about cash management, specifically if whether Mr. Sullivan is keeping an eye on interest rates to take advantage of rising interest rates on deposits. Mr. Sullivan gave a summary of how the Finance Department manages cash reserves, and acknowledged he is actively working with financial institutions to maximize the Town's investment income. There was continued discussion about interest rates and money markets, with Mr. Sullivan answering questions from Board Members.

The Chairman requested a motion to adjourn the meeting. Ms. Young motioned, with Ms. Norman seconded the motion. The motion unanimously passed, and the meeting adjourned at 8:52 pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Justin Eckert".

Justin Eckert

Board of Finance Recording Secretary