

**EAST LYME BOARD OF FINANCE
SPECIAL MEETING MINUTES
BUDGET REVIEWS – FY 2015-2016
Monday, APRIL 13th, 2015**

Members In Attendance: Steve Harney, Chairman
Lisa Picarazzi, Secretary
Beth Hogan
Steve Kelley

FILED IN EAST LYME
CONNECTICUT
APR 16 2015 AT 10:00 AM/PM
Deborah Blain
EAST LYME TOWN CLERK

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

Absent: Camille Alberti, Steve Carpenteri

A. Call Special Meeting to Order

Chairman Harney called this Special Meeting of the East Lyme Board of Finance to order at 6:30 PM.

B. Pledge of Allegiance

The Pledge was observed.

C. Delegations

Mr. Harney called for Delegations.

Gill Gallant, 167 Boston Post Road said that he is the President of the East Lyme Teachers Association and that he is concerned with the cuts to the budget that have been made prior to public input. The teachers are not going to stay if they are not going to make the same money as elsewhere – especially when they are being held to the same standards. They can't be supporting education but cutting the budget – that just does not happen. He is the teacher's union representative and he is speaking for them.

Jim Lombardo, 4 Maple Street said that he was there to speak on what he has heard about reducing the BOE budget by \$450,000 which represents around 1% of the budget. (He noted that he had just come back into Town) He said that would be a significant hit on the budget and the programs. He also wants to speak regarding the Chinese program and what he heard about the change on revenues. He thinks that the Board of Finance and BOE need to have a discussion on programs and how to address them as when he came here six years ago they put in some program initiatives such as Coastal Connections. The \$190,000 from the Chinese program listed as revenue was for staff needed to work with those 10 students. He urges them not to penalize the BOE when they have unique programs like this and Coastal Connections which offsets the costs of those programs. He said that he understands that they have treated others before him in the same way and he thinks that they are going down a slippery slope on this. The revenue is included on their revenue page and if they add it to the regular Town budget instead then they would find that the BOE would have to add it into their budget request.

Mr. Harney said that he appreciates his concern and noted that they are aware of this and have discussed it at great length at their last meeting.

Mr. Lombardo said that he wanted to speak as a citizen as there is no benefit here if they do not bring the entrepreneurial aspect into this and encourage such thinking.

Christen Anderson; 5 Foster Leigh Road said that she is also an educator in Town and that when they decided to move to East Lyme that they came here for the school system. She said that she has been involved with school systems that have cut budgets and the results are that the kids do not do well and classes that have high numbers do not produce good students. Dr. Lombardo's budget was already cut (after careful deliberation by the BOE) when they received it. As a taxpayer she wants her tax dollars to go to the

education system. As a teacher she understands that everything is a gamble in how things turn out but she wants them to re-consider and not cut the budget.

D. Old Business

a. Any Outstanding Information

There was nothing at this time.

b. Budget Deliberations - Final

Mr. Nickerson said that at the last meeting that they spoke about Capital and the vehicle acquisition program and Mr. Holyfield is present this evening and will identify the vehicles and the changes that could be made. He said that they have come up more cuts than what was originally recommended. He asked that Mr. Holyfield explain the program.

Chuck Holyfield, Highway/Sanitation Superintendent & Fleet Manager said that in 2006 he was given the job of determining the fleet needs and replacement schedule. In 2007 they moved on this and were able to utilize and review a study that was done for the Town of Waterford on their fleet. The process was long and the overall conclusion was that it is important to keep the fleet up. Very old vehicles are worth nothing at auction and using very old equipment means a lot of break downs and the expense of the repairs. These past two winters prove how well the system works when the vehicles are kept up through the program. There are 12 dump trucks and they are on a 12 year replacement schedule of one per year. There is also a 2001 pay loader on the plan that is due to be replaced.

Ms. Picarazzi asked if they are purchasing new trucks.

Mr. Holyfield said yes and added that they are all the same trucks – all Internationals as that works for the drivers and for the maintenance. Any of the drivers can drive any of the trucks and the parts are essentially the same.

Mr. Nickerson explained the cuts that had been made to Capital totaling \$94,491 which is more than the \$71,800 that they had requested cut. This would reduce Capital to \$1,124,705. He then went through the reductions to the various departments under Town Government that were reduced to come up with the \$150,000 that was necessary. This list included cuts from the PT Firefighters, Dispatchers, Library and Parks & Recreation. He said that he had also reduced his salary by \$10,000 feeling that he should be sharing in these reductions.

****MOTION (1)**

Ms. Hogan moved to restore \$50,000 back to Town Government reducing the original cut to \$100,000.
No Second.

Ms. Picarazzi asked her thought process.

Ms. Hogan said that she thought that they would be back for the money later on in the budget year.

Ms. Picarazzi said that she could not support the \$50,000 but could possibly support \$25,000.

****MOTION (2)**

Ms. Hogan moved to restore \$25,000 to the \$150,000 reduction made to General Government operations.
Mr. Kelley seconded the motion.

Ms. Picarazzi said that she thinks that it is important that the First Selectman as the CEO of the Town have his salary restored.

Mr. Harney said that personally he was happy with the \$150,000 reduction.

Ms. Picarazzi said that they are not seeing the column that states that these are cuts made to a requested increase and NOT to what currently exists.

Mr. Kelley said that a budget request of an increase of \$693,000 for Town government was given to them and they originally voted to cut the \$150,000 from it.

Mr. Harney called for a vote on the motion.

Vote: 3 – 1 – 0. Motion passed.
Against: Mr. Harney

Mr. Harney asked where they would be making the adjustments to restore the \$25,000.
Mr. Nickerson said that he would work from the bottom up. He would restore \$5000 each to Parks & Recreation, the Library, PT Dispatchers and PT Firefighters. The last \$5000 he may add back to his salary but was not sure.

Ms. Hogan said that she wanted to make something clear. When Dr. Lombardo spoke about the Chinese program revenue she said that she had thought that they had made it clear the last time that the \$190,000 was in the BOE budget and that it had stayed there.

Mr. Harney recalled that there was \$150,000 as \$40,000 was for additional instructors.

Mr. Kelley added that they had left this as a recommendation and said that it was up for discussion for the next fiscal year after this one.

Ms. Hogan made it clear that the money is still there for the global language program. She also said that she wanted to discuss the teacher salaries that they keep hearing about. Teacher salaries are not something that the Board of Finance has any control over – that is how the money is moved and allocated from the top down - Superintendent and Administrators. So, if it is not attractive to work here due to salary differences – that is up to the BOE and how they negotiate those salaries. This Board has made numerous recommendations over the years about having fewer administrators which would then allow for more money for the teachers. She said that she wants them to know that it is NOT something that this Board has any control over.

Ms. Picarazzi said that she thinks that it is good to have the discussion on the Chinese program and other revenue.

Mr. Harney noted that they also spoke about having the new Superintendent come in to speak with them on a regular basis and this should bring a different level of transparency to the process.

Mr. Kelley asked about the Health insurance for next year and if they knew anything more about the figure.
Ms. Johnson said that she does not expect that they will be able to make a reduction in that item.

Mr. Kelley asked what percentage increase she had.
Ms. Johnson said that it was budgeted for a 10% increase.

Ms. Picarazzi asked about the fund balance being under the 8%.
Ms. Johnson said that she hopes that it would not affect bonding.
Mr. Nickerson added that we don't make those decisions. He said that if they receive any other information before the Public Hearing, they would bring it to the Public Hearing.

****MOTION (3)**

Ms. Picarazzi moved to adjust the Capital plan with a total reduction of \$94, 491 as follows: CNRE Municipal Projects - Revaluation reduced by \$88,200 from \$202,000 to \$113,800; Parks & Rec Acquisition reduced by \$10,600 from \$66,891 to \$56,291; Public Safety – Police Vehicles reduced by \$5,399 to zero; Public Works Trucks Acquisition increased by \$9,708 from \$431,326 to \$441,034.

Ms. Hogan seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

This reduced the increase from 11.99% to 3.31% for a new capital total of \$1,124,705.

E. Public Discussion

Mr. Harney called for any comments from the Public.
There were no comments.

F. Board Comments

Mr. Harney called for any comments from the Board members.

Mr. Kelley said that this was a particularly hard budget season with tough decisions. He thanked all of them for all their work and said that he thinks that they came out in the right place. The other members agreed adding that it is still a very tough economy.

Ms. Picarazzi said that anyone who has any comments on the distribution of the BOE budget should speak directly to the BOE as they and the Superintendent are the ones who allocate the dollars.

Ms. Johnson noted that they would have to set a special meeting for the last week in May – after the referendum to set the mill rate so that the tax bills could be done on time. She asked if they wanted to set that date now.

Mr. Nickerson noted that the referendum would be held on May 21, 2015.

The consensus of the Board was to set a Special Meeting date of Wednesday May 27, 2015 at 6 PM for that purpose.

G. Adjournment

Mr. Harney called for a motion to adjourn.

****MOTION (1)**

Mr. Kelley moved to adjourn this Special Meeting of the East Lyme Board of Finance at 7:38 PM.

Ms. Hogan seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary