

**EAST LYME BOARD OF FINANCE  
SPECIAL MEETING MINUTES  
BUDGET REVIEWS  
Thursday, MARCH 18th, 2010**

Members In Attendance: Robert Kleinhans, Chairman  
Steve Larcen, Secretary  
Steve Harney  
Raymond Hart  
Steve Kelley

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: Jeff Langan

**A. Call Special Meeting to Order**

Chairman Kleinhans 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. Kleinhans called for Delegations.

There were none.

**D. New Business**

**a. Budget Reviews – FY 2010 - 2011**

Mr. Kleinhans explained the procedure that he would like them to follow stating that they would open each department budget by motion, motion any necessary changes to the budget and make a motion to close discussion on that department budget before going on to the next. Mr. Formica and the department head will give the presentation and then the Board will ask any questions that they have.

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

**\*\*MOTION (1)**

Mr. Kelley moved to open the budget review for Item 102 – Assessor.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica noted that there was a change in personnel in this department and that they would have to make a change in the longevity line item #316 from \$100 to \$250 as the new person will have been with the Town 10 years next February. That would change the total for the department to \$186,313.

Mr. Larcen asked Ms. Bekech about any changes in the State revenue to the Town via PILOT. Ms. Bekech said that there was a net \$805,140 increase in the State Properties due to the partial construction of the new readiness building at Camp Rell.

Mr. Formica added that there have also been several renovations to the prisons.

**\*\*MOTION (2)**

Mr. Hart moved to adjust line #316 of budget department 102 (Assessor) to \$250 and the department total to \$186,313.

Mr. Harney seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

**\*\*MOTION (3)**

Mr. Kelley moved to close the budget review for Item 102 Assessor.

Mr. Harney seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (4)**

Mr. Kelley moved to open the budget review for Item 103 – Tax Collector.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Larcen noted that line item #311 – the salaries for the tax aides seemed to be way off and suggested that there may be some incorrect information there.

Mr. McCulloch said that he would research it. He noted that there is \$1M in tax delinquencies and that they hope to collect half of it by June 30, 2010. He said that the increase on service contracts was not anticipated and that they relate to the Walsh upgrades and the server.

**\*\*MOTION (5)**

Mr. Kelley moved to close the budget review for Item 103 Tax Collector.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (6)**

Mr. Kelley moved to open the budget review for Item 127 – Board of Assessment Appeals.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica noted that the minimum wage stipend had been increased.

**\*\*MOTION (7)**

Mr. Hart moved to close the budget review for Item 127 – Board of Assessment Appeals.

Mr. Kelley seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (8)**

Mr. Kelley moved to open the budget review for Item 104 – Building Department.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica noted that they are projecting a little revenue increase here and that Mr. Smith was present to provide them with information.

Joseph Smith, Building Official said that they had a brisk January/February time period and that it has been the best since 2006/2007. March/April & May are when the projects that had permits pulled will be built and he would anticipate using his part time helper more during that time frame. He noted that the AHEPA project is also in progress. The revenue jump was due this year to the AHEPA project which came in with a \$47,000 fee. If that fee is taken out, they would be in the same revenue bracket as they have been for the last couple of years.

Mr. Kelley said that they had used 6% or \$1248 of the part time helper funding current and that they had used \$10,053 in FY 2009. With this in mind, he suggested that they might want to address the funding of \$22,237 for that line item.

Mr. Hart asked Mr. Smith to explain line #293 – Permit Refunds.

Mr. Smith said that it is there if permits are abandoned as the applicant can request that the money be refunded.

Mr. Kleinhans asked if it is statutory.

Mr. Smith said that he is not sure. It has been a policy and they have kept it in place. They refund 80% and keep 20% for the staff time and work that was invested in the initial review of the application and documents.

Mr. Kleinhans asked how long a permit was valid for.

Mr. Smith said that typically they would want to see the work started within six months.

Mr. Larcen said that he supported Mr. Kelley's comment on reducing the line item #212 – Building Official (helper) as he feels that there is more margin there than is necessary. He suggested that they take up discussion on that during their final deliberation process.

Mr. Harney said that if they are going to look at that later that he would like Mr. Smith to update them more on what he uses in that line item up to the time of their deliberations.

Mr. Larcen noted that they have a contingency account that would cover this should they find that they need more money.

Mr. Smith said that he could come back with an update for them.

Mr. Kleinhans said that this budget is for the 7/1/2010 – 6/30/2011 time frame and that it would be a best guess that would be presented.

Mr. Smith said that he could understand the \$10,053 and would ask for more if it were necessary.

**\*\*MOTION (9)**

Mr. Hart moved to close the budget review for Item 104 – Building Department.

Mr. Kelley seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (10)**

Mr. Kelley moved to open the budget review for Item 106 – Human Resources.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica commended Ms. Fecteau on the wellness programs for the staff that she has instituted and noted that they have had a walking program, lunch programs and health fairs to help reduce insurance costs. He said that they would have another walking program and would also be active with the Heart Walk to be held on October 3, 2010. The difference in this budget is the \$1700 that has been added for the wellness programs.

Mr. Kleinhans said that they are terrific programs and events like that increase employee awareness and reduce health costs.

**\*\*MOTION (11)**

Mr. Kelley moved to close the budget review for Item 106 – Human Resources.

Mr. Harney seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (12)**

Mr. Kelley moved to open the budget review for Item 418 – Commission on Aging.

Mr. Harney seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica noted that Ms. Wilson is a terrific department head and has been making strides in programs and also has a volunteer staff of between 80 – 120 people.

Cathy Wilson, Senior Services Director said that the cover sheet for her department explained the adult projects and the general aging of the population in East Lyme. She noted that the programs are health related and that the people come for particular programs. They do not usually come and spend the day. They come to attend fitness programs or for various medical awareness programs. It is a diverse population that comes to the center. The other part from the programs is the rental application, Medicare, etc and helping people to navigate these types of programs.

Mr. Larcen said that transportation seems to have dropped over the last year.

Ms. Wilson said that a few years ago the vehicles were aging and they only have one for handicap use which limited the people that they could serve. She said that she expects with both new vehicles coming this summer that have handicap access and will be easier to get on and off that the numbers will go up.

Mr. Hart asked for an explanation of line #311 – Admin Sec./Bus Driver – the jump in wages.

Ms. Wilson said that there was a 30 hour per week person in the Parks & Recreation department and that they now share a full time (37.5 hrs.) person and that this line item covers the bus drivers and the 18.75 hrs for the administrative secretary.

**\*\*MOTION (13)**

Mr. Kelley moved to close the budget review for Item 418 – Commission on Aging.

Mr. Harney seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (14)**

Mr. Kelley moved to open the budget review for Item 101 – First Selectman.

Mr. Harney seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica said that there is a 3.5% increase for his salary and that he would be uncomfortable taking it but rather than to compromise the 'position' itself for others after him, he will return the amount of the increase and more to various charities.

Mr. Larcen asked about the grant writer that he had told them about and if it is reflected here.

Mr. Formica said that he would like to handle that from the Ad Hoc line item #295.

Mr. Larcen noted that they are at 80% on that line item so far this year and they are only two-thirds of the way through with the year.

Mr. Formica said that could be attributed to the last part of the Charter Revision and now some of that money is being used for the Pension Committee; both items that are temporary.

Mr. Kleinhans thanked Mr. Formica for his dedication to the Town and for his great attitude in giving to charities.

**\*\*MOTION (15)**

Mr. Hart moved to close the budget review for Item 101 – First Selectman.  
Mr. Kelley seconded the motion.  
Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (16)**

Mr. Hart moved to open the budget review for Item 118 – Finance Department.  
Mr. Harney seconded the motion.  
Vote: 5 – 0 – 0. Motion passed.

Mr. Formica and Ms. Johnson noted that line #213 – Staff Accountant at \$14,860 more accurately reflects that line item than the former \$36,572.

Mr. Larcen noted that an additional 40% of the Finance Director's salary is paid by the Water & Sewer Department. Along with that, he said that there was something mentioned by the auditor about cash control services for Water & Sewer and asked if the Finance Department is helping with some of that work. Ms. Johnson said that it was correct that 40% of her salary is paid from Water & Sewer. The Finance Department actually disburses the Water & Sewer checks and is reimbursed for that service from them.

Mr. Larcen asked how they know if they are getting adequate reimbursement for the work that is being done. Mr. Formica said that they are adequately being reimbursed and added that what the auditors had cited was the same people handling the money through the various functions. While they have addressed the check function, they are working on the other.

**\*\*MOTION (17)**

Mr. Kelley moved to close the budget review for Item 118 – Finance Department.  
Mr. Hart seconded the motion.  
Vote: 5 – 0 – 0. Motion passed.

◆ **Health & Welfare (419) – VNA, presented by Mr. Formica**

**\*\*MOTION (18)**

Mr. Kelley moved to open the budget review for Item 419 – Health & Welfare.  
Mr. Harney seconded the motion.  
Vote: 5 – 0 – 0. Motion passed.

Mr. Formica noted that this is less due to a different use of personnel; student nurses. He said that they also still owe \$12,848 from the previous year.

Ms. Johnson said that was due to the way that they were billed in the past so the purchase order was left open. There is \$11,000 that is not expended from the prior year and they are billing more promptly now and expect to have this cleaned up.

**\*\*MOTION (19)**

Mr. Kelley moved to close the budget review for Item 419 – Health & Welfare.  
Mr. Harney seconded the motion.  
Vote: 5 – 0 – 0. Motion passed.

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

**\*\*MOTION (20)**

Mr. Kelley moved to open the budget review for Item 216 – Police.  
Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica said that they have been working on stabilizing this budget and that Sgt. Blanchette is doing a great job. They have 21 active full time officers and 2 part time officers. There were extensive injuries this year which has put pressure on the overtime line item. There have been a number of burglaries and they have had an officer helping the Detective to be able to close some of the cases. He suggested that the Detective division may need to be increased.

Mr. Kelley asked about the boat duty line item and money that was transferred out for other things – however they are asking for the same money for that line item.

Sgt. Blanchette, Resident State Trooper explained that they had a lot of bad weather in June and that due to it, they did not go out then so that money was not spent. They are also working with Waterford so as to not duplicate the coverage.

Mr. Kelley asked about the radio maintenance line item increase.

Sgt. Blanchette said that they are getting a new radio for the new cruiser so that money will be spent. He added that they are also trying to upgrade the car computers as they are well over their shelf life. (10 years old) That is the increase from the \$7500 to \$11,200. He said that he has been able to purchase refurbished computers and save money in that way.

Mr. Hart asked if all of the boat duty is overtime.

Sgt. Blanchette said that he has set it up to be on overtime as they have to work within contractual obligations and that he does what he can regarding which officer he uses for boat duty.

Mr. Hart asked if he was working with Waterford on the boat shifts.

Sgt. Blanchette said yes and added that they are both trying to not duplicate resources.

Mr. Hart asked if there are any grants out there for the radio replacement.

Sgt. Blanchette said that Pearl Rathbun puts in for them under the Homeland Security grants that she gets.

Mr. Larcen asked about the officers pay line item going up by \$100,000 from this year.

Sgt. Blanchette said that it was due to the increases that were deferred and the step increases.

Mr. Larcen asked what the percentages are.

Mr. Formica said that they are 1.75 and 1.75 and that the 3.5 starts on 7/1/2010.

Mr. Larcen said that it looks closer to a 9% increase when figured.

Ms. Johnson noted that it would not be as great due to the timing of the increases.

**\*\*MOTION (21)**

Mr. Kelley moved to close the budget review for Item 216 – Police.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

**◆ Debt Service Interest & Principal (522 & 523) – Mr. Formica**

**\*\*MOTION (22)**

Mr. Kelley moved to open the budget review for Items 522 & 523 – Debt Service Interest & Principal.

Mr. Hart seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Formica said that the line item is being reduced as they have done some refunding that will bring it down.

Mr. Kleinhans asked if this includes the Vehicle Acquisition and the single stream carts.

Mr. Formica said that they are not reflected here as they are in Capital (#724).

Mr. Larcen asked where in Capital.

Ms. Johnson said #463, 708 & 713.

Mr. Formica and Mr. Kleinhans asked that they close discussion on Debt Service and that they move Capital #724 and Long Range Capital Plan to the April 13, 2010 Special Meeting Agenda so that it could be discussed together with the CNRE.

**\*\*MOTION (23)**

Mr. Harney moved to close the budget review for Items 522 & 523 – Debt Service Interest & Principal.  
Mr. Hart seconded the motion.  
Vote: 5 – 0 – 0. Motion passed.

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

This was discussed above. It will be moved to the April 13, 2010 Special Meeting Agenda for discussion there.

**E. Public Discussion**

Mr. Kleinhans called for any comments from the Public.

John McCulloch, Tax Collector said that he had gone and checked on the Tax Aides rates (line 311) and that there was a miscalculation in that amount. The correct figure should be \$69,471.27 and not \$67,506.

Mr. Kleinhans thanked Mr. McCulloch and noted that it would be changed and addressed during the deliberation phase.

**F. Board Comments**

There were none.

**G. Adjournment**

**\*\*MOTION (24)**

Mr. Kelley moved to adjourn this Special Meeting of the East Lyme Board of Finance at 7:55 PM.  
Mr. Harney seconded the motion.  
Vote: 5 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary