

**EAST LYME BOARD OF FINANCE
REGULAR MEETING MINUTES
Wednesday, MARCH 14th, 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
William Deakyne, Library Director
Anna Johnson, Finance Director

Absent: No One

A. Call Meeting to Order

Chairman Hart called this Regular Meeting of the East Lyme Board of Finance to order at 7:00 PM.

B. Pledge of Allegiance

The Pledge was observed.

C. Delegations

Mr. Hart called for Delegations.

There were no delegations.

D. Approval of Minutes

▪ **Tuesday, February 7, 2012 – Joint BOE/BOS Public Hearing**

Mr. Hart called for a motion for approval or any changes to the Joint BOE/BOS Public Hearing Minutes of February 7, 2012.

****MOTION (1)**

Mr. Kelley moved to approve the Joint BOE/BOS Public Hearing Minutes of February 7, 2012 as presented.

Mr. Carpenteri seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

▪ **Wednesday, February 8, 2012 – Regular Meeting**

Mr. Hart called for a motion for approval or any changes to the Board of Finance February 8, 2012 Regular Meeting Minutes.

****MOTION (2)**

Mr. Kelley moved to approve the Board of Finance Regular Meeting Minutes of February 8, 2012 as presented.

Mr. Carpenteri seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

E. Reports

◆ First Selectman

Mr. Formica reported on the following:

- He has been in discussion with FEMA on the storm expenses and they have so far received around \$80,000 with more to follow.
- They have also been in discussion with FEMA regarding returning the Boardwalk to pre-Storm Irene status.
- The Amtrak Bridge replacement is moving along very well. There will be channel closures during the 3/26/12 – 4/2/2012 time frame.
- There will be a big media event for Amtrak when the bridge is put in place – all are invited to attend.
- The design teams for the Athletic Complex and for the Water Interconnection are busy working on their respective projects.

Ms. Picarazzi asked about the schedule for the water project and if we are on track with that and with the Athletic Complex.

Mr. Formica said that they are on track. For the water project they expect water to be flowing anywhere from July to September of 2013. For the Athletic Complex, the architect specs are expected this coming Friday. They expect to start dismantling things at the school the day after graduation. He also noted that they have a new attorney to handle contracts who is very mindful of the Town's interests.

◆ Finance Director

Ms. Johnson said that her monthly report was in their packets and that she had provided them with the Board of Ed summary as well as the regular reports. She said that she would answer any questions that they might have.

Mr. Kelley asked about the Board of Ed report citing line 36 which shows the budget being overspent by more than \$100,000 but also showing that they expect to come in on budget. He said that there are about seven (7) other areas just like that in the BOE budget. He asked that the BOE provide them with some feedback on that.

Mr. Harney said that he thought that they freeze their budget and then transfer dollars back and forth to the different line items.

Mr. Kelley said that there is a transfer line item in there with nothing in it.

Mr. Hart asked Ms. Johnson about her monthly report and for some clarity on the legal expenditures and storm supplies.

Ms. Johnson said that legal is for some of the New England National bills that they had received and the storm supplies for some of the minor storms we had where they had to send crews out.

F. New Business

a. Presentation – Open Space Plan

Mr. Hart said that Art Carlson, Chairman of the Commission for Natural Resources would present this.

Mr. Carlson thanked them for having him and said that he would like them to think of open space in terms of an investment in the future. He said that when he asks people about open space that they think of green space and that there is either too much or too little. He noted the watershed areas in the Town and how some 40+ years ago we put houses and roads over the watershed areas. The watershed areas hold our sand and gravel aquifers. He said that the Town does not have a history of investing in open space outside of a few areas such as McCook's.

Ms. Picarazzi stated that we had just added the very large Darrow Pond area.

Mr. Carlson said that they wanted to minimize the future negative aspects on the water system and had come up with attributes important to people such as having water access, passive recreation and

agricultural land. He noted that we are fortunate in that we have other blocks of land in our Town such as Stones Ranch at around 2000 acres, Nehantic Forest at just under 2000 acres and the Yale Property that has more than 2000 acres, all creating a 6000 acres block that will not be developed. They then looked for large parcels of land within the aquifer system and tagged them and wrote letters to those owners and asked that if they were going to sell their property that they consider giving the Town the right of first refusal on it. They sent out 65 letters and noted that the land could be donated to the Town to be kept as open space for public passive use.

Mr. Hart asked Mr. Carlson if out of the 65 letters they received any responses.

Mr. Carlson said yes – they had received six – one is for 100 acres and the owner wants to keep it; another was for a small amount of a very few acres and was sent in error as they were looking for large tracts of land only and another is the Samuel Smith property.

Mr. Carlson then passed out to the Board Members, copies of a survey that was done (a copy was not submitted for the record) noting that the majority of the responses were in favor of spending money on the purchase of open space. With this in mind, he said that they looked at what putting \$500,000 towards open space does to the debt and it would only be about one-tenth of a percent increase and would cost each taxpayer only an additional \$4.08 per year.

Mr. Carlson lastly noted that they were recently granted permission to put 50 miles of trails in the Nehantic Forest.

Mr. Hart thanked Mr. Carlson for the presentation.

b. Budget Transfer – Town Clerk Department

Mr. Hart asked Mr. Formica to explain this item.

Mr. Formica said that the Town Clerk is retiring on April 6, 2012 and that this is a necessary transfer to pay out her vacation time. He noted that this is an elected position and that a policy established for elected officials makes them ineligible for leave time accruals however Ms. Williams was grandfathered due to her length of time already in service. Going forward, the next Town Clerk, just as with the current Tax Collector will not accrue leave time. They do however; have to notify them of time that they are taking off. He said that the next Town Clerk will come in at entry level as they will be a first time Town Clerk. The funding for this vacation days payout is available in the Youth Services Director Salary account due to the department re-structuring that was done this year.

Mr. Formica noted that Thursday April 5, 2012 is Ms. Williams last day of work and that day they are inviting everyone to come and say good bye to her and wish her well. Many restaurants throughout the Town have donated items for the event here at Town Hall.

Mr. Hart called for a motion.

****MOTION (3)**

Mr. Kelley moved to approve a transfer in the amount of \$6,309 from account 2-01-45-422-100-211 (YS Director) to account 2-01-01-107-100-111 (Town Clerk) due to a retirement payment obligation.

Mr. Bengtson seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

c. Presentation of 2012 – 2013 Proposed Budget & Overview by First Selectman

Mr. Formica noted the various pictures in the front of the budget book depicting important projects within the Town. He said that Amtrak Beach would be greatly enlarged with the bridge replacement project and that it is a one-half mile beach that when expanded will be like Rocky Neck and will require more efforts from the Town. The completion of the bridge and beach area will be a significant event for the Town. It is anticipated that it will bring in more traffic and that boaters will also come in for the day. All of this will afford great economic opportunity for the community.

Ms. Picarazzi asked if Celebrate East Lyme and the OpSail event will be on the same weekend this year.

Mr. Formica noted that the first Celebrate East Lyme event was started during Mr. Fraser's time when the tall ships first came here in 2000. 2012 represents the 200th anniversary of the War of 1812. The OpSail event will be July 7 and 8 in New London and they expect close to 1M people to be coming here for it. The ships will be here before that on July 6 so the Celebrate East Lyme event will be held on Friday July 6, 2012 as a lead in event for the New London OpSail event. The fourth of July falls on Wednesday so the Lions Lobsterfest and Craft Fair event will be held the weekend before. He noted that they do have mutual aid agreements with neighboring Towns for additional police.

Mr. Formica synopsised the various changes that the Board of Selectmen had made to the budget noting a Probate increase in shared costs, reductions to FICA/Medicare, Health Benefits/Town, Police, Library, Parks & Recreation and Capital Outlays/Equipment. The Board of Education budget was forwarded as approved by the Board of Ed showing their reduction of the Superintendent's budget by \$385,875. He noted that the estimated value of a mill is just over \$2M at this time.

d. Budget Presentation – Library – Department 421 – Wm. Deakyne, Library Director

Mr. Formica noted that Mr. Deakyne will be retiring as of July 1, 2012 and that it has been a joy to work with him and that he has been with the Town for 50 years.

Mr. Deakyne, Library Director provided the members with a copy of the Library Annual Report and a picture of the containers of books that come in each day to the library as well as the foundation formula. He said that his budget represents a low increase as his successor will come in at a lower salary. The salary savings is a one time event. He noted that Mr. Makiaris and Mr. Arnold were also present as well as his successor, Mrs. Timothy and that they could answer any questions they might have.

Mr. Hart asked how many full time and part time employees they have.

Mr. Deakyne said that they have 18 part time that are regularly scheduled and 11 full time people. The rest are hourly and they also have retired people who fill in as necessary when people are out.

Mr. Hart asked the total hours of operation per week.

Mr. Deakyne said that they are open 61 hours per week and that they shorten the Sunday hours in the summer as the use falls off.

Mr. Kelley asked if they pay benefits for the part time people.

Mr. Deakyne said only the social security on part time employees.

Mr. Harney asked about the health insurance.

Mr. Deakyne said that the full time people are covered by it and that it comes through an arrangement with the Town and is a segment of the Town's Master Plan.

Mr. Formica explained that they originally thought that health insurance would increase by 9% however it came in at 2% so an adjustment was made.

Mr. Kelley asked if the health insurance is \$155,000 at the adjusted figure.

Ms. Johnson said yes.

Mr. Hart thanked Mr. Deakyne for his 50 years of service to the Town.

Mr. Deakyne said that he has loved his job.

e. Review of Projected 2012 – 2013 Revenues

Mr. Formica noted that the Governor understands the system of taxes and that if he decreases the money that is given to the Towns that the Towns have to increase taxes and this creates more issues. It appears that they will be receiving the same State funding as last year. The PILOT dollars should increase as they have \$36M more in value with the improvements to Camp Niantic and the regional training center that they have built there.

Mr. Harney asked the impact on the mill rate with a flat budget.
Mr. Formica said that if all things are equal that it should work out.

Ms. Picarazzi asked about the ECS difference regarding the \$6M this year and the projected \$7.1M in the next year.

Mr. Formica explained that it was the method that it came in as – with a stimulus grant and the \$6M. There should be \$20,000 more coming in the upcoming year. He noted that there is a different formula being used on the hotel tax and that he expects about \$100,000 in revenues from that. He also said that they did not use any money from the undesignated fund balance this year. This is all a beginning point for discussion.

G. Old Business

There was none.

H. Public Discussion

Mr. Hart called for Public Discussion.

Karen Rak, 27 Black Point Road asked when an abbreviated budget would be available for review on the website. She also said that she had asked Mr. Carlson after his presentation about the survey that he presented. Regarding surveys – you hear ‘97% of all the people’ and it is not made clear that the 97% is of 400 people who responded and not all of the people in the Town. She said that she just wanted to make that point clear.

I. Board Comments

Mr. Kelley noted the letter they had received in their packets regarding the Meals on Wheels Association of America event of ‘Mayors for Meals’. He said that for many of the people that are served by this that this is their only contact with someone during the day and that it means more than a meal to them. They are looking for people this month to volunteer for two hours one day for approximately two hours to work with the volunteer kitchen workers and drivers as they prepare and deliver food to the Senior Nutrition Program residents. He asked that they consider doing this for this important program.

Mr. Formica commended Mr. Kelley on his volunteering with the Senior Center.

J. Adjournment

Mr. Hart called for a motion to adjourn.

****MOTION (4)**

Mr. Kelley moved to adjourn this Regular Meeting of the East Lyme Board of Finance at 9:05 PM.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary