

**EAST LYME BOARD OF FINANCE
SPECIAL MEETING MINUTES
BUDGET REVIEWS
Monday, APRIL 2nd, 2012**

Members In Attendance: Raymond Hart, Chairman
 Steve Harney, Secretary
 Richard Bengtson
 Steve Carpenteri
 Steve Kelley
 Lisa Picarazzi

Also In Attendance: Paul Formica, First Selectman
 Anna Johnson, Finance Director
 Carol Marelli & Nancy Moran, Registrars of Voters
 Gary Lakowsky, Chairman, Smith Harris Commission

Absent: No One

A. Call Special Meeting to Order

Chairman Hart 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. Hart called for Delegations.
There were no delegations.

D. Old Business

a. Any Outstanding Information

Mr. Hart asked if there were any updates.

Mr. Formica said that the most recent information from the State on revenue dollars indicates a revenue reduction of \$206,000 as the State is basing their formula on the old property value and it does not include the new infrastructure that they have at Camp Niantic.

Mr. Hart asked Ms. Johnson if she had any additional information.

Ms. Johnson said that she had updated the CIP and that she has the CNRE worksheet.

E. New Business

a. Budget Reviews – FY 2012-2013

◆ **Registrars (110) – Carol Marelli, Nancy Moran, Registrars**

Mr. Hart called for a motion to open this budget review.

****MOTION (1)**

Mr. Kelley moved to open the budget review for Item 110 – Registrars.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Formica noted that both Registrars were present and that their office had been moved to the Community Center since the Probate merge. He said that the budget was basically the same although Line 402 – Referendum/Primary at \$23,500 they are not sure about what would happen regarding a special referendum/primary. They are also not sure of the turnout as it is a major election year.

Mr. Hart asked if they are now responsible for all of the printing and ballots.

Ms. Marelli said yes, although there is a possibility that it will be covered for another year.

Mr. Harney asked about registering on-line as there has been quite a bit of talk about that.

Ms. Marelli said that it is not available yet although the Secretary of State is pushing it.

Mr. Harney asked if the software would have an associated cost.

Ms. Marelli said that she did not think so as the form is already available on line and all they would have to do is to print it out.

Ms. Moran said that they have to send in for the number of ballots necessary or they would have to get enough for every person.

Ms. Picarazzi asked if the Registrars salary line item is for the both of them and what their work schedule is.

Ms. Marelli said that they work three days per week and as necessary.

****MOTION (2)**

Mr. Kelley moved to close the budget review for Item 110 – Registrars.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

◆ Smith Harris House Commission (134) – Gary Lakowsky, Chairman

Mr. Hart called for a motion to open this budget review.

****MOTION (3)**

Mr. Kelley moved to open the budget review for Item 134 – Smith Harris House Commission.

Mr. Bengtson seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Formica said that this is basically the same budget except for a small increase for the utility costs. There is also \$12,000 in capital to paint the house. They are also looking to get a grant to help with that. He noted that Mr. Lakowsky is the Chairman and that he is present this evening. The members of this Commission spend a lot of their own hours to keep the House up and it really is a treasure. He suggested that if they have not seen it that they do so.

Mr. Lakowsky said that he had brought pictures to show why the house needs painting. He explained that he had a specialist look at it and that the \$12,000 is the estimate as it was not painted properly the last time. He added that if they did not have so many great volunteers that the house would not look as good as it does. He urged them to come to see it and said that he would be happy to take them on a tour. He said that he just applied for a \$6000 grant to help with the painting of the house.

Mr. Kelley asked why they are asking for another \$100 in the Recording Secretary line item.

Mr. Lakowsky said that they plan on hiring more docents for the programs and the payment for them comes from that same line item.

Mr. Kelley asked about the maintenance line item as they have not spent much to date.

Mr. Lakowsky said that they are coming into their season now where they do repairs and get the house ready for the programs.

Mr. Harney asked if they had any hurricane damage.

Mr. Lakowsky said that the barn roof shingles had some damage and that the repair of that is on the list that Ron has.

****MOTION (4)**

Mr. Bengtson moved to open the budget review for Item 134 – Smith Harris House Commission.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ **Board of Finance (126) – Ray Hart, Chairman**

****MOTION (5)**

Ms. Picarazzi moved to open the budget review for Items 126 – Board of Finance.
Mr. Kelley seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Formica said that this is a maintenance budget for the Recording Secretary and the Audit Services.

****MOTION (6)**

Mr. Kelley moved to close the budget review for Item 126 – Board of Finance.
Mr. Bengtson seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ **General Government & Miscellaneous Benefits (114) – Paul Formica, First Selectman**

****MOTION (7)**

Mr. Bengtson moved to open the budget review for Item 114 – General Government & Miscellaneous Benefits.
Mr. Harney seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Formica explained that this represents a \$50,000 increase over the current year and that most of it is for legal services. The FICA/Medicare numbers are based off of other numbers and that the labor union contracts for the Town employees are up this year. Insurance is a contracted service.

Mr. Kelley asked about line 124 – Pensions and the \$30,000 increase.

Mr. Formica and Ms. Johnson said that it is a one time contribution and that they are trying to fund it fully to bring it in line.

Mr. Hart added that as the returns get better that they may be able to reduce that number or keep it stable.

Mr. Bengtson asked about line 243 for Professional training at \$4500 when little had been used this year.

Mr. Formica said that it is for managers and staff for further training and that they also try to hold seminars in-house for everyone.

Ms. Johnson noted that they have not had seminars for everyone this year as they have in the past but they like to have it for people to be able to be sent for further training or to hold it in-house.

Ms. Picarazzi asked about General Government Legal and if any insight on this could be provided.

Mr. Formica said that it is on-going and that they are working on it.

Ms. Picarazzi asked about the assessment court costs.

Mr. Formica and Ms. Johnson said that it is a reveal year and that they had 80 challenges and so far one court case is in progress. He said that he would not know that figure yet.

****MOTION (8)**

Mr. Bengtson moved to close the budget review for Item 114 – General Government & Miscellaneous Benefits.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ **Contingency (120) – Paul Formica, First Selectman**

****MOTION (9)**

Mr. Kelley moved to open the budget review for Item 120 – Contingency.
Mr. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Formica said that Contingency is a best guess at this time as there are contracts under negotiation. Contingency under #300 - Operating is what they would use so that they would not have to go the fund balance for appropriations. It is considered prudent fiscal management for municipalities.

Ms. Picarazzi asked where the fund balance is now.
Mr. Formica said that the undesignated fund balance is over 7%.

****MOTION (10)**

Mr. Bengtson moved to close the budget review for Item 120 – Contingency.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ **CNRE – Paul Formica, First Selectman, Anna Johnson, Finance Director**

Mr. Hart called for a motion to open the CNRE for discussion.

****MOTION (11)**

Ms. Picarazzi moved to open the budget review for CNRE.
Mr. Bengtson seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Formica explained that this was put into the budget around 10 years ago so that they could put money towards items so that they would not have to bond them. This is for long term items such as ladder trucks. Not all of the items here are this years items.

Ms. Johnson said that the boat launch needs a State permit and that as soon as they get it they would do the project.

Mr. Hart asked about the Animal Control vehicle dollars and if they plan on spending them.
Mr. Formica said that the van was a gift from Dominion and that he thought that they purchased another one a few years ago and that those dollars may not be there.

****MOTION (12)**

Mr. Carpenteri moved to close the budget review for CNRE.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Hart noted that they had received the updated Long Range Capital Plan.
Mr. Formica explained that they need to remember that it is a five year plan and that the items in the black color in Year 1 are the only items that are approved in this budget. The items in other colors have other opportunities for dollars or will be bonded.

Mr. Hart emphasized that the changes have been made to LoCIP and removed as previously discussed.

Mr. Kelley asked why the Fire Department Floor could not be taken care of under LoCIP.
Mr. Formica said that it is a 50-50 split with the ambulance fund.
Mr. Kelley asked if it could be moved out another year.
Mr. Formica said that it really needs to be done.

b. Budget Deliberations – Start Discussion

Mr. Hart called for any discussion.
Ms. Picarazzi said that she had a few items for consideration.

****MOTION (13)**

Ms. Picarazzi moved to add to department 724 – Capital Outlays/Capital Equipment \$15,000 for Parks & Rec equipment for the start up of the Skateboard Park.
Mr. Kelley seconded the motion.

Mr. Bengtson asked about the liability due to the type of park that it is.
Mr. Kelley and Mr. Harney said that Mr. Putnam had said that it is the same as with the tennis and basketball courts and that it needs the proper signage and are at the users' risk.

Vote: 6 – 0 – 0. Motion passed.

Mr. Kelley said that he still sees in the five year plan – the \$17,500 capital improvement under the Board of Ed for the District Wide parking.

Mr. Formica and Ms. Johnson said that they could take that out of the BOE budget when they discuss it.

Mr. Hart asked Ms. Johnson to keep an on-gong tally of the changes that they make.

Ms. Johnson said that the soffit repair has been reclassified to a general fund item (\$19,200) and that the \$6000 for the folding door at the Community Center has already been done in this fiscal year.

****MOTION (14)**

Mr. Kelley moved to remove \$19,200 for the soffit repair from the five-year capital plan and \$6000 for the folding door repair (Community Center) from the capital plan.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (15)**

Mr. Kelley moved to open deliberation discussion on the Inland Wetland Agency budget – 132.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (16)**

Mr. Kelley moved to reduce Line #243 – Training/Consultant under 200 – Services Contracted/Operating by \$4000 to \$4000.

Mr. Bengtson seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (17)**

Mr. Kelley moved to close deliberation discussion on the Inland Wetland Agency budget – 132.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (18)**

Mr. Kelley moved to open deliberation discussion on the Building Maintenance budget – 113.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (19)**

Mr. Kelley moved to reduce Line #314 – Overtime by \$5,098 to \$10,000.

Ms. Picarazzi seconded the motion.

Mr. Hart asked if that is a safe number.

Mr. Kelley said that he added everything in this budget and that he thinks that it is okay.

Ms. Picarazzi said that they have spent 27% to date.

Ms. Johnson said that it was 40% at the end of March.

Vote: 6 – 0 – 0. Motion passed.

Ms. Picarazzi asked about line 213 – Heating Oil/Propane as it shows a 42% increase.

Mr. Hart said that it was tight with the higher costs for the fuels.

****MOTION (20)**

Mr. Kelley moved to close deliberation discussion on the Building Maintenance budget – 113.

Mr. Bengtson seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

****MOTION (21)**

Mr. Kelley moved to open deliberation discussion on the Police department budget – 216.
Mr. Harney seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Kelley asked Ms. Johnson about line 516 – Longevity and what she had found out for them.
Ms. Johnson said that she found that the shift differential is not getting charged to this account and that once that it is – the numbers would be quite different.

****MOTION (22)**

Mr. Kelley moved to reduce Line #516 – Longevity/Shift Differential Stipend by \$8,155 to \$15,000.
Mr. Bengtson seconded the motion.

Mr. Hart asked Ms. Johnson if they could live with the \$15,000.
Ms. Johnson said that she did not believe so as while the longevity has been properly charged there that the shift differential has not.

Mr. Hart said that he thinks that it is a fair and workable number and that he would support Mr. Kelley's reduction. He called for a vote on the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (23)**

Ms. Picarazzi moved to reduce Line #513 – Foot Patrol by \$5,000 to \$20,000.
Mr. Harney seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

****MOTION (24)**

Mr. Harney moved to reduce Line #511 – Police Officers by \$3,000.
Ms. Picarazzi seconded the motion.

Mr. Hart said that he thought that this would be safe as they were looking at the increases being split and the starting time for a new person in mid year (January).

Vote: 6 – 0 – 0. Motion passed.

****MOTION (25)**

Mr. Kelley moved to close deliberation discussion on the Police department budget – 216.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

****MOTION (26)**

Ms. Picarazzi moved to open deliberation discussion on the Flanders Fire Department budget – 218.
Mr. Harney seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

There was some discussion on overtime however 71% has been spent to date and it was felt that they could not reduce it.

****MOTION (27)**

Mr. Kelley moved to close deliberation discussion on the Flanders Fire Department budget – 218.
Mr. Carpenteri seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

****MOTION (28)**

Ms. Picarazzi moved to open deliberation discussion on the Niantic Fire Department budget – 218.
Mr. Harney seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Hart said that he thought that line 611 – Firefighters is a bit high.

****MOTION (29)**

Mr. Bengtson moved to reduce Line #611 – Firefighters by \$2,000 to \$218,522.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

****MOTION (30)**

Mr. Kelley moved to close deliberation discussion on the Niantic Fire Department budget – 218.
Mr. Harney seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

****MOTION (31)**

Ms. Picarazzi moved to open deliberation discussion on the Public Works budget – 317.
Mr. Bengtson seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Ms. Picarazzi said that lien 239 – Tree Warden has only had 20% spent so far and asked that they cut it by \$5000.

Mr. Formica noted that they are planning on an aggressive tree trimming program and that there is some money there for a tree farm so that they would not have to go out to purchase replacement trees.

****MOTION (32)**

Ms. Picarazzi moved to reduce Line #239 – Tree Warden by \$5000 to \$25,000.
Mr. Carpenteri seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Ms. Picarazzi asked about line 440 – Storm materials and suggested cutting that by \$10,000.

Mr. Kelley said that while it might seem reasonable that in a tough winter they had \$180,000 and that the \$121,675 is really not bad and they have no idea what the next year will bring.

Ms. Picarazzi asked about line 221 – Fleet fuel showing a 21% increase.

Mr. Formica said that the increase is based on actual use.

****MOTION (33)**

Mr. Kelley moved to close deliberation discussion on the Public Works budget – 317.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

****MOTION (34)**

Ms. Picarazzi moved to open deliberation discussion on the Parks & Rec/Youth Services budget – 421 & 422.

Mr. Kelley seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Ms. Picarazzi asked about the part time seasonal labor cut made by the Board of Selectmen.

Mr. Formica said that he envisioned that it would be something that they would need with the potential opening of the new Amtrak Beach approximately two months prior to the end of the fiscal year.

Mr. Kelley noted that if they look at putting the \$10,000 back in and at the overall budget that while it has gone up, there has been a saving of \$64,000 by the combination of the two departments.

Mr. Formica said that he concurs with that philosophy however with the potential \$206,000 revenue shortfall he would suggest holding off on that for now.

Mr. Kelley said that he would agree and that they could come back if it is necessary.

Mr. Hart asked when Amtrak anticipated opening the area.

Mr. Formica said that it could not be opened until the bridgework is done.

Ms. Picarazzi said that she has noticed that her electricity bill has been going down household wise and asked if they get the same rate.

Mr. Formica said that they are in contract with a company which is at a higher rate and that they are working on meeting with them to see about an adjustment.

****MOTION (35)**

Mr. Kelley moved to close deliberation discussion on the Parks & Rec/Youth Services budget – 421 & 422.

Mr. Carpenteri seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (36)**

Ms. Picarazzi moved to open deliberation discussion on the Information Technology budget – 109.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Ms. Picarazzi asked about cutting \$5000 from line 215.

Mr. Formica recalled that Mr. Scheer had said that it is to purchase blocks of support so that they would not have to pay so much for tech support to come in when they have problems.

****MOTION (37)**

Mr. Kelley moved to close deliberation discussion on the Information Technology budget – 109.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

****MOTION (38)**

Ms. Picarazzi moved to open deliberation discussion on the Town Building Committee budget – 135.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Ms. Picarazzi asked what this is.

Mr. Formica said that it is comprised mostly of retired specialists in the trades who act as an oversight group for the Town and Board of Ed contracted projects.

****MOTION (39)**

Ms. Picarazzi moved to close deliberation discussion on the Town Building Committee budget – 135.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Formica recapped that they have made \$42,453 in reductions. They have also added \$15,000 for the skateboard park.

Mr. Hart said that they would continue deliberations at their Regular Meeting on Wednesday, April 11, 2012.

F. Public Discussion

Mr. Hart called for any comments from the Public.

There were none.

G. Board Comments

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

Mr. Kelley said that beyond the PILOT change on the State owned buildings – what was the net effect of the Board of Assessment Appeals actions.

Mr. Formica said that real estate was reduced by \$508,130 and personal property by \$147,381 for a total reduction of \$645,511.

H. Adjournment

Mr. Hart called for a motion to adjourn.

****MOTION (40)**

Ms. Picarazzi moved to adjourn this Special Meeting of the East Lyme Board of Finance at 8:57 PM.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary