

**EAST LYME BOARD OF FINANCE
REGULAR MEETING MINUTES
Wednesday, OCTOBER 9th, 2019**

FILED

Members in Attendance: Lisa Picarazzi, Acting Chairperson
Camille Alberti
John Birmingham
Anne Santoro

Oct 15 2019 AT 10:00 AM/PM
Kim Malm
EAST LYME TOWN CLERK

Also In Attendance: Anna Johnson, Finance Director
Cathy Wilson, Senior Services Director

Absent: Bill Weber, Chairman, Jason Pazzaglia

A. Call Meeting to Order

Acting Chairperson Picarazzi 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.

C. Delegations

Ms. Picarazzi called for delegations.

Mike Schulz, Lovers Lane, East Lyme thanked everyone for the work that they do and said that he wanted to mention the Charter. Section 1.4 cites it as the organic law of the Town and the administrator of its affairs. Section 6.11 states that the Board of Ed will present its budget to the Board of Selectmen; the Board of Selectmen will present to the Board of Finance the Board of Ed budget as it was received with their suggestions/comments. He said that we have done none of that. We have combined them. The Board of Selectmen can only make comments and suggestions. Also, for the record he feels that the Board of Ed should be given an annual fixed budget increase of 1.5% each year with – where at year end – if they do not spend all of it they could keep what they don't spend.

Lastly he said that he had two (2) questions for them – First – Is the Town paying into the teacher's pension fund now or is that still being discussed and second – what is the final healthcare cost as of 6/03/2019 for a reference point going forward.

D. Approval of Minutes

▪ **Regular Meeting – September 11, 2019**

Ms. Picarazzi called for a motion for approval or any changes to the Board of Finance Regular Meeting Minutes of September 11, 2019.

Ms. Picarazzi took this time to underscore what Mr. Weber and others had stated to Mr. Newton regarding that this Board did not make the cuts to the BOE budget and that what this Board had suggested was not done and that this Board is not the reason for the deficits. Mr. Newton had acknowledged that he had heard them and that they would receive ample notice regarding attending the BOE budget meetings.

****MOTION (1)**

Mr. Birmingham moved to approve the Regular Meeting Minutes of September 11, 2019 as presented.

Ms. Santoro seconded the motion.

Vote: 3 – 0 – 1. Motion passed.

Abstained: Ms. Alberti

▪ **Special Meeting – September 18, 2019**

Ms. Picarazzi called for a motion for approval or any changes to the Board of Finance Special Meeting Minutes of September 18, 2019.

****MOTION (2)**

Ms. Santoro moved to approve the Special Meeting Minutes of September 18, 2019 as presented.

Mr. Birmingham seconded the motion.

Vote: 3 – 0 – 1. Motion passed.

Abstained: Ms. Alberti

E. Reports

a. Board of Education

There was no report.

b. First Selectman

There was no report.

c. Finance Director

Ms. Johnson explained the updated reports that she had provided them with in their folders.

Ms. Alberti asked about the current grand list taxes and what would account for the extra 4.81% collected.

Ms. Johnson said that in July they collect the total amount for automobiles and personal property.

Ms. Alberti asked about the Capital Plan and an update on the new Accounting Software Package.

Ms. Johnson said that they went through Sourcewell bidding and are considering Munis.

Ms. Alberti asked of the \$500,000+ cost – what part of that cost is associated with the system and what part for the implementation.

Ms. Johnson said that it will all be in-house – they will meet with the vendor. The software, license fees and their consultants are all in the \$500,000.

Ms. Alberti asked what the yearly licensing fees are.

Ms. Johnson said that she would provide that at their next meeting.

Ms. Alberti asked who signs the contract.

Ms. Johnson replied the First Selectman. She added that it is under final review at this time.

Ms. Alberti asked that the record reflect that one vendor was considered for the new accounting system.

Mr. Birmingham asked about the pension budget shortage figure.

Ms. Johnson said that they are \$106,000 short but she is confident that they will be able to make it up from General Government.

Mr. Birmingham asked about the listing of the major items impacting contingency on the school projects and what the total was in contingency.

Ms. Johnson said that it was set up as a part of the overall construction so the \$2.9M comes out of construction for each school that had contingency within each of their budgets.

Ms. Picarazzi asked about the rest of the dollars as contingency is usually 10%.

Ms. Johnson said that it was \$37.5M and that the architect fees etc are also in it.

Ms. Picarazzi asked that the original breakdown be brought to them at their next meeting.

Ms. Picarazzi asked about the 6/30/2019 ending revenue and fund balance.

Ms. Johnson noted that they are a bit over 8% fund balance in relation to our overall budget. She noted that this should help with the bonding for the school projects.

Ms. Johnson said that with regard to health claims, nothing hit the account in September so currently it is a little over \$700,000 at this time. The estimate on IBNR was about \$9000 off.

Ms. Picarazzi asked the status on the BIE lawsuit and if it was settled.

Ms. Johnson said that while it has been agreed upon, it has not been finalized yet.

Ms. Santoro asked that next month Mr. Newton reports to them on the status of this item.

F. New Business

a. BOF By-Laws discuss amendment vote

Ms. Johnson said that as had been voted on at their last meeting – a vote had been taken on the amendment to their By-Laws by e-mail and that all had responded to the affirmative. She provided the voting for the record (Attached to Minutes)

b. Special Appropriation – \$69,000 CNRE COA 5310 Bus Grant

Ms. Wilson, Senior Services Director explained that this grant would allow the vehicle to come on-line in 2020. It is an 80/20 split with the Town share \$13,800. She added that as had been previously discussed, any extras over the \$69,000 would be covered from the Parahus account.

Ms. Picarazzi asked what this replaces.

Ms. Wilson said that they have 2 – 2011 vehicles and 1 – 2017. This would replace one of the 2011 vans that currently has 114,000 miles on it.

Ms. Picarazzi asked if it has any salvage value.

Ms. Wilson said that she turns it over to Mr. Bragaw.

Ms. Johnson said that they are sold at auction and that the proceeds would be part of the plan.

Mr. Birmingham asked if we pay upfront and then wait for the grant.

Ms. Johnson and Ms. Wilson said that as they recall it comes in pretty close together and works out well.

Ms. Alberti asked what the threshold dollar amount is on items that go to auction.

Ms. Johnson said that there is a sale of vehicles account in the CNRE.

Ms. Alberti said that she would be in favor of a 'to and from' this account.

Ms. Picarazzi said that she would recommend that it is taken from the CNRE proceeds from the sale of vehicles account.

****MOTION (3)**

Ms. Santoro moved to appropriate \$69,000 in CNRE Fund 32 for the purchase of a new 12 passenger and 2 wheelchair bus to be utilized at the Senior Center – Delivery expected between July – October 2020 – to an account titled, 'COA DOT 5310 Bus' as follows:

\$55,200 from the CT Department of Transportation 5310 Grant and to transfer the Town's share in the amount of \$13,800 from Fund 32 account number 32-60-120-100-002 Proceeds from Sale of Vehicles.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

(This item requires Town Meeting approval)

c. BOF Members Discussion of Proposed Budget Process

In light of the Charter items that were brought forward in Delegations, the Board tabled discussion on this item so that the Charter could be reviewed by them prior to discussion.

G. Old Business

There was none.

H. Public Discussion

Mr. Picarazzi called for Public Discussion.

Mike Schulz, Lovers Lane, East Lyme asked about the two questions that he had brought up at Delegations – the Teachers Pension and the Healthcare overage.

Ms. Santoro and Ms. Johnson said that the pension fund was a proposed piece of legislation that has not happened yet.

Ms. Johnson said that the healthcare overage is at \$702,000 with no more draws in September.

I. Board Comments

Ms. Santoro noted that she is looking forward to them coming up with some improvements to the budget process.

Ms. Alberti said that any noted that she Ms. Santoro might have would be helpful for the next meeting.

Ms. Picarazzi asked Ms. Johnson to ask Mr. Newton for information on the turf field replacement for the next meeting. She noted that she did not want it to be forgotten about.

J. Adjournment

Mr. Picarazzi called for a motion to adjourn.

****MOTION (4)**

Ms. Alberti moved to adjourn this Regular Meeting of the East Lyme Board of Finance at 8:06 PM.

Mr. Birmingham seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

Anna Johnson

From: Jason Pazzaglia <jpazz17@gmail.com>
Sent: Wednesday, October 09, 2019 3:02 PM
To: Lisa Picarazzi
Cc: Anna Johnson; wweber2@aol.com; Weber, William D PW; Camille Alberti; John Birmingham; Anne Santoro; Mark Nickerson
Subject: Re: BoF By-Laws

After a long thought out decision I vote yes. 🗳️

On Friday, September 27, 2019, Lisa Picarazzi <LisaHPic@aol.com> wrote:

I vote "yes" to the motion provided in this email, the motion having been made and seconded at the BOF meeting of 9/11/19.

Sent from my iPad

On Sep 12, 2019, at 12:35 PM, Anna Johnson <AJohnson@eltownhall.com> wrote:

Dear Board Members,

Attached are the following relative to the Board of Finance By-Laws:

1. Motion approved by BoF at 9/11/19 meeting
2. Language for proposed BoF By-Laws amendment
3. Draft new BoF By-Laws with amendment inserted

Per item number one (1) members are to cast a vote electronically. Thank you,

Anna M. Johnson

Director of Finance

Town of East Lyme

(860) 691-4111

ajohnson@eltownhall.com

Anna Johnson

From: wweber2@aol.com
Sent: Tuesday, October 08, 2019 11:38 AM
To: Anna Johnson
Subject: RE: BoF By-Laws

I vote yes.

Bill Weber

On Thursday, September 12, 2019 Anna Johnson <AJohnson@eltownhall.com> wrote:

Dear Board Members,

Attached are the following relative to the Board of Finance By-Laws:

1. Motion approved by BoF at 9/11/19 meeting
2. Language for proposed BoF By-Laws amendment
3. Draft new BoF By-Laws with amendment inserted

Per item number one (1) members are to cast a vote electronically. Thank you,

Anna M. Johnson

Director of Finance

Town of East Lyme

(860) 691-4111

ajohnson@eltownhall.com

Anna Johnson

From: Lisa Picarazzi <LisaHPic@aol.com>
Sent: Friday, September 27, 2019 1:24 PM
To: Anna Johnson
Cc: wweber2@aol.com; Weber, William D PW; Camille Alberti; Jason Pazzaglia; John Birmingham; Anne Santoro; Mark Nickerson
Subject: Re: BoF By-Laws

I vote "yes" to the motion provided in this email, the motion having been made and seconded at the BOF meeting of 9/11/19.

Sent from my iPad

On Sep 12, 2019, at 12:35 PM, Anna Johnson <AJohnson@eltownhall.com> wrote:

Dear Board Members,

Attached are the following relative to the Board of Finance By-Laws:

1. Motion approved by BoF at 9/11/19 meeting
2. Language for proposed BoF By-Laws amendment
3. Draft new BoF By-Laws with amendment inserted

Per item number one (1) members are to cast a vote electronically. Thank you,

Anna M. Johnson

Director of Finance

Town of East Lyme

(860) 691-4111

ajohnson@eltownhall.com

<2019 09 11 BoF ByLaws Motion.pdf>

<2019 Proposed BoF ByLaws Amendment.pdf>

<2019 08 14 EAST LYME BOF BYLAWS_Proposed Amendment.pdf>

Anna Johnson

From: John Birmingham <jtbirm9@sbcglobal.net>
Sent: Friday, September 27, 2019 12:51 PM
To: Anna Johnson; wweber2@aol.com; william.weber@pw.utc.com; LisaHPic@aol.com; jpazz17@gmail.com; arsantoro@atlanticbb.net; Camille Alberti
Cc: Mark Nickerson
Subject: Re: BoF By-Laws

I vote "yes" on the motion to amend the BOF Bylaws as presented at the 9/11/19 BOF meeting.

John Birmingham

On Thursday, September 26, 2019, 07:26:09 AM EDT, Camille Alberti <morganalberti@aol.com> wrote:

I vote "yes" on the motion to amend the BOF Bylaws as presented at the 9/11/19 meeting.

Camille Alberti

-----Original Message-----

From: Anna Johnson <AJohnson@eltownhall.com>
To: wweber2@aol.com <wweber2@aol.com>; Weber, William D PW <william.weber@pw.utc.com>; Lisa Picarazzi <LisaHPic@aol.com>; Camille Alberti <morganalberti@aol.com>; Jason Pazzaglia <jpazz17@gmail.com>; John Birmingham <jtbirm9@sbcglobal.net>; Anne Santoro <arsantoro@atlanticbb.net>
Cc: Mark Nickerson <MNickerson@eltownhall.com>
Sent: Thu, Sep 12, 2019 12:35 pm
Subject: BoF By-Laws

Dear Board Members,

Attached are the following relative to the Board of Finance By-Laws:

1. Motion approved by BoF at 9/11/19 meeting
2. Language for proposed BoF By-Laws amendment
3. Draft new BoF By-Laws with amendment inserted

Per item number one (1) members are to cast a vote electronically. Thank you,

Anna M. Johnson
Director of Finance
Town of East Lyme
(860) 691-4111
ajohnson@eltownhall.com

Anna Johnson

From: Anne Santoro <arsantoro@atlanticbb.net>
Sent: Thursday, September 12, 2019 3:07 PM
To: Anna Johnson
Cc: wweber2@aol.com; Weber, William D PW; Lisa Picarazzi; Camille Alberti; Jason Pazzaglia; John Birmingham; Mark Nickerson
Subject: Re: BoF By-Laws

I vote "yes" to the motion provided in this email, the motion having been made and seconded at the BOF meeting of 9/11/19.

—Anne Santoro

On Sep 12, 2019, at 12:35 PM, Anna Johnson <AJohnson@eltownhall.com> wrote:

Dear Board Members,

Attached are the following relative to the Board of Finance By-Laws:

1. Motion approved by BoF at 9/11/19 meeting
2. Language for proposed BoF By-Laws amendment
3. Draft new BoF By-Laws with amendment inserted

Per item number one (1) members are to cast a vote electronically. Thank you,

Anna M. Johnson

Director of Finance

Town of East Lyme

(860) 691-4111

ajohnson@eltownhall.com

<2019 09 11 BoF ByLaws Motion.pdf><2019 Proposed BoF ByLaws Amendment.pdf><2019 08 14 EAST LYME BOF BYLAWS_Proposed Amendment.pdf>