

**EAST LYME BOARD OF FINANCE
REGULAR MEETING MINUTES
Wednesday, FEBRUARY 13th, 2019**

Members in Attendance: William Weber, Chairman
John Birmingham
Jason Pazzaglia
Anne Santoro

FILED IN EAST LYME
CONNECTICUT
Feb 17 20 19 AT 10:02 AM PM
Brenda Hansen ATC
EAST LYME TOWN CLERK

Also In Attendance: Mark Nickerson, First Selectman
Anna Johnson, Finance Director

Absent: Lisa Picarazzi, Vice-Chairperson, Camille Alberti

A. Call Meeting to Order

Chairman Weber called this Regular Meeting of the East Lyme Board of Finance to order at 7:02 PM.

B. Pledge of Allegiance

The Pledge was observed.

C. Delegations

Mr. Weber called for delegations.

Mike Schulz, Lovers Lane commented on the appropriations that are on the Agenda for this evening. He said that they total around \$92,000 adding that the BOE is also doing the same thing. The issue here is that they will not know what the increases are until after the budget goes to referendum and he does not think that it is right to do it this way. They need to know that information in advance.

D. Approval of Minutes

▪ **Special Meeting – January 23, 2019**

Mr. Weber called for a motion for approval or any changes to the Board of Finance Special Meeting Minutes of January 23, 2019.

****MOTION (1)**

Mr. Birmingham moved to approve the Board of Finance Special Meeting Minutes of January 23, 2019 as presented.

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Ms. Santoro and Mr. Weber asked about the December 12, 2018 Regular Meeting Minutes and asked that they be added to the next Regular Meeting Agenda for approval.

E. Reports

a. Board of Education

There was no representative available for this evening.

b. First Selectman

Mr. Nickerson reported that they have been busy with the budget and the CIP Plan and the referendum for the Police Facility. He said that they are also watching about the potential for a storm on the referendum day in the event that they have to move it. The referendum is scheduled for Wednesday, January 20, 2019 from 8 AM to 8 PM.

Mr. Weber asked about any challenges with regard to this years' budget.

Mr. Nickerson said that he will add a police officer this year and otherwise will hold the line as they have cut back over the years previous. They are at around a 3.08% increase. He said that the Board of Selectmen will leave items for discussion.

c. Director of Finance

Ms. Johnson said that she had supplied them with some updates in the green folders noting that they involved some increases in expenditures and also revenues from the previous information that they had received. She reviewed the revenues and expenses noting that Dispatch Overtime is over expended at this time but they anticipate transferring some funds from Animal Control to cover it. The good news is that the Health Insurance fund had started to make a turnaround. In December they made progress with a large positive impact and January also came in under so it depends how well they do for the rest of the year. The deficit may come in around \$728,000 versus the \$1.6M.

Mr. Weber asked if they have any feeling on what the CT 2.0 would cost.

Ms. Johnson said that it should have savings as they have rates that they will charge for everyone who is part of the plan.

Mr. Nickerson noted that the first year would still be uncertain due to the IBNR still coming in from the end of this year.

Mr. Weber asked if he were to ignore the IBNR, would the premium be less than the \$756,729.

Mr. Nickerson said that right now, yes but they are also seeing increases and the BOE will have others jumping on the plan. The CT 2.0 plan is a massive group so there should be some stability in the rate.

Mr. Weber asked Ms. Johnson if she saw revenues for next year staying steady or potentially going up since the budgets were going up 3% - how about the revenues – would they increase 3%.

Ms. Johnson said that they have some grand list growth but there is a decrease to the ECS grant but some increase to other tuition. A lot of the revenues are status quo. Some of the tipping fees increased.

Mr. Nickerson added that the big hit (up) on the grand list is in the second year. There currently is no commercial build-out in Town.

F. New Business

a. Appropriate and transfer \$6,502 FF wages

Ms. Johnson explained that this is for the one year contract extension for the firefighters and that it is being taken from wage contingency which was set aside pending contract ratifications.

Ms. Santoro asked about the overtime for Flanders.

Ms. Johnson said that they had someone retire and that the new person came in at a lower rate.

****MOTION (2)**

Ms. Santoro moved to approve a transfer of \$6,502 from account 01-01-120-100-500 (Town Payroll Pending PR change) to the following accounts: \$3,456 to account 01-25-217-100-611 (Salaries NFD firefighters); \$1,340 to account 01-25-217-100-614 (NFD Overtime); \$1,244 to account 01-25-218-100-614 (FFD Overtime) and \$462 to account 01-01-114-100-121 (FICA/Medicare) to fund the Firefighters Contract Increases for the 2018/19 fiscal year.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

b. Appropriate and transfer \$60,205 UPSEU wages

Mr. Nickerson noted that this is the largest union of Town employees and that they had finalized a three (3) year deal in November of 2018 so this is the action for the set aside dollars for this first year of the contract.

****MOTION (3)**

Mr. Birmingham moved to approve a transfer in the amount of \$60,205 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 UPSEU Contract Increases 7/1/18-6/30/19 additional funding Required'.

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

c. Appropriate and transfer \$25,384 Unaffiliated wages

Mr. Nickerson explained that this is for the non-union workers who also received a 2% increase. He said that this is generally a yearly item.

Ms. Santoro asked about the 2% as there were some that came in at more than 2% such as the Executive Assistant and Treasurer. She said that she had not figured out all of them but thought that they should look them over.

Ms. Johnson said that she would review all of them for that issue. She said that they could do a motion stating 'up to' the \$25,384.

Mr. Weber said that there are still discrepancies and that he is not sure of the 'up to'.

Ms. Johnson said that she would go back over everything.

****MOTION (4)**

Ms. Santoro moved to approve a transfer in an amount up to \$25,384 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 7/1/18 – 6/30/19 additional funding Required'.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

d. Appropriate and transfer \$11,509 Registrars for referendums

Mr. Nickerson explained that in previous years the Registrars have taken a hit. This is to cover the upcoming referendum and the annual budget referendum in May.

****MOTION (5)**

Mr. Birmingham moved to appropriate and transfer \$11,509 from account 01-01-120-200-500 (Contingency) to account 01-01-110-500-401 (Referendum/Primary).

Ms. Santoro seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Mr. Weber said that if they are going to squeeze everyone's budget that this is the way that they have to manage their budget.

e. Appropriate and transfer \$23,783 Debt service

Ms. Johnson explained that they had estimated a shorter amount for bond issue in 2018 and that they had bonded \$5.3M instead of the \$3.7M. This is the debt service difference needed to cover that. She also noted that the separate Schedule of Contingency that she had provided them with had the correct remaining balances.

****MOTION (6)**

Mr. Pazzaglia moved to appropriate and transfer \$23,782.79 from account 01-01-120-200-500 (Contingency) to account 01-50-522-620-649 (18 New GOB) due to the estimate being lower than actual interest.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

f. Approve Schedule of Meetings Proposed 2019/20 Budget Reviews

Mr. Weber suggested moving Emergency Management over to Tuesday April 2, 2019 so that it would be with the rest of the departments that are covered by the Police. It was also suggested to change Smith Harris House to Brookside Farm and to add Historic Properties on that same evening – Tuesday March 19, 2019.

****MOTION (7)**

Ms. Santoro moved to approve the 2019/20 BOF Budget Review Meeting Schedule with the changes as noted above.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

**g. Public Safety Facility –
- Other Costs**

Mr. Weber said that he asked that this be placed on the agenda so that any added costs to the Public Safety facility (going forward) could be provided.

Mr. Nickerson said that they are going to a 30,000 sf building where they will use 20,000 sf. They are also leaving two (2) properties to move into one (1). The electric bills for Honeywell are \$26,000/year however they pay significantly more now at the two buildings so he feels that will be a wash. With regard to custodial – that person will go to one place rather than two; plowing will be the same. While it is tough to tell now he said that he thinks that it will be a wash as it seems that there would not be additional costs.

- Special Committee

Mr. Weber said that this Committee would have three (3) Board of Finance members on it – he has volunteered for it as well as Ms. Santoro, Mr. Birmingham and Ms. Picarazzi. He said that he is not sure that they could have a rotational member in the event that one could not make it but suggested that he, Ms. Santoro and Ms. Picarazzi would be the basic three (3) members and that Mr. Birmingham could fill in if that is allowed.

Mr. Nickerson said that the Committee would be comprised of three (3) Board of Finance members, three (3) Board of Selectmen members, three (3) Police Commission members, two (2) Citizens at large (who are not currently serving on any board or commission) and the Chief of Police for a total of 12 members.

G. Old Business

▪ Discussion – Board of Finance Action List

Mr. Weber said that their By-Laws are on the list. He asked everyone to review them as a copy was in their packets.

Ms. Johnson noted that they could also just leave them the same as they are just charged with reviewing them, not necessarily changing them.

Mr. Weber asked that discussion on them be placed under New Business on the March agenda.

H. Public Discussion

Mr. Weber called for Public Discussion.

Mike Schulz, Lovers Lane said that the unaffiliated received a yearly increase and asked if they are contracts or some sort of an agreement that allows for this. Also if there is one contract or agreement or 20 different contracts/agreements. If it is a contract – where are they kept as the Town Clerk's Office should have them. Also, with regard to the Public Safety building maintenance he suggested that perhaps that person should be dedicated to it so that it can be kept up.

I. Board Comments

Ms. Santoro noted as a reminder to add the December 2018 minutes to the next meeting agenda.

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 8:20 PM.

Mr. Pazzaglia seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

**Town of East Lyme
UPSEU Contract Increases
7/1/18 - 6/30/19 Additional Funding Required**

Budget 2018/19 Transfer

Account Number	Description	Budget	2018/19	Transfer
01-01-102-100-311	Assessment Aides	92,625	94,478	1,853
01-01-104-100-311	Admin/Clerical/BPZ	72,031	73,469	1,438
01-01-105-100-311	Admin Assistant Eng	41,155	41,974	819
01-01-107-100-311	Assistant Town Clerk	47,229	48,165	936
01-01-113-100-311	Custodians (amended)	200,982	212,588	11,606
01-01-118-100-311	Fiscal Assistants	132,748	135,671	2,923
01-25-216-100-311	Admin Assistant Police	55,598	56,701	1,103
01-25-216-100-412	PT Clerical	24,038	24,518	480
01-25-224-100-311	Admin Assistant Emer Mgt	50,856	51,870	1,014
01-30-317-100-311	Regular Payroll Hwy	1,269,570	1,290,013	20,443
01-30-317-100-314	Overtime Hwy	20,000	20,400	400
01-30-317-100-314	Storm Overtime Hwy	68,000	69,360	1,360
01-40-418-100-311	Admin Secy/Bus Driver	121,713	122,614	901
01-45-421-100-311	Prog Coord/Secy/Admin	211,461	218,497	7,036
01-45-421-110-311	P&R Maintenance Payroll	159,557	162,802	3,245
01-45-421-110-314	Overtime Maint P&R	18,550	18,921	371
		2,586,113	2,642,039	55,926
01-01-114-100-121	FICA/Medicare			4,278
TOTAL FUNDING REQUEST				60,205

† 60,205

Notes:

No additional funding required for Tax Aides account 01-01-103-100-311 due to retirement.

*NEW BUSINESS
Item B.*

Attachment B07 *2/11/2019*

**Town of East Lyme
Unaffiliated COLA Increases
7/1/18 - 6/30/19 Additional Funding Required**

Account Number	Description	2018/19 Amount of Budget	2018/19 Funding Required	Transfer
01-01-115-100-111	First Selectman	99,459	101,411	1,952
01-01-101-100-115	Board of Selectmen	9,085	9,498	413
01-01-101-100-211	Executive Assistant <i>more than 2%</i>	51,000	53,300	2,300
01-01-102-100-211	Assessor	76,875	78,383	1,508
01-01-103-100-111	Tax Collector	77,331	78,848	1,517
01-01-105-100-213	Civil Engineer	76,444	77,943	1,499
01-01-107-100-111	Town Clerk	68,782	70,130	1,348
01-01-109-100-211	IT/Database Supervisor	62,285	63,506	1,221
01-01-110-100-111	Registrars	52,620	53,651	1,031
01-01-116-100-211	Zoning Official	95,093	96,958	1,865
01-01-117-100-211	Planning Director	68,575	69,919	1,344
01-01-118-100-212	Finance Office/Personnel Asst	46,503	47,415	912
01-01-118-100-111	Treasurer <i>more than 2%</i>	12,687	14,018	1,331
01-01-132-100-212	Conservation Officer	17,134	17,480	346
01-25-216-100-211	Police Chief	100,000	101,962	1,962
01-25-224-100-211	Director	87,423	88,942	1,519
01-40-418-100-211	Sr Citizen Administrator	70,886	72,276	1,390
01-45-421-100-211	P & R Director	105,749	107,823	2,074
		1,078,472	1,102,052	23,580
01-01-114-100-121	FICA/Medicare			1,804
TOTAL FUNDING REQUEST				25,384

Figures to be reviewed by AS

is up to only

21,569

Notes: No funding needed for Chief Bldg Official and ACO due to employees leaving and new hires at lower rates. No funding needed for Engineer, Finance Director, Public Works Director & Deputy Public Works Director. Employees did not take salary increases due to prior year steps - they took an additional 2% in their Defined Contribution accounts.

Attachment BOA NEW BUSINESS Item C. 2/11/2019

**Board of Finance
Budget Review Meeting Schedule
FY 2019/2020
Town Hall - Upper Meeting Room**

**Wednesday, March 13, 2019
Regular Meeting @ 7 PM**

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

**Monday, March 18, 2019
Special Meeting @ 7 PM (Reviews)**

Board of Education #999

**Tuesday, March 19, 2019
Special Meeting @ 6:30 PM (Reviews)**

Planning Dept. & Commission #117
Inland/Wetlands Agency #132
Zoning #116
Ledge Light Health District #108
Brookside Farm (SHH) #134
Historic Properties #139
Niantic Fire Dept. #217
Flanders Fire Dept. #218
Gen. Govt. & Misc. Benefits #114
Contingency #120
Capital #724
CNRE

**Monday, April 1, 2019
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

Tuesday, April 2, 2019

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/EmgMgt/ACO #216/215/224/226
First Selectman & EDC #101
Finance Department & HR #118
Health & Welfare #419
Debt Service Int. & Principal #522-3
Long Range Capital Plan

**Monday, April 8, 2019
Special Meeting @ 6:30 PM
(Deliberations)**

Deliberations – to completion or finish on Wednesday April 10, 2019 at Regular Meeting
(Note: School Spring Break is 4/15-4/19)

**Wednesday, April 10, 2019
Regular Meeting @ 7 PM**

Finish Deliberations if Necessary

**Monday, April 22, 2019
Special Meeting @ 6:30 PM**

Only If Necessary to Complete Deliberations

Monday, April 29, 2019
Public Hearing on the Budget at 7 PM
HS Auditorium
Special Meeting after Public Hearing in
INTV Room

Monday, May 13, 2019
Town Meeting on the Budget

**Wednesday, May 29, 2019
Special Meeting @ 6:30 PM**
Set the Mill Rate

FILED IN EAST LYME
CONNECTICUT
Feb 17 20 17 AT 10:02 AM PM
Bridget A. C. ATC
EAST LYME TOWN CLERK

Town of East Lyme
 Schedule of Contingency
 7/1/2018 - 6/30/2019

Account 01-01-120-100-500 Payroll Contingency

BOS	BOF	Amount	Reason	Type
		160,219	Beginning Balance	
2/6/2019		(6,502)	Firefighters Wages	Transfer
2/6/2019		(60,205)	UPSEU Wages	Transfer
2/6/2019		(25,384)	Un-affiliated Wages	Transfer
		68,128	Remaining Balance	

Account 01-01-120-200-500 Operating Contingency

BOS	BOF	Amount	Reason	Type
		153,203	Beginning Balance	
8/1/2018	8/8/2018	(12,600)	Custodian Wages medical leave & replacement	Transfer
2/6/2019		(11,509)	Registrar's referendum funding	Transfer
N/A	N/A	(50,000)	Freeze for Health Insurance	Hold
2/6/2019		(23,783)	Debt service interest	Transfer
		55,311	Remaining Balance	

Summary for Agenda Items: VI a - e

Attachment

BOF

2/11/19