

**EAST LYME BOARD OF FINANCE
REGULAR MEETING MINUTES
Wednesday, JANUARY 11th, 2017**

Members in Attendance: Camille Alberti, Chairperson
Lisa Picarazzi, Secretary
Peter DeRosa
Beth Hogan
William Weber

Also In Attendance: Mark Nickerson, First Selectman
Anna Johnson, Finance Director

Absent: Jason Pazzaglia

A. Call Meeting to Order

Chairperson Alberti called this Regular Meeting of the East Lyme Board of Finance to order at 7:50 PM after the previously scheduled Joint Meeting on the draft proposal of the Elementary Schools alterations held at Lillie B Haynes.

B. Pledge of Allegiance

The Pledge was observed.

FILED

C. Delegations

Ms. Alberti called for delegations.
There were no delegations.

Jan 17 2017 AT 10:05 AM/PM
Camille Alberti, Chair
EAST LYME TOWN CLERK

D. Approval of Minutes

- Regular Meeting – December 14, 2016

Ms. Alberti called for a motion for approval or any changes to the Board of Finance Regular Meeting Minutes of December 14, 2016.

Ms. Alberti asked that on the top of Page 6 in the third line that the line be changed to read: 'Ms. Alberti said that she had used the Board of Selectmen By-Laws, Town of Brookfield By-Laws and CGS Chapter 106.'

****MOTION (1)**

Ms. Hogan moved to approve the Board of Finance Regular Meeting Minutes of December 14, 2016 as amended.

Mr. Weber seconded the motion.

Vote: 4 – 0 – 1. Motion passed.

Abstained: Ms. Hogan

E. Reports

◆ First Selectman

Mr. Nickerson reported on the following:

- Regarding - the school renovation project which they had heard about prior to this meeting – there will be two Public Hearings held on it at the High School Auditorium – one on Tuesday January 17, 2017 at 6 PM and another on Thursday January 19, 2017 also at 6 PM. He urged people to attend one of them and to hear what is being proposed. The items that are being upgraded will last another 20 years although there will be other items that will come up from time to time that would have to be repaired.
- They are looking at March 14, 2017 for the potential referendum on the elementary schools project.

- He has been reviewing the department budgets for the upcoming budget session with the department heads.
- He attended a COST meeting today and there are major budget issues at the State level – they are looking at a \$1.5B shortfall. Also – since 1985 – nothing has been put into the pension fund. This will hit the municipalities hard. ECS has already been hit – as has LoCIP. He advised that they should be prepared to hear that the money that is coming to the Towns will be cut back from what it has been.

Mr. Weber asked as the budgets are being developed if there were some that may not come before them.

Mr. Nickerson said that they should see the complex departments.

Ms. Hogan said that they could not deny any department presenting to them and recalled a former incident regarding a department that they had removed from an agenda listing who had come before them requesting to be heard.

Ms. Picarazzi asked about the Fire Study and when they could expect to hear the results on that.

Mr. Nickerson said that he has a meeting coming up with them to go over the study draft.

Ms. Picarazzi asked if they could have that for the upcoming budget session.

Mr. Nickerson said that he has pushed them to get it done.

Ms. Alberti asked about the \$125,000 mid-year ECS cut and if that would fall with the school budget to take care of.

Mr. Nickerson said yes – he has asked the school administration to take care of that.

Ms. Alberti asked about the LoCIP reduction and if any of our projects have been approved prior to the recent State decision.

Ms. Johnson reviewed various items that do have State project numbers which allows them to be completed. She explained that the heating control system upgrade and parking lot upgrades are examples of projects that have not been approved and may not see the March 2017 allocation as that has currently been frozen.

(Note: Mr. Nickerson excused himself from the meeting)

◆ Finance Director

Ms. Johnson said that she had provided them with the updated report pages to reflect the BOE information that had not been submitted in time for the packets due to computer issues at the school. She noted that in tracking revenues that it currently looks like they will lose (fall short by) \$419,000 this year – she recalled that they had applied \$675,000 from fund balance to balance the budget this year.

Ms. Picarazzi asked about the Health Insurance.

Ms. Johnson said that it is still challenging – in November they paid out \$690,000. As of December 2016 they had 9 large claims over \$62,500 and the total paid on those claims is \$1.3M. Over the \$125,000 it goes to stop-loss. She said that she still has to watch the account closely – in December it was \$635,000 that they paid. She explained that the average monthly projected cost is \$580,000 and that they have only had two months that have fallen within that rate (September & October) and that all others have been well over.

Ms. Picarazzi asked if there were other areas of concern.

Ms. Johnson said that the Police Overtime will probably need more money as it has been high recently due to the number of officers who are out and what is needed to cover for them. Also, the pension plan was underfunded as they had a fluctuation on the earnings. Further she said that she is always watching legal fees and the Fire Department accounts.

Ms. Alberti asked about inter and intra department transfers.

Ms. Johnson explained that 'intra' transfers are within a department budget – generally moving dollars from one line item to another and that by Charter she groups them together to be ratified (in bulk) by the Board of Finance. The 'inter' department transfers have to be approved and she usually does them as mass approvals in April.

Ms. Alberti asked that she keep a note to have that as a topic for change whenever they have another Charter Revision Committee set up for various other items.

Mr. Weber noted that he had been on the last Charter Revision Committee and that it is done when there are major areas of concern. He added that it is something that they also have to hold public hearings on for the proposed changes and that the changes have to be voted on. It is not an easy process but rather a very consuming one.

F. New Business

a. Transfer from Payroll Contingency 2016/17 COLA Non-Affiliated Employees \$55,052

Ms. Johnson explained that this is for non-union employees and elected officials of the Town and that the 2.5% increase was approved for the 2016/2017 fiscal year. This is the transfer of funds to cover it.

Ms. Alberti called for a motion.

****MOTION (2)**

Mr. Weber moved to approve a transfer in the amount of \$55,052 from account 01-01-120-100-500 (Town Payroll Pending PR change) to various budget line items as itemized on the attached worksheet titled, "Town of East Lyme Unaffiliated COLA increases 7/1/16 – 6/30/17 additional Funding Required."

Ms. Hogan seconded the motion.

Vote: 5 – 0 – 0. Motion passed. (Copy attached)

b. Transfer from Payroll Contingency Dispatchers Wages Contract Ratification \$10,067

Ms. Johnson explained that on September 7, 2016 the Board of Selectmen approved the agreement between the Town of East Lyme and the Dispatchers – Local 1303-436 Council 4 AFSCME. The agreement for the first year of the contract was 2.5% so the transfer of \$10,067 is necessary.

****MOTION (3)**

Mr. Weber moved to transfer \$10,067 from account 01-01-120-100-500 (Contingency Pending PR Change) to account 01-25-224-100-12 (Dispatchers) to fund Local 1303-436, Council 4 AFSCME (Dispatchers) agreement.

Ms. Alberti seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

G. Old Business

a. Board of Finance By-Laws

Ms. Alberti noted that they had a draft that she had prepared and asked for comments.

Mr. Weber asked if she had looked at any other of the East Lyme Boards and Commissions By-Laws.

Ms. Alberti said that she had only looked at those of the Board of Selectmen.

Mr. Weber said that he had done further research and that there really were not many – he had only found some for Planning and the Board of Selectmen. He had expected to find more so that there might be a standard format – but there wasn't one.

Discussion ensued on the language of 'preparing the Town budget'.

Mr. DeRosa suggested that the word 'considering' might be a better term to use.

Ms. Hogan said that she did not feel that they had to go to any great lengths of spelling things out to the point where they are too stringent. She feels that it should be a guide and not something so stringent that they cannot vary from it.

Further lengthy discussion continued to Page 2 on the procedure for choosing a Chairperson in the absence of the Chair and the Vice-Chair.

It was determined that the outline of the agenda would be eliminated as that is at the discretion of the Chair and it could vary depending upon what items they would have before them.

Ms. Alberti thanked them for their input and said that she would make the changes and bring forth another draft for their next meeting.

b. Purchasing Policy

Mr. Weber reported that he had spoken with Marc Salerno from the Board of Selectmen and that they would be calling a subcommittee meeting very soon and that he would update them on this as soon as they have met. He noted that he did not think that it should take many meetings as it appeared rather clear what they would need to do and should do.

H. Public Discussion

Ms. Alberti called for Public Discussion.
There was no Public Discussion.

I. Board Comments

Ms. Alberti called for Board comments.

Mr. Weber said that with regard to the school meeting that they attended earlier that he feels that they are moving in the right direction with what they are looking to do.

Ms. Picarazzi thanked Ms. Alberti for her work on the by-laws. She said that she was a member of the BOE Steering Committee and that they had a good group. While she is in agreement with the rehab work she said that she still thinks that they could do well with just the 2 schools and that she has reservations over keeping the 3 schools. She noted that she had expressed that but was in the minority.

She also asked that they put on their agenda to discuss having the BOE institute programs and put dollars aside for large replacement items such as the turf field so that they do not have to come back to the Town for it. This is something that they discussed with them years ago however nothing has been started or done yet.

She asked that they do not forget that she has asked for research by Mr. Nickerson and Ms. Johnson on what other communities have and are doing with regard to benefits, pension, etc. in terms of controlling and cutting costs. She said that she does not want them to lose sight of this request.

Ms. Picarazzi said that she would also like to see the Town email address on the agenda or somewhere prominent so that people could link to it to view their meetings and/or to read the minutes as they may desire.

Ms. Johnson said that she would check with Carmen on how best that could be done.

Ms. Alberti said that she appreciates the input that they all provided on the by-laws.

J. Adjournment

Ms. Alberti called for a motion to adjourn.

****MOTION (4)**

Mr. Picarazzi moved to adjourn this Regular Meeting of the East Lyme Board of Finance at 9:50 PM.

Mr. Weber seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

**Town of East Lyme
Unaffiliated COLA Increases
7/1/16 - 6/30/17 Additional Funding Required**

Account Number	Description	Budget	2016/17	Transfer
01-01-101-100-111	First Selectman	112,643	115,459	2,816
01-01-101-100-115	Board of Selectmen	8,863	9,084	221
01-01-101-100-211	Executive Assistant	67,470	69,157	1,687
01-01-102-100-211	Assessor	84,862	86,983	2,121
01-01-103-100-111	Tax Collector	73,605	75,445	1,840
01-01-104-100-211	Building Official	89,881	92,128	2,247
01-01-105-100-211	Engineer	90,897	93,169	2,272
01-01-105-100-213	Civil Engineer	42,898	43,970	1,072
01-01-107-100-111	Town Clerk	65,467	67,104	1,637
01-01-109-100-211	IT/Database Supervisor	59,284	60,766	1,482
01-01-110-100-111	Registrars	50,084	51,335	1,251
01-01-116-100-211	Zoning Official	88,303	90,511	2,208
01-01-116-100-412	PT Recording Secretary	2,176	2,252	76
01-01-117-100-211	Planning Director	64,752	66,903	2,151
01-01-117-100-412	PT Recording Secretary	1,500	1,700	200
01-01-118-100-211	Finance Director	73,160	74,989	1,829
01-01-118-100-212	Finance Office/Personnel Asst	43,557	44,646	1,089
01-01-118-100-111	Treasurer	12,075	12,377	302
01-01-126-100-412	PT Recording Secretary	2,089	2,169	80
0101-132-100-212	Conservation Officer	16,188	16,726	538
01-01-138-100-412	PT Recording Secretary	700	865	165
01-25-217-100-612	PT Firefighter NFD	155,564	159,453	3,889
01-25-218-100-612	PT Firefighter FFD	103,000	105,575	2,575
01-25-224-100-211	Director	163,640	167,730	4,090
01-25-224-100-213	PT Dispatcher	112,734	115,552	2,818
01-30-317-100-211	Superintendent of Hwy & Mgr	249,276	255,557	6,281
01-40-418-100-211	Sr Citizen Administrator	67,470	69,157	1,687
01-45-421-100-211	P & R Director	100,653	103,169	2,516
		2,002,791	2,053,931	51,140
01-01-114-100-121	FICA/Medicare			3,912
TOTAL FUNDING REQUEST				55,052

Attachment BOT 1/11/17 New Business Item A.