

**EAST LYME BOARD OF FINANCE
REGULAR MEETING MINUTES
Wednesday, JULY 8th, 2015**

Members in Attendance: Steve Harney, Chairman
Lisa Picarazzi, Secretary
Camille Alberti
Steve Carpenteri
Beth Hogan
Steve Kelley

FILED IN EAST LYME
CONNECTICUT
7/16 2015 AT 10:00 (AM/PM)
Lesley B. Bliss
EAST LYME TOWN CLERK

Also In Attendance: Mark Nickerson, First Selectman
Anria Johnson, Finance Director
Bill Scheer, Asst. Public Works Director
Dave Lewis, Owner, Star Computers

Absent: No One

A. Call Meeting to Order

Chairman Harney called this Regular Meeting of the East Lyme Board of Finance to order at 7:02 PM.

B. Pledge of Allegiance

The Pledge was observed.

C. Delegations

Mr. Harney called for Delegations.
There were no delegations.

D. Approval of Minutes

- Regular Meeting – June 10, 2015
- Special Meeting – June 16, 2015

Mr. Harney said that they would hold off on approval as everyone did not receive their packets due to the holiday mailing. They would approve them at their next meeting.

E. Reports

◆ **First Selectman**

Mr. Nickerson reported on the following:

- He has been to various ribbon cutting ceremonies throughout the Town
- He has reviewed three possible locations for cell towers in Town
- There was a water main break at 157 West Main St. earlier this week that has been fixed
- The beaches were packed this past weekend and have been packed on the weekends; the parking lots are full
- Celebrate East Lyme is Saturday, July 18, 2015
- They are now expecting the Boardwalk to be completed by the end of this year
- Plans are being discussed to put a band shell at McCook's Park
- They are looking at a 'Missions of Mercy' program being held here under their 'mini-program' plan as we do not have a facility large enough for the full program
- They are working on selling the old Flanders ladder truck
- They are in the process of negotiating two union labor contracts; the third contract is headed to arbitration
- They are working with 38 Hope Street to get their units completed as there are people who have committed to moving in and have no place to go

- The recent Cardinal Road fire which totally displaced the family who lost their entire house and pets showed some incredible community outreach with people coming together to help the family

Ms. Alberti asked about the final contract price on the new ladder truck.

Ms. Johnson said that, as she recalled the purchase order was cut for \$1,142,153.00

Ms. Hogan asked if he could disclose the potential locations for the cell towers.

Mr. Nickerson said that one is on top of the Ancient Highway near the Orchards; another is to the east of the Orchards. Balloons were floated to see where they might be visible. The third location does not have an application in yet but is in the area to the rear of the Gateway property where there is some remote property back there.

Ms. Hogan asked which contract is in arbitration.

Mr. Nickerson said that it is Dispatch and noted that they are still with AFSCME while the large group has changed over to UPSEA.

Ms. Picarazzi said that he had indicated that they were expecting year end for the Boardwalk completion and asked what is going on there.

Mr. Nickerson said that he was out there and that he could not see it being completed by the end of September. He explained that while there were test borings done for ledge that they ended up hitting a lot of ledge/rocks which put them behind. There are change orders that could be done however with a \$35,000 contingency on a \$4M+ project it they would have come in at around \$500.00 – so they are giving up time to not pay change orders.

Ms. Hogan asked if the change orders are out of the scope of the budget.

Mr. Nickerson said that the Town, Developer and all parties are working together on this. He added that Mr. Scheer is present this evening and can further explain this project.

Mr. Scheer explained that they went in with a \$35,000 contingency and that they have worked with the contractor on this. They did have one \$17,000 change order so there is \$18,000 left. He said that in terms of a project of this size, having a very bad winter that cost time and the scope of the work that to move the time frame out he feels was the best thing to do. He said that he feels that it will be completed by the end of the year. They are currently working on the concrete top finish to the railing area and while it looks just great, it is not a quick moving part of the project.

Ms. Alberti summed up that this is in a way, a gentleman's agreement where they won't put in for change orders but will have the extra time to complete the job.

Mr. Nickerson said that barring anything else happening that it would be complete by the end of the year.

◆ **Board of Education**

Mr. Harney said that no one was able to be present or available to report.

Ms. Hogan asked that a message go to Mr. Newton regarding the dug-out bids.

Mr. Scheer said that the plans will be done tomorrow and that the foundation plans were done and the BOE funded both of them out of the \$7000 that they had. Once the other plans are completed for the roof, etc. they will go back to the BOE with them and they are going to look to see if they can fund it.

◆ **Finance Director**

Ms. Johnson said that the draft reports for June were in their folders. She noted that around mid-May they had a server crash and that they were without computers for a day and a half. However; there were some issues with some records for the Tax and Assessor offices and they are working to re-create the lost information from previous years. She said that they expect that it would take another two to three weeks to get the Tax Department updated.

Ms. Picarazzi said that it looks like they were approximately \$500,000 short for year end.

Ms. Johnson said that is not done at this point.

Mr. Harney asked if the amount that they are short would be made up.

Ms. Johnson said that she expects about \$500,000 so that should be in the area that they would need.

Ms. Alberti asked how much they would have to pull from Fund Balance.

Ms. Johnson said that she would anticipate that it would be around \$350,000.

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

Ms. Johnson said that she had reviewed the budgets and departments where they had rough areas and feels that they should come out okay.

Mr. Kelley asked about the final increase in health insurance.

Mr. Nickerson said that in the new year that while the trend showed 19%; that they are sticking with 14%. He added that 75% of the health customers come from the BOE.

Mr. Carpenteri asked if they had shopped it out.

Mr. Nickerson said that they did but there is not much out there. They also checked with Anthem and they were higher. He added that we have an aging Town and an aging population and it affects the insurance.

F. New Business

a. Special Appropriation - \$20,600 CNRE Fund 32 – Fiber Optic – OPM Grant

Mr. Nickerson said that Mr. Scheer is here this evening to explain this project.

Mr. Scheer explained that the State realized that the Town and Niantic Fire need to be tied into high speed internet access so for the same price that we pay for our current service we will be upgraded from 3 megabytes per second to 1 gigabyte per second. We will plug into the Niantic Fire Station drop. The only re-occurring cost is the \$50/month maintenance fee.

Ms. Picarazzi asked when this is scheduled to be implemented.

Mr. Scheer said that he is hoping that it will be in the next three months.

Ms. Alberti asked what would happen if the town Hall moved to an old school building.

Mr. Scheer said that the fiber is already there in the school buildings.

****MOTION (1)**

Ms. Picarazzi moved to approve a special appropriation in the amount of \$20,600 in CNRE Fund 32 to an account to be established for a grant awarded by CT Office of Policy and Management (OPM) to install a lease for 20 years for a fiber optic connection from the Town Hall to the Niantic Fire Station where it will tie into the CT Education Network (CEN).

Mr. Kelley seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

It was noted that this requires Town Meeting Approval.

b. Special Appropriation – Allocate CNRE \$40,000 to upgrade Town Hall Servers

Mr. Nickerson said that this relates to the recent server crash.

Mr. Scheer recapped that they had brought Star Computers in last year under contract and that it has been the best decision they ever made. They were going to evaluate our systems when we had a crash. The plan was to come next year with this request but it had to be accelerated due to the crash. He said that Dave Lewis from Star Computers was here and would explain more.

Dave Lewis, Star Computers owner said that they recommended new back-up systems and off-site systems and that they could replace all of the existing servers with two server boxes. This is a complete server replacement. It is something that with all of the issues out there needs to be done every five years. They currently have older servers, aging firewalls and they cannot use fiber without new servers. Back-ups will be instantaneous so they will have the information.

Ms. Alberti asked where the five year replacement plan puts us – Best in Class.

Mr. Lewis said that it is average.

Ms. Picarazzi asked if they used this money what would be left.
Ms. Johnson said about \$7600.

Mr. Harney said that they really do not have much choice here.

****MOTION (2)**

Mr. Carpenteri moved to allocate and transfer \$40,000 from CNRE account 32-70-300-500-100 (Town Project Allocations) to an account to be established titled, "Servers" for the purchase of a server for the Town Hall and to purchase and install a new firewall and redundant back-up units.

Mr. Kelley seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

It was noted that this requires Town Meeting approval.

c. Special Appropriation – LoCIP Grant - \$114,460

Mr. Nickerson explained that LoCIP grant is funded by the State and this is a total of what has been left over from previous years completed projects and we want to be able to use it along with the current years' budget on the 2015-2016 CIP projects with LoCIP funding. The project list includes: Architect Town Buildings (determine best use of buildings) - \$45,000; ELCC Natural Gas conversion/Energy Efficiency - \$50,000; Generator NFD Station II - \$50,000; Generator NFD Grand Street - \$46,000; New Energy Efficient HVAC Controls EL Town Hall - \$38,500 and Seal Town Brick/Block Buildings - \$8,500.

****MOTION (3)**

Mr. Kelley moved to approve a special appropriation in the amount of \$114,460 to budget account 01-30-317-500-100 (LoCIP) and revenue account 01-03-300-320 (Local Capital Improvement) to complete projects consistent with the Capital Improvement Plan.

Mr. Carpenteri seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

It was noted that this requires Town Meeting approval.

d. Special Appropriation – Increase 2015/2016 MRSA and (TAR) Town Aid Road Grants

Mr. Nickerson explained that they were not sure where the State budget would end up so this is what we need to add as this is where we ended up when the State completed its session. The TAR grant helps with the 112 miles of Town roads that need to be maintained.

Ms. Picarazzi asked if they would then bond less.

Mr. Nickerson said no, they already approved \$900,000 for bonding and the money has to be used for roads.

Ms. Alberti said that she would not like to see over-staffing or paying for overtime to get this done.

Mr. Scheer said that they have a long list of things that have to be done. The \$900,000 is a palpable amount each year to bond and allows them to do pavement management.

Mr. Kelley said that if they look at the plan that they were given that for FY 2015-2016 it stated that they would need \$1.2M and we are bonding \$900,000 – so if you add this \$318,395 to the \$900,000 you have the \$1.2M that they originally said they would need.

Mr. Scheer noted that they have not caught up with all of the roads yet.

Mr. Nickerson said that they are also able to spend some of the TAR funds on salt and sand for winter roads.

****MOTION (4)**

Ms. Alberti moved to approve a special appropriation in the amount of up to \$178,668 in the 2015/16 budget to the following budget accounts - \$178,668 to 01-30-317-500-224 (Town Aid Road) and corresponding revenue account 01-03-300-301 due to adoption of the State of Connecticut budget. The Total amount is as follows: \$156,226 Town Aid Road and \$22,442 MRSA for Municipal Projects to be used for roads pursuant to the receipt or final confirmation of funds.

Mr. Kelley seconded the motion

Vote: 6 – 0 – 0. Motion passed

It was noted that this requires Town Meeting approval.

e. Fiscal Year Transfers Within Budgets

Ms. Johnson noted that they have the list of transfers for the departments.

Ms. Alberti said to Ms. Johnson that since the reports for year end are drafts that she would think that this is the last set of transfers that would need to be done – or are there going to be more –

Ms. Johnson said that there would be more in August.

****MOTION (5)**

Ms. Hogan moved to ratify departmental transfers in the amount of \$10,669.55 processed for fiscal year end June 30, 2015. (Listing attached)

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

G. Old Business

a. Purchasing Policy

Ms. Johnson said that they are working on this and she is putting together sections to bring before them.

b. Audit Comment Plan

No comments at this time.

H. Public Discussion

Mr. Harney called for Public Discussion.

There was no public discussion.

I. Board Comments

Mr. Harney called for any comments from the Board.

Ms. Johnson noted to the Board that Mr. Putnam came to see her and that during the last weekend they took in over \$7000 in beach revenues.

Ms. Picarazzi recalled that they had wanted to discuss the special revenue accounts and how they would want to handle the Chinese program and others.

Mr. Nickerson suggested that they have Mr. Putnam present to them in September as they would have most of the summer revenues in.

Ms. Picarazzi asked that Mr. Nickerson do some research on who has what and how it is done and used.

Ms. Johnson explained that as they have gone through the budget process that they have spoken about the Commission on Aging programs being part of the special revenue program – but their programs do not operate on a profit basis. There are some changes the Director is making with the new senior person in the department and fundraising will be a part of that job so that they can do that.

Mr. Kelley noted that when the Parks & Recreation Special Revenue Fund was started that they were to give the Town back \$10,000 each year and to report to them on a regular basis. He asked if they should review this and see if they should give \$15,000 (or more) each year.

Ms. Hogan said that they have elections this year and that they will announce their candidates this month. She said that she would provide the names to Ms. Johnson so that they could receive meeting packets and attend meetings and follow along with the process.

Ms. Picarazzi asked if with the road grant process the situation was reversed and funding was less if they would know about it – she also said that they should know what they will use the extra dollars on and where it will go.

It was noted that TAR dollars can only be used for roads and sand or salt for the roads during winter.

J. Adjournment

Mr. Harney called for a motion to adjourn.

****MOTION (6)**

Mr. Kelley moved to adjourn this Regular Meeting of the East Lyme Board of Finance at 8:27 PM.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

**Town of East Lyme
Budget Transfers
Fiscal Year 2014/15**

To Account From Account

Date	Dept	Account #	Description	Account #	Description	Amount	Reason for Transfer
5/7/2015	Police	01-25-216-100-513	Foot Patrol/Parade	01-25-216-100-515	OT - Boat Duty	3,000.00	To cover estimated EOY payroll
		01-25-216-100-412	PT Clerical	01-25-216-300-302	Fuel Boat	1,248.55	To cover 8 week transition period between retired and current Administrative Assistant
		01-25-216-100-311	Administrative Asst	01-25-216-100-314	Admin Asst OT	1,709.00	Due to unplanned accrued leave pay-out to retired Administrative Assistant.
6/2/2015	TClerk	01-01-107-100-311	Asst T Clerk	01-01-107-200-292	Land Record Mgt	762.00	Additional hours worked by Asst Town Clerks; Saturday hours prior to referendum & Town Meeting
	Bldg Maint	01-01-113-300-201	Telephone	01-01-113-100-314	Overtime	2,000.00	Additional funding needed for FYE 6/30/15 for utility and heating oil expenditures in the Building Maintenance Department. There are wages savings due to changes in staffing during the year.
	Bldg Maint	01-01-113-400-212	Water & Sewer	01-01-113-100-314	Overtime	750.00	
	Bldg Maint	01-01-113-400-213	Heating Oil/Propane	01-01-113-100-311	Custodians	1,200.00	

TOTAL \$ 10,669.55

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BoS
6/17/2015

Attachment - BOT 7-8-15 Budget Transfers Addition(5)