

BUDGET REVIEWS Thursday, MARCH 19th, 2009
EAST LYME BOARD OF FINANCE
SPECIAL MEETING MINUTES

Members In Attendance: Steve Larcen, Chairman
Jeff Langan, Secretary
John Birmingham
Jill Carini
Bob Jones
Allan Taylor

Also In Attendance: Paul Formica, First Selectman
Anna Johnson, Finance Director
Donna Bekech, Assessor
John McCulloch, Tax Collector
Joe Smith, Chief Building Official
Renee Fecteau, Human Resources Manager
Cathy Wilson, Senior Services Director
Sgt. Bill Blanchette, Police, Resident Trooper

Absent: No One

A. Call Special Meeting to Order

Chairman Larcen 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. Larcen called for Delegations.

Robert Gadbois, 358 Boston Post Road thanked Mr. Formica for foregoing his raise this year and also Mr. Kleinhans and Mr. Hogan on the Board of Selectmen for giving up their little stipends this year. He said that he hopes that the Board of Ed is listening and that they will do the same.

D. New Business

a. Budget Reviews – FY 2009-2010

Mr. Larcen explained the procedure that they would like followed is that they are not looking for a complete presentation of the budget but rather special considerations or items that should be brought to the Boards' attention. The Board will then ask any questions that they have.

◆ **Assessor (102) – Donna Bekech, Assessor**

Donna Bekech, Assessor noted that the change that was made regarding the Part-time clerical and said that this is for a high school student who helps them out during the summer for around four (4) weeks time. She additionally noted that Professional Conventions and Misc. Supplies had been cut a bit and that she should be able to work with those figures.

Mr. Jones asked why Miscellaneous Supplies was \$1400 higher for the current fiscal versus the previous year.

Ms. Bekech said that this could have been a line item transfer for computers as IT did not have the funding

for them. She said that she would research it and would be happy to provide them with an answer.

Mr. Jones asked Ms. Bekech if she was foregoing her increase.

Ms. Bekech said yes.

Mr. Taylor asked that they be provided with a list of the service contracts that would come to almost \$22,000 in funding.

Ms. Bekech said that this is for software packages and that she would provide the Chairman with a list.

Mr. Langan asked the impact of the business audits.

Ms. Bekech said that they have let them go for right now as the impact would be to the businesses. They will however do them in subsequent years in hopes that the economy improves.

Mr. Langan asked if an out come of cutting these audits could be a decrease in the revenue stream.

Ms. Bekech said that there could be a slight decrease.

Mr. Larcen asked that Ms. Bekech provide them with a State owned property report.

Ms. Bekech said that she would.

◆ **Board of Assessment Appeals (127) – Donna Bekech, Assessor**

Donna Bekech, Assessor said that she would be happy to answer any questions that they have.

Mr. Taylor asked about the Recording Secretary line item.

Ms. Bekech said that they just came through the hearings and that they are at \$1705 expended. She added that March is a busy time for bills and that there are possibly two advertising bills still out there that have to be paid.

Mr. Jones asked if the \$1810 amended budget for this fiscal year was inclusive of an increase for the members.

Ms. Bekech said that she thought that there might be one in there.

Mr. Jones and Mr. Taylor asked for the information on what the members get paid; the rate and who authorized that they are paid.

Ms. Bekech said that they are paid minimum wage.

Ms. Carini said that by law they have to pay the minimum wage.

Ms. Bekech said that State Statute requires that they be paid.

Mr. Larcen commented with respect to advertising that there is a move on the part of the State to allow ads to be placed on websites and that should this pass, they should be able to realize some savings.

◆ **Tax Collector (103) – John McCulloch, Tax Collector**

John McCulloch, Tax Collector said that the Part Time Clerical line item was for a summer intern that they have and that the Board of Selectmen had cut that line item by \$500 to \$1500. He said that they have found a new vendor for the paper for printing the tax bills and that line item could be cut to \$700 from \$1250.

Mr. Larcen asked Mr. McCulloch if he had a report on the collection numbers.

Mr. McCulloch said that he had provided the Board of Selectmen with that information the previous evening and offered to provide them with copies. He said that there will be a COLA freeze for him and that there is a 5% increase on the Walsh software.

Mr. Taylor asked about the tax bill printing.

Mr. McCulloch said that it will be about \$700 for the two printings.

Mr. Taylor asked if there were some seasonal issues with the supplies also –

Mr. McCulloch said no, however the envelope rates do vary. He added that they will also send out post cards in December.

Mr. Larcen asked that the Tax Aides line item be checked as they are showing at 7%+ increase and the

contract does not call for that amount. He then asked Mr. McCulloch if he has statistics on the demographics of who owes money.

Mr. McCulloch said that while he does not have demographic information that he does see the same people who are delinquent with their taxes.

Mr. Larcen asked if he has a recommendation on the collection rates for the coming year.

Mr. McCulloch said that in talking with other Tax Collectors in that area that 98% seems to be the consensus.

Mr. Larcen asked what the collection rate figure was that they used for this year.

Ms. Johnson said that they used 98.7%.

◆ **Building Department (104) – Joseph Smith, Chief Building Official**

Joseph Smith, Building Official said that there is no significant difference in his new budget versus the current one and that he would be happy to answer any questions.

Mr. Taylor about line 212 – Building Official at \$34,184 and who it is for.

Mr. Smith said that he has a part time inspector who gets just under \$25/hour and that he has anticipated needing him for three (3) days per week in preparing the budget for next year. He noted that he has not had to use him recently and is basing this on things picking up and the fact that we are getting into what traditionally is a busier season. He added that for the remainder of this fiscal year that if things do not pick up, that he would not be using him except for a few days in April and June that he is taking off from work.

Mr. Taylor asked if he would anticipate needing him that much in the upcoming fiscal year.

Mr. Smith said that 'needing him' is directly related to the work that comes into the office.

Ms. Carini asked if he is a W-2 or a 1099 employee.

Mr. Smith said that he is a W-2 employee.

Mr. Taylor asked what the breakdown is for Admin. at \$58,000.

Mr. Smith said that it is one full time and one part time administrative assistant.

Mr. Taylor asked when the line item for permit refunds is used.

Mr. Smith said that it is used when there is an abandoned project and the person requests their fees money back. He said that the cost for a new house is approximately \$2000 so this would cover two. He added that it is a number to have there in case it is needed and that if it is not used, it is left there.

Mr. Taylor asked about Miscellaneous Supplies - as year to date about half has been spent and questioned if the figure is high.

Mr. Smith said it is that figure as they were told that they would have to purchase new code books and they run \$500. They have not come out yet so the money has not been spent. They will need it as soon as the new code books do come out.

Mr. Larcen noted that the anticipated revenues for the upcoming year have been projected at \$50,000 less than the current year and said that he thinks that there should be a correlation between this and the part time building official and that they may have to look at reducing that line item.

Mr. Smith said that was correct and added that the part time building official also covers if he is on vacation or out on other allotted time.

Mr. Jones asked if they anticipate any developments coming to Town in the near future.

Mr. Smith said that he does not see any new ones except for the Gateway project which is still moving along.

Mr. Jones asked Mr. Smith if he has declined receiving his COLA.

Mr. Smith said yes.

◆ **Human Resources (106) – Renee Fecteau, Human Resources Manager**

Renee Fecteau, Human Resources Manager said that she is deferring her 3.5% COLA also and that she has decreased some line items as she really needs the \$1500 in miscellaneous supplies and that line item

has been reduced by the Board of Selectmen by \$150. She explained that in order to keep \$1500 in miscellaneous supplies that she has reduced Line item 241 from \$175 to \$160; Line item 242 from \$125 to \$100 and Line item 246 from \$200 to \$100. She said that \$950 of the miscellaneous supplies money is for things that have to be done such as the Safety Fair, the Fair Labor Handbook and Leave Requests.

◆ **Commission on Aging (418) – Cathy Wilson, Senior Services Director**

Cathy Wilson, Senior Services Director said that she is deferring her July 1, 2009 increase. She explained that Line 311 for the upcoming fiscal year includes monies for the new shared administrative secretary position; line 412 is used for the recording secretary for the Commission and for vacation coverage and line 215 is for 1099 people.

Mr. Taylor asked how many people work for her.

Ms. Wilson said that she is full time, Gail is her full time Union program assistant, she has a full time Union driver, a part time non-union driver, the half time shared position with Parks & Recreation and a person who is shared with TVCCA who works for her one hour per day, five days per week for a weekly total of five hours.

Mr. Birmingham asked about the bus trips – line items 501 and 502 and how much of a hardship it would be to reduce them temporarily until the economy gets back on its feet.

Ms. Wilson said that she was not sure as a good number of the trips in line item 502 are co-sponsored with Waterford Senior Services and if the economy turns around, people will be looking for things to do and if it does not – then they would to use the money as some of the trips are paid for dollar for dollar. She also explained that the \$8500 in line item 501 costs the Town \$1700. She said that if she were to have to make a choice that she would give up the subsidized trips first.

Mr. Larcen noted that the 1099 program instructors' year to date appears to be spending less than what is being requested.

Ms. Wilson said that the money is in line 321 due to the 1099 status and the fact that they cannot pay salaries out of miscellaneous supplies.

Mr. Langan asked if and what type of discussion is taking place regarding the combining of some of these services with other Towns.

Ms. Wilson said that the issue of transportation is one of constant discussion however the vast area that has to be covered does not allow for the combining of it. She said that they do try to do joint programs wherever possible and they apply for grants that would work for multiple Towns to sponsor programs in each.

◆ **First Selectman (101) – Paul Formica, First Selectman**

Mr. Formica noted the reduction in the AM Receptionist line 311 to \$5000 as they have not filled the position. He also said that both he and his Executive Assistant have given back their COLA's for the upcoming year.

Mr. Taylor said that all of these years that he has thought that only the Deputy First Selectman was paid a stipend.

Mr. Formica said that all of the Board members are paid and that the Deputy First Selectman is paid a bit more than the rest.

Mr. Larcen asked about the postage amount as the current year spending shows that they have expended all of the money.

Ms. Johnson explained that the money is already in the PB machine and that it is being expended from there.

Mr. Jones asked if the Executive Assistant is taking her COLA.

Mr. Formica said that she is not.

Mr. Larcen asked about the mileage allowance.

Mr. Formica said that is the 55 cents per mile reimbursement.

Mr. Taylor asked about the Ad-Hoc Committees' line 295.

Mr. Formica said that this covers more than committees and includes inauguration costs, Charter Revision, seminars for Selectmen and additional subcommittees with the exception of salaries.

◆ **Finance Department (118) – Anna Johnson, Finance Director**

Ms. Johnson said that she is foregoing her COLA for the upcoming year. She also noted that the Water & Sewer Department does pay part of the line 215 cost on equipment maintenance.

Mr. Taylor asked if he was correct in saying that line 311 represents three full time employees.
Ms. Johnson said yes.

Mr. Taylor asked, one full time person is for payroll, one is accounts payable and what is the other person.
Ms. Johnson said that the other person is a full time receivables person.

Mr. Taylor and Ms. Carini asked if the Treasurer was foregoing his COLA.
Mr. Formica said that in all fairness, they did not know as he has not been asked.

Mr. Taylor noted that with respect to miscellaneous supplies that they are spending at less than what is being requested for the upcoming year. He also asked about the transportation line 246.
Ms. Johnson said that the transportation line items is for conventions and that she has not attended any this year.

Mr. Taylor asked about the staff accountant line 213 which is currently spent at \$28,000 for this year. He said that he would like to know how much more overage would take place for this fiscal year and what was anticipated for next year.

Ms. Johnson said that they are about \$17,000 over this year and she feels that they will be on-board for next year and would be spending at the regular work hours. For the remainder of this fiscal year she said that she has figured the spending at 12 hours per week for the rest of this fiscal year.

Mr. Taylor asked how much per hour this individual was getting.
Ms. Johnson said that it was at \$22 per hour.

◆ **Health & Welfare (419) – VNA, presented by Ms. Johnson**

Mr. Larcen said that as he understood this, they are billed for the services that they use.

Ms. Johnson said that was correct and noted that they have not been billed for anything for this year yet and that the Director of the Agency had provided them with the estimate.

◆ **Police (216) – Sgt. Bill Blanchette, Resident State Trooper**

Sgt. Blanchette, Resident State Trooper said that line 115 includes a \$2000 increase. He went over the other various line items and asked if they had any questions.

Mr. Langan asked, as they are expecting to be at full staffing with 21 officers, if he would expect the overtime line item 514 to drop more than \$10,000.
Sgt. Blanchette said that it could drop more but with the officers' days off, minimum staffing requirements and deployments, you just don't know.

Mr. Langan asked if it would be cheaper to add more full time officers rather than to pay overtime.
Mr. Jones recalled some years ago when they were at 14 officers and that the concept was to hire more and to reduce the overtime and that did not happen as it was thought that it would – so here they are at 21 officers and they are still discussion the overtime figure. It is something that they can't seem to get away from.

Mr. Formica said that there are a number of items that cause overtime situations – the minimum staffing requirements and the four hour minimum on overtime. He said that he fully expects that line item to be reduced. He said that they also need to look at what is happening at the State level with respect to the Resident Trooper system.

Mr. Larcen asked if they could break out within the overtime figure – how much was spent on special time coverage, replacement time, vacancies, etc. so that they would have a better idea.
Sgt. Blanchette said that he thought that they could do that however; the vast majority of the line item is spent filling in vacant shifts.

Mr. Larcen asked about shifts and bidding rights.
Sgt. Blanchette said that it basically goes by seniority.

Mr. Taylor noted that it is the contractual arrangements that cause some of the issues and that also makes this something that is beyond their control. He asked about the training dollars and what they were being spent on.

Sgt. Blanchette said that all of the officers go for rifle, guns, etc. training and that it really becomes labor hours. He noted that the cost of ammunition has steadily increased at the rate of some 20% per year.

Mr. Larcen asked if the new radio system for the Town can be used by the Police.
Sgt. Blanchette said that it is not of the same frequency as that of the State so they have to use the other radios. He explained that when people call and get dispatch that it is relayed to the State system and then back to ours for dispatch of the police and that is the system that they have to use.

Mr. Larcen said that seems to be an additional expense and asked what the benefit is of it.
Mr. Formica said that as long as they participate in the program and that is the process that the State uses, under that program the management of the department falls under the Resident Trooper. He continued and further explained that the new Town-wide radio system makes it such that the blind spots that previously existed within the Town do not exist anymore.

Mr. Larcen asked about the Community Service Officer.
Sgt. Blanchette said that is not being done at the moment due to the budget crunch. He explained that the whole purpose of that position has been to make the Police Department more community friendly and that it has had a good effect.

Mr. Formica said that Sgt. Blanchette has done a great job with the force and officers and said that if they could get a community service officer that they could also use them in the school system to augment the programs that are already in place there.

The Board thanked Sgt. Blanchette for his presentation and all that the Police do for the Town.

◆ **Debt Service Interest & Principal (522 - 523) – Anna Johnson, Finance Director**

Ms. Johnson noted that she had provided them with an updated spreadsheet.

Mr. Larcen said that he could not find any of the new radio system payments.
Ms. Johnson said that it is in a 'bonded capital project bond'.

Mr. Larcen asked where that 'bonded capital project bond' would be and where it comes from.

Mr. Taylor said that there has to be a place where the money for it comes from.
Ms. Johnson said that she would review her notes on this and get them the information.

Mr. Taylor said that he would also like to know what other items are in this bonded capital projects bond and what the payments are.
Ms. Johnson said that she would get that information for them and noted that the bond would include two years of interest payments. She added that they make principal payments once a year and debt payments twice a year.

◆ **Long Range Capital Plan – Paul Formica, First Selectman**

Mr. Formica said that they had provided them with a CIP dated 3/11/2009 and provided an overview of this; which includes the capital request items for FY 09-10 in the amount of \$690,940. He said that this represents their current best shot at trying to put all the items in the listing and that they had pushed a number of the renovations out to five years for this purpose as they do not currently have a 20 year plan for capital assets. He said that because of this, that he is looking for funding for a 'master plan consultant' to provide them with a comprehensive study plan on where things will be 20 years from now regarding the Town buildings. They would also note that the funding for this master plan consultant runs over two years with \$40,000 for the first year and \$35,000 for the second year. The idea is to have a master plan in place that would help them plan for the future once the footprint is set on what they have and what they would

need to do.

E. Public Discussion

Mr. Larcen called for any comments from the Public.

There were none.

F. Board Comments

There were none.

G. Adjournment

****MOTION (1)**

Mr. Taylor moved to adjourn this Special Meeting of the East Lyme Board of Finance at 9:47 PM.

Mr. Langan seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary