

**EAST LYME BOARD OF FINANCE  
SPECIAL MEETING MINUTES  
BUDGET REVIEWS – FY 2020-2021  
Monday, MAY 11th, 2020  
Via Zoom Meetings**

**Members in Attendance:** Camille Alberti, Chairperson  
Ann Cicchiello, Vice-Chairperson  
John Birmingham  
Peter DeRosa  
Anne Santoro  
Richard Steel

FILED

May 19 2020 AT 10:24 AM/PM  
*Camille Alberti*  
EAST LYME TOWN CLERK

**Also In Attendance:** Mark Nickerson, First Selectman  
Anna Johnson, Finance Director  
Dept Heads as Noted

**Absent:** No One

**A. Call Special Meeting to Order**

Chairman Alberti called this Special Meeting of the East Lyme Board of Finance to order at 6:30 PM. She introduced the members and guests and explained that they would pick up where they left off on Saturday going through the various department budgets for review.

**B. New Business**

**a. Budget Reviews – FY 2020 - 2021**

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

Ms. Vitagliano noted that she had eliminated \$5,000 from her budget for audits as she does not want to place undue stress on people and their businesses who are having enough to do at this time under the current circumstances. She said that they have also eliminated a set of maps.

Mr. DeRosa asked if her budget is a reduction from the previous year.

Ms. Vitagliano said yes.

Mr. Birmingham asked if on the revenue side if she felt that the \$900 would be realized.

Ms. Vitagliano said that is from copies of field cards and with them being closed; this could be reduced some.

Ms. Johnson said that year to date they have realized \$570 but they have also been closed for some time now.

Mr. Steel asked if there was any room to reduce professional conventions/conferences.

Ms. Vitagliano said no as she has a clerk that is trying to get certified; two (2) of them are certified and she is trying to get the third certified so it is difficult to reduce that budget.

Ms. Santoro thanked her for all of the cost saving measures and asked if transportation at \$450 was for out of Town events as those may be held virtually due to current circumstances rather than having to drive somewhere to attend in person.

Ms. Vitagliano said that perhaps there could be a possibility of reduction but they are still planning on having classes.

Mr. Nickerson noted that they have transportation throughout all of the budgets and that they are assuming that continued education will happen and if it does not then those unused dollars would be returned to the Town.

◆ **Board of Assessment Appeals (127) – Diane Vitagliano, Assessor**

Ms. Vitagliano explained that there is an increase because in the past the Board members have not been taking their allowance so they have increased this in the event that they do take it. It has been included in the PT Recording Secretary line item.

Ms. Alberti said to Ms. Johnson that if they were to move forward with this that they should create a separate line item for the allowance and not have it in with the Recording Secretary dollars.

Ms. Johnson said that if they do leave it in that they would have to make a motion to state that so that the line item would be created.

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

Mr. McCulloch said that line #251 was increased to \$5215 but reduced by the Board of Selectmen by \$3315 to \$1900. It was to be able to print outside as that would give the taxpayers extra time to pay their bills.

Ms. Alberti asked where the reductions are as the budget is up by 5% so she does not see where the reduction was taken.

Mr. McCulloch said that they eliminated a \$600 cost for a service that was not productive.

Ms. Alberti asked if he was saying that they were adding over \$3000 to save \$600.

Mr. McCulloch said that it's a time-saving factor.

Mr. DeRosa said that the BOS suggested that it be reduced by \$3315.

Mr. McCulloch said that he is still recommending it and he is not in favor of the reduction. He said that he was not aware of the reduction. Also if they get the bills out earlier then people pay them earlier.

Ms. Alberti said that while they say July 1 that they really are not due until August so they have ample time to make the payments.

Mr. Nickerson said that there is a human error factor associated with doing it in-house as well as the postage factor.

Ms. Santoro asked about transportation.

Ms. Johnson said that it is for classes for his staff to go to so that they can be certified.

Ms. Santoro asked where the classes are held.

Mr. McCulloch said that they are usually held in Berlin.

Ms. Cicchiello noted that tax payments this year could be delayed until October 1.

Mr. Nickerson said that the bills still have to go out and it is only those who apply BY July 1, 2020 and who are APPROVED that can have until October 1, 2020 to pay their bills.

◆ **Building (104) – Steve Way, Building Official**

Mr. Way said that they have had a lot of big project this year and that revenues are significantly higher. There are still a number of projects that have not been permitted or come in for permitting. Some of the Gateway Phase II is still due in as well as the Rocky Neck Village to name a few. In the upcoming year he said that he would anticipate that revenues would be \$20,000 less than the \$382,000 projected as they have decided to hold off on increasing the permit fees due to the pandemic circumstances. He said that people are still building and doing projects. They have remained busy. The \$22,000 increase that he has requested is for another assistant building official to come on or for more hours for the current one. He said that they have had 54 housing units come in for permits and that they are in the top 10 in the State for new housing.

Ms. Alberti asked if the projected revenues of \$382,762 for the next year were being adjusted downward by \$20,000 to \$362,762 for next year and if that was being based on the pulling back on the re-design of an increase in the fee structure.

Mr. Way said yes, the fee structure change is not feasible for this year due to the necessity of holding a public hearing in order to increase the fees and the general climate.

Mr. DeRosa asked about the Board of Selectmen reduction in the part time hours and with the increased workload, how does that work out.

Mr. Way said that he does not feel one way or the other about it; they are doing on-line permits and are going to accept credit card payments in the near future so there is less filing.

◆ **Human Resources (106) – Rebecca Lucovich, Human Resources**

Ms. Johnson recalled that HR was in the Finance department budget and that earlier in this year that it was increased from 20 hours per week to 30 hours per week and at the time of the increase to 30 hours the request was made that it becomes its own department, which it has.

Ms. Lucovich said that they are increasing the position to 37.5 hours.

Mr. Nickerson said that he thought that they were going to hold off on that for now –

Ms. Alberti said that she did not see the reduction in the Board of Selectmen suggestions but she would note it for the 30 hours. She noted the funding in the budget.

◆ **Town Clerk (107) – Karen Galbo, Town Clerk**

Ms. Galbo said that she only had two (2) changes to her budget – one was the increase in salaries and line #293 was removed as it was linked to a revenue account.

Ms. Cicchiello asked if she thought that she would see any savings with not having a referendum and the absentee ballots associated with that.

Ms. Galbo said that is on the registrar's side with the printing. They will see what happens as a mail house will actually mail out the absentee ballots.

Ms. Santoro asked if on the revenue side she anticipated any change in what she collects in those fees.

Ms. Galbo said that she has not seen that it has done anything to their revenues. They have remained busy.

Ms. Santoro asked about dog and marriage licenses.

Ms. Galbo said that the State gets most of those dollars.

Ms. Johnson noted that line item is being removed and they have set up a self balancing account.

◆ **Health (LLHD) (108) – Mark Nickerson**

Mr. Nickerson said that this is a fee based budget – based on the population figures which have gone down a bit so this went down some also.

◆ **General Government & Misc. (114) – Anna Johnson, Finance Director**

Ms. Johnson explained the Personnel Services noting that they have a three (3) year lock-in agreement with CIRMA and that there is a 3% increase for next year. The pension increase included in this is due to actuarial evaluation tables that keep changing due to the change in the mortality rate tables. Health/Dental is increasing by 4.5% for next year. The increase here also included someone to manage the plan. She said that she expects to have a reduction to this item for deliberations. Under Legal Services she said that they do their best to budget appropriately. Contracted Services includes unemployment compensation in the event of the loss of some jobs. Employee assistance is a contract for any special assistance that may be necessary and Operating Expenses is for municipal advocacy groups.

Ms. Cicchiello asked if under legal services – legal ads if they are using electronic methods.

Mr. Nickerson said that they are still required to use legal newspaper advertising although we wish that we could do it electronically.

Ms. Santoro asked about insurance costs – line #290 and said that while she knows that we have a good deal if there was any discount available due to the buildings being closed.

Mr. Nickerson said that they are not doing that with the commercial property and our vehicles have been out on the road as Public Works is back to work and our Public Safety sector has always been working.

Ms. Santoro asked where they are headed in relation to the defined benefit plan.

Mr. Nickerson said that the unaffiliated are in the defined contribution plan.

Ms. Johnson added that the only other group in the defined contribution plan is the newly hired firefighters; none of the others wanted to change.

Ms. Alberti asked about the figures in line 124 for the pension plan for 2018/2019 the budget of \$914,460 came in at \$817,605 what happened to the \$97,000.

Ms. Johnson said that she would have to look it up and get back to her.

Ms. Alberti asked what percentage funded would the pension plan be at \$1.2M

Ms. Johnson said that they are typically at 80% funded.

Ms. Alberti noted that this year it is at a 35% increase which is a lot for one year.

Ms. Johnson said that for next year it will actually be at a 16% increase.

Ms. Alberti asked if they could reduce it by \$100,000.

Ms. Johnson said that if they did they would have to disclose that they are not making their required contribution.

Ms. Alberti asked how much they saved recently under the premise of wanting people to use their time for the time off.

Ms. Johnson said that all of the first responders have been working and that is where the large amount of hours is. The union (UPSEU) members are not the group with the higher amount of hours and time. Ms. Alberti asked if they have been paying the employees full time pay for the past two (2) months. Ms. Johnson said some – but those who do not have the time don't get paid. Mr. Nickerson noted that the figure for the pension is based upon people who are going to retire and it is a ball park figure as most people do not give a huge amount of notice on when they would be retiring. Ms. Alberti asked if any changes have been made for *new hires* requiring 'use it or lose it'. Mr. Nickerson said that Mr. Bragaw is working on that.

◆ **Planning (117) – Gary Goeschel, Planning Director**

Mr. Goeschel said that the majority of the increase is in salary and the rest is pretty straight forward. The IT line has been moved over to that budget and the revenues projected are the same going forward. There were no questions.

◆ **Inland Wetlands (132) – Gary Goeschel, Inland Wetlands Officer**

Mr. Goeschel said again that the majority of the increase here is for salary; the consultant is a pass-through account and if they were looking for something to cut he would start on the dues.

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

Ms. Johnson explained that most of the increase is in salaries. She noted that part of her salary is funded through Water & Sewer (40%). She said that she has a part time person at 8 hrs./wk.; two FT at 37.5 hrs/wk. and one FT at 32 hrs./wk. The HR Manager moved to its own department and there is also some funding for special projects.

◆ **Board of Finance (126) – Camille Alberti, Chairperson, Board of Finance**

Ms. Alberti said that the largest expense in this budget is for audit services and Ms. Johnson has informed us that our current auditor will no longer be able to keep us on their roster so we will be going out to bid. She asked if the current figure would be enough. She also asked Ms. Johnson if she charges them for the meeting packets.

Ms. Johnson said that printing is for the budget book supplies and not for the regular meeting packets.

◆ **Zoning (116) – Mark Nickerson**

Mr. Nickerson said that this is a flat budget except for the salary increase.

◆ **Zoning Board of Appeals (130) – Mark Nickerson**

Mr. Nickerson said that this Board only meets when necessary for an appeal.

◆ **Waterford/East Lyme Shellfish (133) – Mark Nickerson**

Mr. Nickerson said that this is a dual town commission – Waterford & East Lyme and that it is a State required commission. There are four (4) members from each Town. They are authorized to maintain their own cash account. They share the pump-out boat costs and they have a significant account balance so they have pulled back on funding for them.

◆ **Brookside Farm Museum (134) – Mark Nickerson**

Mr. Nickerson noted that this was previously called the Smith Harris House. This budget is flat.

Ms. Santoro asked how the house is heated.

Mr. Nickerson said that it is electric heat.

Ms. Johnson Low said that Mr. Lakowsky asked her to note that some of the dollars for programs that are not happening will be returned however they would need that back in the following year when the programs resume.

(Note: a 10 minute break was taken here – 8:38 PM)

◆ **Town Building Committee (135) – Mark Nickerson**

Mr. Nickerson said that they meet as needed – they have met for the school project and will be meeting again this year for the PS building project. The budget is flat and they do invaluable work for the Town.

◆ **Harbor Management (136) – Mark Nickerson**

Mr. Nickerson noted that this is where they would find the pump-out boat. There is a \$3000 reduction to that and all else is the same.

Ms. Alberti said that the \$3000 here and \$2500 from WELSCO will reduce the amount that the taxpayers fund and increase what WELSCO will pay.

◆ **Conservation of Natural Resources (139) – Mark Nickerson**

Mr. Nickerson said that they reduced this by \$100.

◆ **Historic Properties Commission(139) – Barbara Johnson Low, Chairperson**

Ms. Johnson Low explained that this is for grants and they are working with Mr. Goeschel on a grant for one of three (3) urgent repairs for the property. They will not go forward with the historical cataloguing right now as it would require a lot of human interaction which is not practical at this time. They would like to use the \$3500 for other repairs or towards the grant. She said that she would like to hear from the Boards of Finance and Selectmen on a commitment for the level of funding for this year to be a baseline for funding going forward.

Ms. Alberti said that they would not be able to make that guarantee for next year as they have no way of knowing what the economy will bring. She noted that there were 1,000 people who signed the Flowers House petition and Mr. Nickerson made a plea that those who signed the petition be aware that the Town has many Historic Properties and they could make a donation to them.

Ms. Johnson Low said that they are trying to build on that interest but they would have to donate to the houses directly.

Mr. Nickerson said that the EL Historical Society has nothing to do with the Town – they are the Thomas Lee House. He added that there are ways to set something up for them to be able to accept donations just as the Friends of Samuel Smith House has done.

Ms. Johnson Low said that she would speak with Ms. Johnson and Mr. Nickerson about this tomorrow. She added that the farmstead will farm plots and the proceeds will go to the Shoreline Soup Kitchen.

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

Ms. Wilson explained that the plan this year was to move the programs to the Special Revenue Account, hence the \$32,000 reduction but they put back \$8000 to cushion putting that in place. They have had to cancel trips and also they have been closed for programs so they have had to refund those items. They are hoping in the summer to get some of the transportation services up and running; they also have AARP tax appointments that were not done and they are hoping to be able to start that in June.

Ms. Santoro asked if the fleet management program monitoring system is statutorily required.

Ms. Wilson said no, adding that she feels that with transporting people that it is a prudent move.

Ms. Santoro said that the senior landscape will change with programming and asked how it would affect the budget.

Ms. Wilson said that they are hoping that come June they will be able to have more foot traffic but it looks like technology is going to be some of the methodology for the future. She explained that she worked with her mother on the tele-med system, Working with tablets and how to program for classes, etc – she sees on-line happening sooner rather than later. They are also looking into the 6' distancing issues and how many people they can have in a class.

Ms. Santoro asked if she had any idea on more costs or less costs for her budget.

Ms. Wilson said that the free Zoom cuts off at 40 minutes so that would not work for them as they have hour classes.

Mr. Steel commented that the schools have gone through this and that Ms. Wilson might want to talk with Amy Drowne as she has been instrumental with these programs for the school. There may also be some grants out there for technology and there may be a way to integrate the students with the elderly with technology.

Ms. Alberti asked about the demographic breakdown for the Town.

Ms. Wilson said of the current population that 22% is over 65; for the County 16% is over 65 and for the State 15% is over 65. A lot of this has to do with the adult communities that we have built in this Town.

Ms. Alberti noted that the expense reports as of the end of March – in line #311 Admin – they used less than 60% of the budget – is that the vacant position.

Ms. Wilson said yes.

Ms. Alberti asked if that position is needed.

Ms. Wilson said that as soon as they start programming again there would definitely be a need for it. In this current world it is difficult to interview and when it opens up it will be a whole new world so it is needed.

Ms. Alberti said that the need still exists – but they would not need to hire by July 1.

Ms. Wilson said that she thinks that would be a reasonable assumption.

Ms. Alberti asked what figure accounts for the FT program position.

Ms. Wilson said that as of July it would be \$53,779.

◆ **Health & Welfare (419) – Mark Nickerson**

Mr. Nickerson said that this is the VNA and is based on the population and the number of calls to the Town.

Ms. Johnson noted that they also do home visits.

Ms. Alberti said that it appears that we have expended it.

Ms. Johnson said that it is paid out.

(Note: 10:05 PM – Mr. Nickerson left the meeting)

◆ **Library (420) – Lisa Timothy, Library Director**

Ms. Timothy said that the only items that are increasing are salaries and health insurance.

Ms. Alberti said that the Board of Selectmen had suggested reducing the salary increases to 2%.

Ms. Timothy said that they agreed to the reduction as they had come in higher than the unions.

Ms. Alberti noted that it is one of the more significant budgets in the Town.

Ms. Cicchiello asked how the Covid situation has affected the library.

Ms. Timothy said that they are not able to purchase books as the suppliers have closed down and are not shipping. Obviously, they are also not getting any copier income. She said that they did shift some money over to EBooks. They are also looking to do curbside service by the end of the month – they are working on how to get the books to the people who want them.

Ms. Santoro asked if the Library Foundation contribution this year was \$44,000.

Ms. Timothy said yes, they expect it to be the same as it was last year at \$44,000 – but they will expect it to go down next year due to the stock situation.

Ms. Santoro asked if she expects any program changes due to Covid and if there would be any changes to the budget.

Ms. Timothy said that they expect to expand their homebound delivery and hope to have programming start up again in the fall. She added that when the economy takes a downturn that the library gets very busy.

Mr. Steel asked about revenues noting that book sales are off.

Ms. Timothy said yes – revenues are down although they did have a donation for the loss of someone but the fund drive is down. She said that the Story Walk will be up for this Wednesday.

Mr. Birmingham said materials is between \$11,000-\$12,000 and asked if there was any possibility of reductions on those last four items.

Ms. Timothy said that she may move some of those funds to homebound delivery instead of the programming.

Ms. Alberti asked if health insurance is part of the Town's plan.

Ms. Timothy said yes, that was correct.

Ms. Alberti said that Health Insurance for the Town is down to 4.5% (increase) and you are still at a 9% increase.

Ms. Johnson said that she would take a look at that as well as at the pension and make any adjustments.

Ms. Alberti said to Ms. Timothy that she appreciates the budget that she came in with.

◆ **Parks & Rec (421) – Dave Putnam, Parks & Recreation Director**

Mr. Putnam said that the budget was at a 2.81% increase, the Board of Selectmen cut from mosquito spraying in full and other increases are contractual raises.

Mr. Birmingham asked about line 412 – PT Seasonal Labor and asked if they expect that number to hold.

Mr. Putnam said that they put their seasonal guy on already as the grass has been growing. The Beach PT comes out of a separate account.

Ms. Santoro asked about the sales tax on municipal parking lots and if that has been added already.

Mr. Putnam said that he had a discussion with the Department of Revenue Services and since it is a beach entry fee that they charge and not a parking fee they do not have to pay that tax as they are not acting as a parking lot – but rather an entry fee to the beach.

Ms. Santoro said that the materials line item 335 is up by 3%.

Mr. Putnam said that is for the athletic fields – fertilizer, grass seed, etc.

Mr. Birmingham asked about the Beach Enterprise Fund – seeing as Covid is an issue – what is his projection on what they will lose.

Mr. Putnam said that they will be open for residents only and he anticipates that they will lose 40% of their revenues. It will be difficult to make this all work and they are going to have to be fluid with this – they are looking at what /how they may life guard the area, etc. It is a huge concern and they do not have any numbers right now.

Ms. Cicchiello asked if the summer programs for the kids would be going forward or not.

Mr. Putnam said that they will follow the lead of what the schools do. He said that there would be a whole lot of restrictions so they have to consider that as the program to begin with is only a break even program – so if they don't run it – they do not lose either.

Mr. Steel asked if he thought that the resident beach passes will be lower.

Mr. Putnam said no – he thinks that instead they will go up. They started selling them today and sold 200.

Mr. Steel asked if he thought that there would be any need to have some police presence with the gate attendants.

Mr. Putnam said yes – they typically have them there with them on the weekends anyways.

Mr. DeRosa thanked Mr. Putnam – he said that he uses the Boardwalk and it is managed very well. He said that he also agrees that resident passes will go up.

Ms. Santoro said that the electricity was reduced already and asked if the \$17,500 could be reduced further.

Mr. Putnam said that he feels comfortable with the \$17,500. The initial submission was incorrect.

Ms. Alberti congratulated Mr. Putnam on the Miracle Field and all the hard work on this. She asked how the maintenance of the field works.

Mr. Putnam said that it is a synthetic turf surfacing and the thought is that when the school custodians are out there that they could just pick up the trash as the Town is getting a \$650,000 item and it is on the BOE property. There are no restrooms there right now.

Ms. Alberti asked about liability insurance and if there was any need for someone to be present at the events in case of medical needs.

Mr. Putnam said that the insurance is no different than for any other field and there is no need for any additional medical people there than for their volleyball or other programs.

◆ **Debt Service – Interest & Principal (522 & 523) – Anna Johnson, Finance Director**

Ms. Johnson explained that both items are organized in the order in which they came on-line.

Ms. Alberti asked about the \$37.5M school projects coming in \$400,000 under and if that was reflected here.

Ms. Johnson said that they had agreed to take it on in increments of short term notes every August so the \$400,000 less would come up in the very end. It is only at the end that it all comes into play.

Ms. Alberti asked when the last refunding was.

Ms. Johnson said that they did one last year.

Ms. Alberti asked if this has been reviewed with the recent costs plummeting.

Ms. Johnson said that they will do a refunding in August – the Board of Selectmen has authorized it at up to \$13M.

Ms. Alberti asked for a potential number for the reduction of \$297,000 refinanced lower than the current 4.25%.

Ms. Johnson said that the current rates are at just under 3% and she would get that figure for her.

◆ **Registrars (110) – Mark Nickerson, Anna Johnson**

Ms. Alberti noted that the primary has been postponed to August, so this budget would be under budget by \$22,500 and it would have to be added to the next budget.

Ms. Johnson explained that what we do not spend this year would go back to our end of year operating results. She also noted that they will have to have Plexiglas guards on all of their polling areas at a cost of over \$6000, plus do deep cleaning at given intervals.

Ms. Alberti asked that Ms. Johnson speak with Mr. Nickerson regarding this budget and what they need to know so they will have it for Wednesday night. Other than this, the budget looks flat.

Ms. Cicchiello asked what voter canvas is.

Ms. Johnson said that is mailings to voters to confirm that they should still be registered in our Town.

◆ **Capital (724) – Anna Johnson**

Ms. Cicchiello asked what the difference was between the CIP and Capital Outlay.

Ms. Johnson said that the CIP is reassessed each year and at the Town Meeting they approve the CIP. The last page of the Capital plan itemizes the items being subsidized.

Ms. Alberti asked if there were any costs there that relate to the new Public Safety building.

Ms. Johnson said no. She then went over the various items.

Ms. Alberti said that on Wednesday they would work on deliberations on the budget they are going to pass and they would also go over revenues and decide on the CIP plan.

**C. Board Comments**

Ms. Alberti called for Board Comments.

Ms. Cicchiello asked if they would do the BOE budget first or the Town.

Ms. Alberti said that it is usually up to the Chair and that it changes each year. She said that she thinks that she would like to hear some high level ideas from each of them on where they would like to be. She noted that they do not have line item control over the BOE budget. They will work on the Town and also the CIP and if they do not finish on Wednesday evening they may have to go into Thursday evening to finish.

Ms. Santoro noted that the BOE met today at 5 PM and Mr. Newton presented information on net numbers for expenses and items looming out there. It was also noted that \$171,000 is coming from the CARES Act earmarked for East Lyme and that there is a second pot in the Governor's Education Relief fund with around \$11M but that is based on the Governor's discretion. The BOE net savings are \$263,000.

**D. Adjournment**

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

Ms. Cicchiello moved to adjourn this Special Meeting of the East Lyme Board of Finance at 11:20 PM

Mr. Birmingham seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary