

BOF

August 14th, 2024 Meeting Minutes

Kathleen M. Spillone
TOWN CLERK

2024 AUG 20 PM 4:30

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EAST LYME, CT

Minutes of Board of Finance August 14th, 2024, Regular Meeting - 08/14/24

Date and time: 08/14/24 5:30 PM to: 08/14/24 6:09 PM

Present: Brooke Stevens, Rec Secretary (* Ms. Stevens was not in attendance), John T. Birmingham, Denise Hall, Chairperson, Paul Maxfield, Jay Ginsberg, Richard Steel, (Via Zoom), Absent:, Lauren McNamara

CC: Dan Cunningham, Chairman, Kevin Gervais, Finance Director

Location: East Lyme Town Hall, Upper Conf. Room, 108 Pennsylvania Avenue
Niantic, CT, 06357.

Link: <https://app.meetingking.com/meetings/417298>

Topics

1. Call Meeting to Order & Pledge

Note Chair Hall called the August 14th, 2024, Regular Meeting of the Board of Finance to order at 5:32 p.m. and led them in the Pledge of Allegiance.

2. Approval of Meeting Minutes

2-1. July 10th, 2024, Regular Meeting Minutes

Note see attached meeting minutes.

 [Minutes of Board of Finance July 17th 2024 Regular Meeting 07 17 24.pdf](#)

Note Ms. Hall noted that the July 10th, 2024, Regular Meeting Minutes are mistakenly labeled July 17th, 2024.

Decision MOTION (1)

Mr. Birmingham moved to approve the Meeting Minutes of July 10th, 2024, as amended.

Mr. Maxfield seconded the motion.

Motion carried, 5-0-0.

3. Delegations

Note There were none.

4. Reports

4-1. First Selectman

Note Mr. Cunningham reported that the Board of Selectmen held a Special Meeting to advance the draft of the Fair Rent Commission Ordinance to a Public Hearing. If passed, the ordinance will be enacted and published, and Commission Members will be appointed. If approved, the ordinance will be enacted by August 31st, 2024.

Note Mr. Cunningham also shared that the IAFF contract was fully ratified and signed, and it is now on file with the Town Clerk.

4-2. Finance Director

Note see attached power point presentation.

 [BoF_Presentation - August Meeting.pptx](#)

Note Mr. Gervais discussed bond anticipation results, finance projects, budget vs. actuals, and audit updates and some of the following was highlighted:

The bond anticipation notes closed with a coupon rate of 4.1% and an effective yield of 3.5%.

The plan is to bond the majority of projects next year.

They continue the implementation of the new finance software platform (Munis) and will continue to utilize the NOVATIME time and attendance system.

The goal is to go live with HR payroll by July 1, 2025.


In terms of Budget vs. Actuals- \$86 million was budgeted with actual revenues slightly lower but expected to increase with pending reimbursements.

They finalized the 2022 audit, are working on 2023 audit, and planning for 2024 audit.


Final unaudited revenues to be presented by September 11, 2024.

They aim to file the 2024 audit by March 31, 2025.

Note see attachment.

 [0558_001.pdf](#)


Note see attachment.

 [0560_001.pdf](#)

Note Mr. Gervais briefly discussed forming a Capital Improvement Committee with members from various boards.

4-3. July 2024 Tax Collections Report

Note see attachment.

 [0559_001.pdf](#)

Note Mr. Gervais reviewed the tax collection rates for motor vehicles, personal property, and real estate. For motor vehicles, we collected 80%, personal property, 53%, and then real estate, 51.5%, which is pretty similar to last year's collection rates at this time.

Note He noted the long lines at the Tax Collector's office due to people waiting until the last moment to pay their taxes, noting that many were unaware of the online bill pay function.

4-4. FY2024 Budget vs. Actual – Expenditures

Note see attachment.

 [0561_001.pdf](#)

Note Mr. Gervais mentioned that the accounts which exceeded the budget, and are primarily known, are the 24 budget transfers that we will discuss later. These are indeed the accounts that presented some challenges, with overages that were mostly anticipated.

4-5. FY2024 Budget vs. Actual – Revenue

Note Mr. Gervais highlighted that the interest income was exceptionally high, and in the Town Clerk's office, the conveyance taxes have been noteworthy. For instance, from the sale of Windward Village, we received \$21,000 in conveyance taxes.

4-6. ARPA Budget vs. Actual

Note Mr. Gervais said this information will be forthcoming.

5. New Business

5-1. FY2024 Budget Transfers

Note see attachment.

 [0557_001.pdf](#)

Note Mr. Gervais explained various budget adjustments needed due to payroll related issues, errors, and unexpected expenses. Specific examples included overtime costs for dispatchers and holiday pay for police officers- the impact of union contract changes on police overtime and holiday pay, which led to significant budget overages.

Note Mr. Gervais discussed the overage in the Fire Department's overtime budget and how savings in other areas were used to offset this.

Note Mr. Gervais mentioned that he has an executive summary available for anyone with questions about the firefighter contract. Key points include the elimination of comp time and a yearly half percent increase in health insurance. Salary and wage increases were kept under 3% for each of the three fiscal years. Additionally, a health and gym stipend was introduced for firefighters. They are required to undergo annual physicals and will receive \$100 quarterly towards their gym membership upon presenting proof of membership.

Note Mr. Gervais pointed out some key items, including the role of the staff accountant in the finance office, which actually corresponds to his Deputy Finance Director. Last year, he had two people in that position. Additionally, there's Renee Fecteau, the senior accountant who has been on the verge of retirement for three years. She currently contributes 8 to 12 hours a month, mainly assisting with reconciliations. This has resulted in a slightly elevated count, but it's not expected to remain the same in the coming year.

Note Mr. Gervais said the Dispatchers line is a big-ticket item noting that we've seen a high turnover rate in dispatch, leading to a cycle of hiring new people to replace those who leave, which requires on-the-job training. A major issue in dispatch has been the overtime costs. We had to allocate \$58,000 for dispatch overtime due to a union contract amendment.

Initially, part-time dispatchers had the first right of refusal for open shifts, but this changed to full-time dispatchers, which significantly increased overtime expenses. Almost every shift was taken by a full-time employee, leaving little room for part-timers. This shift meant paying full-timers time and a half—over \$30 an hour—compared to the mid-\$20s for part-timers. This change had a substantial impact, and we've responded by doubling the overtime budget for fiscal year 2025.

Note Mr. Gervais and the Board further discussed the budget transfers.

Decision MOTION (2)


Mr. Ginsberg moved to accept the transfer as presented in the amount of 523,343.55.

Mr. Maxfield seconded the motion.

Motion carried, 5-0-0.

5-2. FY2025 Budget Transfers

Note see attachment.

 [0556_001.pdf](#)

Note Mr. Gervais proposed transferring \$50,000 from contingency to public safety legal services due to higher-than-expected legal fees.

Note Mr. Cunningham emphasized the importance of having contingency funds in place. The future is uncertain, especially concerning legal fees, so it's crucial to be prepared. He mentioned to Mr. Gervais the need to estimate the legal expenses across various categories more accurately. Mr. Gervais noted that in a month's time, we should have a clearer understanding of the potential fees.

Note Mr. Maxfield inquired if the current services are comparable to what the State Police would have charged us for the Police Chief investigation and Mr. Cunningham replied that investigation would have been free.

Note Mr. Cunningham clarified that there are costs involved regardless of whether the State Police or a private law firm conducts the investigation. There are two aspects to consider: employment law negotiation handled by one firm, and investigative services managed by another. It's uncertain how the expenses will be distributed between the two.

Decision MOTION (3)

Mr. Maxfield moved to shift \$50,000 from FY 2025 from TOW Contingency to the Public Safety Legal Services Account.

Mr. Ginsberg seconded the motion.

Motion carried, 5-0-0.

6. Public Discussion

Note There was none.

7. Board Comments

Note Ms. Hall said her only comment is that she wants to make sure you know that Mr. Nixon did a great job last meeting, but she'd also love to see this material posted online.

8. Adjournment

Decision MOTION (4)

Mr. Maxfield moved to adjourn the BOF August 14th, 2024, Regular Meeting at 6:09 p.m.

Mr. Birmingham seconded the motion.

Motion carried, 5-0-0.

Note Respectfully Submitted,
Brooke Stevens, Recording Secretary