

**EAST LYME BOARD OF FINANCE
REGULAR MEETING MINUTES
Wednesday, FEBRUARY 14th, 2018**

Members in Attendance: William Weber, Chairman
Lisa Picarazzi, Vice Chairperson
John Birmingham
Jason Pazzaglia
Anne Santoro

Also In Attendance: Mark Nickerson, First Selectman
Anna Johnson, Finance Director
Joe Bragaw, Public Works Director

Absent: Camille Alberti

A. Call Meeting to Order

Chairman Weber 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.

FILED

C. Delegations

Mr. Weber called for delegations.
There were no delegations.

Feb 20 2018 AT 10:05 AM/PM
Kim Gulm
EAST LYME TOWN CLERK

D. Approval of Minutes

▪ **Regular Meeting – January 10, 2018**

Mr. Weber called for a motion for approval or any changes to the Board of Finance Regular Meeting Minutes of January 10, 2018.

Mr. Birmingham said that on the last page in the motion to adjourn that Ms. Alberti was not present for the meeting and asked that the second to the motion be changed to read: Ms. Picarazzi seconded the motion.

****MOTION (1)**

Mr. Birmingham moved to approve the Board of Finance Regular Meeting Minutes of January 10, 2018 as amended.

Ms. Picarazzi seconded the motion.

(Note: 7:05 PM – Mr. Pazzaglia arrived and was seated)

Vote: 5 – 0 – 0. Motion passed.

E. Reports

◆ **Board of Education**

Barbara Senges, from the Board of Ed said that she would update them this evening. She reported that the Capital Improvement Committee continues to meet and that they are also working on a listing of regular items. They are looking towards making replacements tht will not have to be replaced every 20 years. As an example she said that they are looking to replace worn out carpeting with linoleum that would have a much longer life and be easier to care for.

She also reported that the 2.59% budget increase that was presented to them by the Superintendent was unanimously approved by the Board and that she thinks that it was the best budget season that they have been through. The new item in the budget is the hiring of social workers for the schools. This will cost about \$50,000 in new dollars with the remainder being defrayed by other changes. She said that she hopes that

they will support this also. This year they have their own Food Service director and are not making money instead of losing it.

Mr. Weber asked if the social workers are year round or for the school year.

Ms. Senges said that they are for the school year only. She added that they currently utilize a contracted service.

Ms. Picarazzi asked if the Capital Plan will be merged with that of the Town.

Joe Bragaw, Public Works Director said that he will work with the Superintendent and put the total plan package together. He noted that he had presented his preliminary plan concept to them at a previous meeting.

Ms. Picarazzi asked what concerns the BOE members had with items in the budget that was presented to them.

Ms. Senges said that no one had any questions as they were all in agreement that it was a good budget.

Ms. Picarazzi asked if the social workers are what were once known as guidance counselors.

Ms. Senges said no; the social workers work with the kids and families and those in crises while guidance counselors do not.

◆ **BOE Permanent Maintenance Account & Turf Field Fund Raising**

Ms. Picarazzi asked Ms. Senges about the Turf Field Fundraising.

Ms. Senges said that she thought that it had been settled and that they are looking to make it a part of the long range CIP plan. Their ability to raise money for the turf field is limited as areas for rental in the buildings are used heavily by Parks & Rec who do not pay for the use of them.

Mr. Weber said that they will need to develop a plan among all the sources out there and commit to it.

◆ **First Selectman**

Mr. Nickerson reported on the following:

- The COG (Council of Governments) has issued a study on shared services and the various opportunities there are and he had reviewed what we do and found that we already share services on some ten (10) different items.

- He noted that Ms. Senges had discussed the capital needs of the schools and said that for next year he will present the idea that any new capital item be separated out between the schools and the Town so that people can better see it and know what goes where. Right now it is all on the Town side.

- Mr. Morris will be retiring for March 1, 2018 as he has accepted a package. They did the Fire study a year ago and the Chiefs are working together on the items that they all have. As we are in a budget crisis, he said that he is elevating Chris Taylor to Fire Marshal and Police Chief Finkelstein now also becomes the Emergency Management Director. This is common in Towns of our size. Overall they will realize a savings from this.

- The story in the newspaper regarding a 0.0% increase was not the full story – the full story is that on the revenue side – revenues are showing significant decreases. CTMirror.org shows a daily update on the situation with the State. Revenues in the State will never increase faster than the costs and this burden will come down to the municipalities. We have to prepare for the State dollars that are being drastically reduced which overall results in increased property taxes. Even right now, we are looking at a 1.5 mil increase.

Mr. Weber asked about the COG shared services list and what we are not taking advantage of at this time that perhaps we could in the future.

Mr. Nickerson said that the Mohegans also sit at this table and there might be an opportunity to form a co-op with them as they have great buying power.

Ms. Picarazzi asked about how many fewer kids we could be seeing in the school system.

Mr. Nickerson said that he was not sure at this time – it could be over 20. They should ask at the BOE presentation to them.

♦ **Purchasing Policy**

Mr. Weber said that the draft copy with the changes is out for review with the committee for further edit. He said that he is looking at a June – July time frame for this. They could still send him suggestions if they have any.

♦ **Study Other Town Wages & Benefits**

Mr. Weber said that Mr. Nickerson had already said that he would have information for them on this for the July time frame.

Ms. Santoro said that a month ago CCM put out information on wages for some 130 cities and Towns and asked Mr. Nickerson if he would be using it.

Mr. Nickerson said that he would however they are also looking at contractual obligations.

Ms. Santoro said that is also available in the CCM information.

Ms. Johnson said that she has reviewed the CCM report and has found that it is substantially better than what they have seen in the past.

♦ **Finance Director**

Ms. Johnson noted that she had provided them with the updated revenue sheet. She reviewed her budget summary.

Ms. Picarazzi asked if there were areas of concern.

Ms. Johnson said that she had provided them with that information on the reverse of her summary report. She said that they are still struggling with the Health Insurance Fund and that they would like to have a bit of a reserve but are not there yet.

Ms. Picarazzi asked how many employees are on the plan.

Ms. Johnson said 128 FT on the Town side.

Mr. Pazzaglia asked about their contributions to the plan.

Ms. Johnson said that it varies amongst the bargaining units – on the low side it is 14% and on the high side it is 18.5%.

Mr. Nickerson explained that part of the cost is in being self insured as they have administrative costs and stop loss over \$125,000. He said that they are going out to bid and will see what happens. He also noted that the State may be looking again to get the Towns on-board to join the State insurance program.

Ms. Johnson continued her review of the areas of concern noting that the State was not funding the renters rebate program after it had said that it would and that they now have to come up with the dollars to cover it. They planned on managing the State reductions between the Town and BOE. The BOE is covering it with the institution of freezes and the Town had the depts. also freeze their budgets.

Mr. Nickerson noted in the PT Dispatchers expenditure that they have 4.5 FT dispatchers and that they need 5 FT so he will bump that up to get to the 5 FT.

Mr. Pazzaglia asked about the PILOT funding and what it is.

Mr. Nickerson explained that it is 'payment in lieu of taxes' for State owned property within the Town. The State has been reducing what they have been giving to the Towns. He noted that he recently found out that most other States do not give anything to the Towns that have State facilities located within them.

Mr. Weber asked for the reasoning on the Town comparison sheet regarding how the State funds them.

Mr. Nickerson said that he thinks that it may have to do with who has more commercial area versus those that do not have as much. We do not have that much.

Ms. Picarazzi asked if with Costco deciding not to come here – were we actively looking for someone else for that location.

Mr. Nickerson said that the developer is actively pursuing other opportunities.

F. New Business

a. Special Appropriation - \$29,813.85 – Energy Efficient Lighting FSB

Mr. Weber noted that Mr. Bragaw is here to explain this item.

Mr. Bragaw explained that the FSB lighting is very poor and the sun ports (skylights) that were installed are not working as well as they had hoped as there are a lot of storage units in the building that block some of the natural light. This has necessitated that they improve the lighting in the facility. They contacted Earthlight Technologies who provided them with a proposal to change out all the existing FSB lights to LED's and to add lighting where needed to provide the facility with acceptable lighting. The cost is \$29,813.85 however they have already been approved for \$8,916.93 in CL&P incentives and have also applied our \$10,000 Eversource Bright idea grant dollars to this project. As has been done in the past, we can fund the \$10,896.82 from the savings in our electric bills so there would be no new money needed to move forward with this project. It is estimated that we would save \$4100/year on electricity with this upgrade so this project is paid back in approximately 2.67 years. The incentive agreement is only good through March 9, 2018 so time is of the essence to guarantee the incentive money as the State is re-evaluating the plan once the current one expires.

Mr. Weber asked if in summing this up – if we get the new lighting the cost to the Town is zero.
Mr. Bragaw said yes.

Ms. Santoro asked the life expectancy of the new lighting.
Mr. Bragaw said that the LED's should last some 15 to 20 years. He added that they will shut off automatically so they will not always be on.

****MOTION (2)**

Ms. Picarazzi moved to approve a Special Appropriation in the amount of \$29,813.85 for the installation of energy efficient lighting at the Field Services building at 8 Capitol Drive; a budget account titled, "Energy Efficient Lighting FSB" will be established for the grant funds and conservation incentive. Revenue account 01-08-800-842 (Clean Energy Incentives) has been established for these funds.

- ♦ \$10,000 from an Eversource Bright Idea Grant (funds received)
- ♦ \$8,916.93 from conservation Incentive \$\$'s from Eversource
- ♦ The balance of \$10,896.92 – to be paid back in a loan that will be deducted directly from our FBS electric bill which is taken from Building Maintenance Acct. #01-01-113-400-210.

Ms. Santoro seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

(Note: this requires Town Meeting approval)

b. Approve Unaffiliated 2017/2018 Wage Transfers - \$49,901

Mr. Nickerson explained that they are moving the dollars out of wage contingency as this has been put aside for this purpose.

Ms. Santoro said that when she did the math that she did not come up with the 2.5% increase.
Ms. Johnson said that some are more as they include steps. The steps occur every other year with the COLA. Others that are lower are due to new people coming in at other rates.

Ms. Picarazzi said that she did the math also and that she cannot get behind 4.9% increases. With things the way that they are, it is the taxpayers who will be bearing this and she said that she just could not approve it. She said that she is not saying that people do not work hard – she is saying that she cannot condone the continual steps on top of the regular COLA.

Mr. Nickerson noted that he inherited much of this with regard to the unaffiliated and that he is looking into it and into negotiating other contracts.

Ms. Picarazzi said that she still has difficulty with approving this.

Mr. Pazzaglia said that he thinks that they need to chart out where these things will be in five (5) years as ultimately this all comes to the taxpayers to foot the bill.

****MOTION (3)**

Mr. Birmingham moved to approve a transfer in the amount of \$47,901 from account 01-01-120-100-500 (Town Payroll Pending PR change) to various budget line items as itemized on the attached worksheet titled "Town of East Lyme Unaffiliated COLA increases 7/1/17 – 6/30/18 Additional Funding Required.
Ms. Santoro seconded the motion.

Vote: 3 – 1 – 1. Motion passed.
For: Mr. Birmingham, Ms. Santoro, Mr. Weber
Against: Ms. Picarazzi
Abstained: Mr. Pazzaglia

c. Approve UPSEU 2017/2018 Wage Transfers - \$115,062

Mr. Nickerson said that this is for the UPSEU bargaining group contract of 7/1/2016 – 6/30/2018. Funds were set aside for this purpose in a wage contingency line item pending the contract negotiations completion.

Ms. Johnson noted that this is for two (2) years of increases due to the late ratification time of the contract. It is for the largest bargaining unit – Town employees.

****MOTION (4)**

Ms. Santoro moved to approve a transfer in the amount of \$115,062 from account 01-01-120-100-500 (town Payroll Pending PR Change) to various budget line items as itemized on the attached worksheet titled, "Town of East Lyme UPSEU Contract Increases 7/1/17-6/30/18 Additional Funding Required."

Mr. Birmingham seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

d. Approve Police 2017/2018 Wage transfers - \$20,134

Ms. Picarazzi asked for an explanation on this.

Ms. Johnson said that it is for the salaries increase and the OT to go with it for a one year contract.

****MOTION (5)**

Mr. Birmingham moved to transfer \$20,134 from account 01-01-120-100-500 (Contingency Pending PR Change) to the following accounts: \$12,060 to account 01-25-216-100-511 (Salaries Police) and \$8,074 to account 01-25-216-100-514 (Overtime) due to the timing with the budget process and negotiating a successor agreement.

Ms. Santoro seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

e. Ratify Departmental Transfers - \$24,053.81

Ms. Johnson explained that this is for transfers within the departments themselves that have taken place so far.

Mr. Weber said that it seems like housekeeping to him.

Ms. Johnson said that it is however the Charter provides for this to be done by them.

****MOTION (6)**

Ms. Picarazzi moved to ratify departmental transfers in the amount of \$24,053.81 processed for fiscal year end June 30, 2018. (Attached)

Mr. Pazzaglia seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

f. Approve 2018/2019 Budget Review Schedule

Mr. Nickerson noted that he would like their meetings over by 10:15 PM and the building locked for 10:30 PM as that is when the custodian leaves for the evening.

Ms. Picarazzi asked if they could ask the custodian to come in later for those evenings.

Mr. Nickerson said that it is dictated by a collective bargaining agreement.

Mr. Weber said that they would try to be out by 10:30 PM each evening that they have reviews. He noted that the calendar before them has alleviated what would have been potential conflicts.

****MOTION (7)**

Ms. Picarazzi moved to approve the Budget Review Meeting Schedule for 2018/2019 as presented.

Ms. Santoro seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

(Copy attached)

G. Old Business

There was none.

H. Public Discussion

Mr. Weber called for Public Discussion.

There was no Public Discussion.

I. Board Comments

Mr. Weber asked that they strike this item from future agendas as it is not appropriate.

Ms. Picarazzi asked where they would make their comments.

Mr. Weber said that they should be made under the items as they come up on the agenda rather than in a separate area according to the attorney.

Mr. Nickerson added that there is no 'op-ed' area on the agendas for Boards/Commissions.

Mr. Weber said that he would check on this and get back to them as to where they could make comments.

J. Adjournment

Mr. Weber called for a motion to adjourn.

****MOTION (8)**

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

Ms. Santoro seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

**Town of East Lyme
Unaffiliated COLA Increases
7/1/17 - 6/30/18 Additional Funding Required**

Account Number	Description	2017/18 Amount of Budget	2017/18 Funding Required	Transfer
01-01-101-100-115	Board of Selectmen	9,085	9,311	226
01-01-101-100-211	Executive Assistant	51,000	52,251	1,251
01-01-102-100-211	Assessor	75,000	76,839	1,839
01-01-103-100-111	Tax Collector	75,445	78,782	3,337
01-01-104-100-211	Building Official	92,129	96,703	4,574
01-01-105-100-211	Engineer	93,169	97,657	4,488
01-01-105-100-213	Civil Engineer	72,760	76,444	3,684
01-01-107-100-111	Town Clerk	67,104	68,749	1,645
01-01-109-100-211	IT/Database Supervisor	60,766	62,255	1,489
01-01-110-100-111	Registrars	51,334	52,594	1,260
01-01-116-100-211	Zoning Official	90,511	95,005	4,494
01-01-117-100-211	Planning Director	66,903	68,542	1,639
01-01-118-100-211	Finance Director	74,989	78,634	3,645
01-01-118-100-212	Finance Office/Personnel Asst	44,646	46,481	1,835
01-01-118-100-111	Treasurer	12,377	12,686	309
01-01-132-100-212	Conservation Officer	16,726	17,136	410
01-25-224-100-211	Director	167,730	171,877	4,147
01-40-418-100-211	Sr Citizen Administrator	69,157	70,852	1,695
01-45-421-100-211	P & R Director	103,170	105,699	2,529
		1,294,001	1,338,498	44,497
01-01-114-100-121	FICA/Medicare			3,404
TOTAL FUNDING REQUEST				47,901

Total → 47,901

Please note, due to staff changes in Public Works Department 317, no funds were needed for Director of Public Works and Deputy Public Works Director. We froze the funds in the wage contingency account for: \$7,197 Budget Account: 01-30-317-100-211

1 year only -

larger
amts.
rep. wage 2.5%
inc. +
2.5% stop filing
in same
yr. time

BOA 2.14.18

Attachment - Item New Business

b.

**Town of East Lyme
UPSEU Contract Increases
7/1/17 - 6/30/18 Additional Funding Required**

Account Number	Description	Budget	2017/18	Transfer
01-01-102-100-311	Assessment Aides	88,160	92,265	4,105
01-01-103-100-311	Tax Aides	73,323	77,116	3,793
01-01-104-100-311	Admin/Clerical/BPZ	68,570	72,031	3,461
01-01-105-100-311	Admin Assistant Eng	39,166	41,155	1,989
01-01-113-100-311	Custodians	206,885	215,066	8,181
01-01-118-100-311	Fiscal Assistants	135,564	138,124	2,560
01-25-216-100-311	Admin Assistant Police	52,915	55,598	2,683
01-25-216-100-412	PT Clerical	23,452	24,038	586
01-25-224-100-311	Admin Assistant Emer Mgt	48,419	50,856	2,437
01-30-317-100-311	Regular Payroll Hwy	1,208,209	1,269,570	61,361
01-30-317-100-314	Overtime Hwy	20,000	21,000	1,000
01-30-317-100-314	Storm Overtime Hwy	68,000	71,400	3,400
01-45-421-100-311	Prog Coord/Secy/Admin	201,260	211,461	10,201
01-45-421-110-314	Overtime Maint P&R	22,550	23,678	1,128
		2,256,473	2,363,358	106,885
01-01-114-100-121	FICA/Medicare			8,177
TOTAL FUNDING REQUEST				115,062

2yr total → 115,062

Notes:

1. Assistant Town Clerks no funding required due to elimination of PT position thru attrition
2. Admin Secy/Bus Driver COA no funding required due to an employee resignation and reducing position hours by 7.5 hours per week and lag time to hire new employee.
3. Maintenance P&R no funding required due to long time employee resignation and new staff member at a lower salary. And, due to attrition one Maintainer II position eliminated. Previously 4 staff members will now be 3 staff members.

*Represents
2yrs
worth of
wages
2.50%/yr.
for 2yrs.
due to
negotiations*

*2yrs.
increases
not 1*

BGT 2.14.18

Attachment Item New Business C.

**Board of Finance
Budget Review Meeting Schedule
FY 2018/2019
Town Hall - Upper Meeting Room**

**Wednesday, March 14, 2018
Regular Meeting @ 7 PM**

Presentation of Budget & Overview by First Selectman
Review of Projected Revenues

**Monday, March 19, 2018
Special Meeting @ 7 PM (Reviews)**

Board of Education #999

Wednesday, March 28, 2018

Special Meeting @ 6:30 PM (Reviews)

Planning Dept. & Commission #117
Inland/Wetlands Agency #132
Zoning #116
Ledge Light Health District #108
Smith Harris House #134
Niantic Fire Dept. #217
Flanders Fire Dept. #218
Emergency Management #224
Gen. Govt. & Misc. Benefits #114
Contingency #120
Capital #724
CNRE

Tuesday, April 3, 2018

Special Meeting @ 6:30 PM (Reviews)

Town Clerk #107
Library (Culture & Rec) #420
Registrars' #110
Parks & Rec & Youth Svces #421/422
Town Engineer #105
Building Maintenance #113
Public Works #317
Information Technology #109
Board of Finance #126
Services to Community #115

FILED

Feb 20 2018 AT 10:05 AM/PM

[Signature]
EAST LYME TOWN CLERK

Approved at Regular Meeting of February 14, 2018

Thursday, April 5, 2018

Special Meeting @ 6:30 PM (Reviews)

Assessor #102
Bd. of Assessment Appeals #127
Tax Collector #103
Building Dept. #104
Commission on Aging #418
Police/Dispatch/ACO #216/215/226
First Selectman & EDC #101
Finance Department & HR #118
Health & Welfare #419
Debt Service Int. & Principal #522-3
Long Range Capital Plan

Monday, April 9, 2018

**Special Meeting @ 6:30 PM
(Deliberations)**

Deliberations – to completion or finish on Wednesday April 11, 2018 at Regular Meeting
(Note: School Spring Break is 4/16-4/20)

Wednesday, April 11, 2018

Regular Meeting @ 7 PM

Finish Deliberations if Necessary

Monday, April 23, 2018

Special Meeting @ 6:30 PM

Only If Necessary to Complete Deliberations

Monday, April 30, 2018

Public Hearing on the Budget at 7 PM

HS Auditorium

Special Meeting after Public Hearing in

INTV Room

Monday, May 14, 2018

Town Meeting on the Budget

Wednesday, May 30, 2018

Special Meeting @ 6:30 PM

Set the Mil Rate