

**EAST LYME BOARD OF FINANCE  
SPECIAL MEETING MINUTES  
BUDGET REVIEWS FY2017/2018  
Thursday, MARCH 30th, 2017**

Members In Attendance: Lisa Picarazzi, Acting Chairperson  
Peter De Rosa  
Beth Hogan  
Jason Pazzaglia  
William Weber

FILED

APR 3 20 17 AT 10:00 AM PM

*Kenneth Yulish, atc*  
EAST LYME TOWN CLERK

Also In Attendance: Mark Nickerson, First Selectman  
Anna Johnson, Finance Director  
Sgt. Mike Macek, Police  
Diane Vitagliano, Assessor  
John McCulloch, Tax Collector  
Joe Smith, Chief Building Official  
Cathy Wilson, Senior Services Director

Absent: Camille Alberti, Chairperson

**A. Call Special Meeting to Order**

Acting Chairperson Picarazzi called this Special Meeting of the East Lyme Board of Finance to order at 6:31 PM.

**B. Pledge of Allegiance**

The Pledge was observed.

**C. Delegations**

Ms. Picarazzi called for Delegations.  
There were none.

**D. New Business**

**a. Budget Reviews – FY 2017 – 2018**

◆ **Police (216) – Sgt. Mike Macek, East Lyme Police**

Mr. Nickerson prefaced that the budget before them is transitioning from the State Resident Trooper system to an independent Police Department. He said that they are trying to hold the line on costs and that once the complete transition is made and their financial responsibility to the State regarding the Resident Trooper program is done, this is expected to put them in a cost neutral position. He said that Sgt. Macek would go over some of the highlights of the budget.

Sgt. Macek said that the line item for the new Chief was a placeholder.

Ms. Picarazzi asked if they have extended an offer yet so someone.

Mr. Nickerson said that it is being negotiated and that they would expect the new person to be on board in mid May. He noted that the Resident Trooper line item is a moving target as it is paid in the arrears which is why it is still there.

Mr. Weber asked when the end date was for the Resident Trooper.

Mr. Nickerson said that they had expected that it would be April 1<sup>st</sup> however they are now anticipating June 1<sup>st</sup> - there is still a lot of grey area.

Ms. Hogan asked what the current contingency balance was.

Ms. Johnson said that it is \$213,000.

Sgt. Macek continued that line #412 – Part Time Clerical – the position that they had requested last year and that was to start in January of this year – has been filled and that person is now working.

Mr. Nickerson noted that it is a part time employee with no benefits for 20 something hours per week.

Sgt. Macek said that they are asking again for \$21,000 for Overtime – Boat Duty – They share the use of the boat with Waterford. He recalled that the two Towns were awarded a Federal Grant for the marine vessel.

Ms. Picarazzi asked about line 514 – Overtime at \$300,000.

Sgt. Macek said that they are asking again for the \$300,000 as they had \$280,000 but they had to come back and ask for the extra \$20,000. This amount includes some contractual days (holidays) and minimum staffing standards (3 men minimum). He said that he has tried to implement savings but they have had up to 6 officers out and it could not continue to be done.

Ms. Picarazzi asked Ms. Johnson what the year to date OT was now.

Ms. Johnson said that they are at \$254,834 before this week's payroll is posted.

Mr. Nickerson noted that at their next regular Board of Finance meeting that there will be a request coming to them for \$40,000 from Contingency for the Police.

Ms. Picarazzi asked how many officers they have.

Sgt. Macek said that there are 22 full time officers and 1 part time officer.

Mr. Pazzaglia asked about utilizing the part time officer more to cut down on the overtime.

Sgt. Macek said that person has a regular full time position and is really only available on a part time basis.

Mr. DeRosa asked about line 519 – Grant Overtime at \$75,000 and if that covers some of the overtime.

Sgt. Macek said that the grants are not consistent – and that they vary each time. They cover the DUI shifts that they do and they are a 75% / 25% split.

Mr. DeRosa said that it is in addition to the \$300,000.

Sgt. Macek said yes noting that there is corresponding revenue to it.

Ms. Hogan asked if the \$50,000 to share the lock-up at Waterford is a solid number.

Mr. Nickerson said that it is a solid number. He added that during the transition that there would be other expenses.

Ms. Picarazzi noted that they were looking at over \$200,000 between salary, lock-up, car, fuel and benefits.

Mr. DeRosa asked if the boat is in the water year round.

Sgt. Macek said that it was part of the grant that it was purchased on.

Mr. Weber noted that they had just started the part time clerical position however they had the dollars in there for last year.

Sgt. Macek said that they had utilized other people when their administrative assistant went on vacation.

Mr. Weber asked about the Boat Maintenance line item at \$3000.

Sgt. Macek said that this is also shared/split with Waterford.

Mr. Weber asked about the ammunition costs showing a 40% increase.

Sgt. Macek said that is what it cost and that they also do not receive their orders quickly. He noted that once they are out from under the State system that they would have other – better bidding opportunities and other avenues for more grants; training avenues, etc.

Ms. Picarazzi summed that this is a large budget.

◆ **Dispatch (215) – Sgt. Mike Macek, East Lyme Police**

Mr. Nickerson explained that this is the first time that this has been separated from the Emergency Management budget. Police Dispatch is different and will require other training. It will be supervised where it is now, by the Police.

Mr. Pazzaglia asked about line #212 – Dispatchers showing a 6.64% salary increase – and if that was in pay or people.

Mr. Nickerson said that the part time dispatchers are in line #213.

Ms. Picarazzi asked about the 6.64% salary increase.

Sgt. Macek said that he had just received this budget and really had not had the chance to delve into it.

Mr. Nickerson said that he would get the numbers and bring them to the meeting on Monday evening. This is all new to the Police department.

♦ **Animal Control (226) – Sgt. Mike Macek, East Lyme Police**

Ms. Johnson explained that this is the first year that the AC Officer is an East Lyme employee as Waterford has staffed it in the past. They started the year with one full time person and that was not working out having that person cover seven days so they now also have a part time AC Officer. All wage items are shared with Waterford – they are billed for one-half. Training is also split with Waterford – one-half.

Ms. Picarazzi asked what the purpose is of Animal Control.

Mr. Nickerson said that it is the responsibility of each community to have it to pick up rabid animals and various animals that are loose or lost and roaming.

Ms. Picarazzi asked how many animals they are talking about here.

Sgt. Macek said that they have quarantine situations, rabid animals that have to be transported properly. He said that he was very new to this and had just received the information a day ago and has not had the opportunity to go over it with anyone.

Mr. Nickerson said that they bill Waterford for half. Further, Waterford used to have a Police Officer doing this and they absorbed a lot of the costs that they perhaps should not have; plus they had an army of volunteers there that we do not have here.

Ms. Picarazzi asked if this is a reduction from last year.

Ms. Johnson explained that the full time ACO did not come on board July 1 and that the part time ACO came on board later on in the year. They will be coming back for some dollars but they will also be billing Waterford for half. She added that they also have to advertise the animals that they pick up before they can find them new homes.

Mr. Nickerson said that the bottom line is that they are paying less than the previous year and they are now able to track everything.

Mr. Weber asked about the \$1600 for uniforms for 1.5 people.

Mr. DeRosa noted that they get damaged and dirty and have to be replaced according to the listing.

Mr. DeRosa said that he likes the idea of sharing with Waterford.

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

Mr. Nickerson noted that Ms. Wilson has been with them for a number of years – over 20.

Ms. Wilson said that she has been around for many years. She explained the type of things that a typical day at the Senior Center could bring her way. She said that the demographics have been going up.

Mr. DeRosa asked what the revenue was from.

Ms. Wilson said that 80% of the programs have some sort of a charge associated with them.

Ms. Hogan asked if the revenue goes back into the Special Revenue Account.

Ms. Wilson said that she had tried that some years ago but the programs are not being priced at rates that cover the costs. The trips and items that are charged at full rate and that do work – do go into the Special Revenue Account.

Ms. Hogan asked if they are doing more advertising on Facebook, etc.

Ms. Wilson said that the Program Director that replaced the employee who retired has been putting items on Facebook.

Mr. Weber asked if she was looking for a Class IV driver.  
Ms. Wilson said no, she had asked for an upgrade.

Mr. Weber apologized, noting that he had thought that it was a driver.

◆ **Assessor (102) – Diane Vitagliano, Assessor**

Mr. Nickerson introduced Ms. Vitagliano noting that she is the new Assessor who replaced Ms. Bekech who retired last year.

Ms. Vitagliano said that there was money removed from her budget that was for Personal Property Audits and that she would like it restored as she feels that it would bring in three times the investment.

Ms. Hogan asked if she was asking for the \$1000 back.

Ms. Vitagliano said yes.

Mr. Nickerson said that they would also have to tighten up the service contract as they will be \$1300 short there.

Mr. Weber asked if they have the \$1000 for the audits if they would go into the homes.

Ms. Vitagliano said that they would check to see if the IRS filing matches the property claims.

Ms. Picarazzi asked how many audits they would get for the \$1000.

Ms. Vitagliano said that it is around \$500 an audit and that they are random.

Mr. Pazzaglia asked if they have looked into an audit consultant who gets a percentage of what they find.

Ms. Vitagliano said that she is not sure that is the type of auditor that they could legally use.

Mr. Weber said that he thinks that \$500 sounds high per audit.

Ms. Vitagliano said that they would get a great return on the investment.

Mr. Pazzaglia asked how complicated they are to do and if a summer intern could do them for them.

Ms. Vitagliano said no – it is very involved and complicated.

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

Mr. Nickerson asked Ms. Vitagliano to explain why this goes up one year and down in others.

Ms. Vitagliano said that they had 58 appeals which she thought was low as they had 65 appeals the last time they did reveal. However, it is an unknown figure going in and that in the year following when people get their tax bills there sometimes will be more hearing requests.

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

Mr. Nickerson noted that Mr. McCulloch was present and could answer any questions that they might have.

Ms. Picarazzi asked how many hours a week he works.

Mr. McCulloch said that it varies from 40-45.

Mr. Nickerson said that it is a busy office and that they have 2.5 people covering it.

Mr. Weber asked what the collection rate was at.

Mr. McCulloch said that they are at 98.19% collection right now.

Ms. Picarazzi asked about the service contracts up 7%.

Mr. McCulloch said that is what they were told by Walsh, the company that they use – their standard provider.

Ms. Picarazzi asked if they could have a conversation with them and ask if they could lower it a bit and whose responsibility it would be to make that request.

Mr. Nickerson said that it would be Ms. Johnson who would work with him and Mr. McCulloch to make the request.

Mr. Weber suggested that they have some other quotes in their pocket before making the request.

Mr. McCulloch said that they have been good to them as they re-constructed everything for them when there was a serious computer crash, without charging.

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

Mr. Smith said that this year is not much different from last year and that he has been keeping the Asst. Building Official at 24 hours per week. He noted that they had a major State Code change take effect last October 1. He also corrected the PT Admin. Asst. to 16 hours as they work one other day in another dept and that dept pays for her time.

Ms. Picarazzi asked how they are doing with revenues to date.

Mr. Smith said that most of it is coming from houses – much larger homes than usual. Village Crossing has built some condos and the Hope Street property has been sold and they are looking to build 9 condos or so and are in a hurry to get started before the zoning permit that was granted some time ago expires.

Ms. Picarazzi asked Ms. Johnson for the current revenue figure.

Ms. Johnson said that the figure would come in some \$50,000 - \$75,000 under the projection.

Ms. Hogan asked Mr. Smith if he would venture a projection for next year.

Mr. Smith said that it all depends on what comes in – sometimes when things are slow one year they are up the next year.

Mr. Nickerson noted that the Gateway Apartments which are luxury apartments are 95% occupied and they have become the No. 1 taxpayer in Town this year.

Mr. DeRosa asked if the school building project would impact this budget.

Mr. Smith said that it depends on the timing – it is supposed to start in late June of 2018 which is at the very end of this budget year. They would work through the summer and then slow down again during the school season and then finish.

Mr. Weber asked if the fees that we charge are in range with other Towns.

Mr. Smith said that he reviews this on a regular basis and that we are very consistent with other fees within the State. Of course there are those few who are very high and some who are ridiculously low.

◆ **First Selectman & EDC (101) – Mark Nickerson, First Selectman**

Mr. Nickerson explained that the former Executive Assistant had retired and that they have a new person, Sandy who started at a lower rate.

He said that with the Coroner's cut by the State that they have to pay for indigent bodies to get to the Coroner's Office and back for burial. This costs from \$600 to \$1000 each time. They have been absorbing it so far and will see if the State makes changes and re-instates it in the new budget year.

Ms. Picarazzi asked about funding for EDC.

Mr. Nickerson said that the duties went to the Board of Selectmen and that it is currently a placeholder in the event that it is needed.

Mr. Weber asked about transportation allowance – some departments have it and others do not.

Mr. Nickerson said that those who have it do not have use of a Town vehicle and have to use their own transportation instead. Town Vehicles are available to some departments – such as Public Works, Building, Building Maintenance, etc.

Ms. Picarazzi said that it is at \$800 and asked if it could be reduced as he had not used much last year.

Mr. Nickerson said that he would look at it as he has not been submitting for his mileage when he makes trips to Hartford for meetings, etc. and he should be.

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

Ms. Johnson explained that her department includes the Treasurer's Salary, HR, Fiscal Assistants, longevity and 60% of her salary. She recalled to them that she had asked for a 'bridge' between the Tax system and them and that is the \$2500 increase for maintenance/office equipment that they see.

Ms. Picarazzi asked where the rest of her salary comes from.

Ms. Johnson said 40% is paid from Water & Sewer.

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

Mr. Nickerson said that this reflects a slight decrease and is based on a formula and the number of people that the VNA serves here.

◆ **Debt Service Interest & Principal (522 & 523) – Anna Johnson, Finance Director; Mark Nickerson, First Selectman**

Ms. Johnson said that they like to keep this on a fairly even keel and that this reflects our existing debt only. She noted that they have done some re-funding.

Ms. Picarazzi asked if they expect the interest rates to increase next year.

Ms. Johnson said that they are starting to go up.

Ms. Picarazzi asked if the school is paid for yet.

Ms. Johnson and Mr. Nickerson said no – that there is about five more years to pay on it. They noted that the water debt is paid for by the Water dept. while the sewer debt is a bit different as the Sewer Assessment fund was borrowed from and they have accelerated the payments back to it.

Ms. Hogan noted that on new sewer benefit assessments that it goes back to the sewer assessment fund.

◆ **Long Range Capital Plan (5 year plan) – Mark Nickerson, First Selectman**

Mr. Nickerson reviewed this plan noting that the items in black are items that they will purchase – most can be found in the dept 724 listing.

Ms. Picarazzi asked if it was realistic to expect that they would have the dollars that would be needed for the next re-val when they are only putting in \$50,000.

Mr. Nickerson said that they would have to handle it when they get there – this is what they needed to do at this time.

Mr. Bragaw explained the cooling tower replacement at the Community Center noting that it is the AC equipment outside. He received estimates from EMCOR who has been instrumental in the repair and upkeep of the equipment. The building is 25 years old and they have put the numbers there so that they will not be caught short and get slammed when the system goes. It is estimated that they may get two to three years more out of the existing tower.

Ms. Hogan asked what they consider stable bonding for new capital.

Ms. Johnson said that it is around \$5M/yr.

Ms. Hogan asked who sets that policy of how much each year or of how it would be reduced.

Mr. Weber explained that they are taking a finite debt that is spread out over years.

Mr. Nickerson said that this year they dropped some CNRE projects on HVAC and roofing as they have some funds there and this was the year that they felt that they could do it as it is a very tough year. He said that they need to put two cars on the road this year for the Police as they only did one car last year and they ran short with cars as they run all the time.

Mr. Weber suggested putting in the Purchasing Policy that they are working on what the threshold amount is for CNRE and Capital.

Mr. Bragaw explained the Public Works vehicles that they are looking for – the flail mower is very old and is costing them \$6,000 to \$10,000 per year to repair. When it is broken down – they run around Town just

reacting to the tall grass that causes site-line issues. This mower reaches over guard rails, etc. to get at the higher grass that grows there. The dump truck they are also looking for is in serious need of replacement. He said that LoCIP gives authorization first for something and then the check. So far they have put a freeze on any new items. They will see what the State does as that budget process moves forward.

Ms. Picarazzi asked if they could get some nicer restrooms at Cini Park.  
Mr. Nickerson said that they are trying very hard to do something about that.

Ms. Picarazzi asked how much they have in the Open Space line item now.  
Mr. Nickerson said that it is at zero.

Mr. Picarazzi asked about the BOE CNRE and if they put dollars into it.  
Ms. Johnson said that there is \$149,000 in the BOE CNRE and that it comes from LEARN rent.

Mr. Weber asked if he were to look at everything in black – how would he know what is committed or in progress.  
Ms. Johnson explained that if they look at Dept 724 in their budget book that they will find it there.

Ms. Picarazzi asked that they show if some funds have already been received for items.

Mr. Weber asked for a list of the potential things that could be taken off the capital list as they are looking under every rock. He noted that he does not want to push too many things out as he does not think that they will be in any better of a position next year and he does not like 'kicking the can down the road' all the time as it catches up with you.

Mr. Bragaw noted that they can save \$11,000 on electricity as he has reviewed that as they had requested. He said that he had also provided them with the personnel chart for his departments per their request. Lastly he said that he asked Star Computers about their rate and they said that they cannot go lower as they are already giving them a discount.

#### **E. Public Discussion**

Ms. Picarazzi called for any comments from the Public.  
There were none.

#### **F. Board Comments**

Ms. Hogan asked for a potential list of what they can or can't cut from Capital.

Mr. DeRosa said that he thinks that they need to further look into sharing with other communities on other items. He commended Mr. Nickerson for the sharing that he has already done.

Mr. Nickerson said that some communities do not want to share however he will continue to work on what he can. He said that he agrees with the concept of multiple small Towns working together.

#### **G. Adjournment**

Ms. Picarazzi called for a motion to adjourn.

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

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

Mr. DeRosa seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary