

Board of Finance December 9th, 2024
Special Meeting Minutes

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Minutes of Board of Finance December 9th, 2024, Special Meeting - 12/09/24

Date and time: 12/09/24 5:30 PM to: 12/09/24 6:33 PM

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

CC: Kevin Gervais, Finance Director, Dan Cunningham, First Selectman

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

Link: <https://app.meetingking.com/meetings/421000>

Topics


1. Call Meeting to Order & Pledge

Note Chair Hall called the December 9th, 2024, Special Meeting of the Board of Finance to order at 5:31 p.m. and led them in the Pledge of Allegiance.

2. Approval of Meeting Minutes

2-1. November 13th, 2024, Meeting Minutes

Note see attached minutes.

 [BOF-November-13-2024-Hybrid-Meeting-Minutes.pdf](#)

Decision MOTION (1)

Mr. Maxfield moved to approve the Meeting Minutes of November 13th, 2024, as presented.

Mr. Birmingham seconded the motion.

Motion carried, 5-0-0.

3. Delegations

Note There were none.

4. Reports

4-1. First Selectman

Note Mr. Cunningham discussed ongoing litigation issues facing East Lyme, particularly involving the police department and claims made on social media. He emphasized the complexity and careful navigation required to manage these situations.

He also mentioned the Fire Service Budget and Schedule explaining how the transition to a 24-48 schedule for firefighters is beneficial some despite initial challenges, and the town is working on an agreement with the East Lyme Ambulance Fund to manage overtime costs.

Mr. Cunningham detailed recent events which included fire trucks with Santa driving around town as well as an event honoring Vietnam and Korean War veterans. The events were well-received by the community and showed cooperation among volunteers, fire services, and community groups.

Note Mr. Cunningham added that there are issues with police radios and the cell phone tower near Darrow's Pond. Options are being explored to improve the tower's power supply and functionality of police radios. The current solar power supply is insufficient, and there is potential for revenue from renting tower space. Dan Cleary, the town's IT Director, is diligently exploring these options.

4-2. Board of Education Quarterly Report

Note Ms. Hall noted that the Connecticut State Statutes ask that the Board of Ed present quarterly projections for the first quarter.

 [BOE Quarterly Report - SEPTEMBER 2024.pdf](#)

Note Ms. Hall mentioned that the Superintendent told her they are holding steady with the budget. There have been some increases in special education costs, but they have managed to offset them in other areas. She said if anyone has questions after looking over report, they should feel free to send them her way, and she will communicate them and ask for a response. Additionally, they do have a Board of Ed budget workshop coming up and she will send out a reminder to everyone.

4-3. Finance Director

Note Mr. Gervais reported some of the following:

The Finance Office is transitioning to ADP for time and attendance processing.

The transition is expected to go live on July 1, 2025, improving efficiency and accuracy.

The new system will simplify processes, minimize manual errors, and allow the Payroll Clerk to take on a broader range of responsibilities including more accounting tasks.

Corrections are being made to pension contributions and tax documents for police officers and firefighters, 13 individuals in total, addressing past errors in taxable versus non-taxable benefits.

Corrections will be made to switch contributions to pre-tax and restate past tax documents for 2021-2023.

Piece one consists of the 13 individuals in our pension.

Piece two includes the individuals we're trying to identify who are in this annuity plan.

The third piece involves about 48 individuals who have been paying post on their health insurance deductions, which should be a pre-tax benefit.

We're currently collaborating with the tax accountant to restate the W-2s for 2023, 2022, and 2021 for these active individuals to correct this issue.

Note Ms. Hall and Mr. Gervais discussed how the Pension Board has been dealing with technical and confusing issues related to annuities and pension plans for some time now, how there is a lack of historical records due to purged payroll records, and how the pension administration was previously done in-house, which has led to its own set of challenges.

Note Mr. Gervais further reported the following:

The Capital Improvement Committee met on December 5, 2024, to discuss the projected capital projects for the year.

The capital projects for the year amount to approximately \$27 million, with \$17 million allocated to the East Lyme Community Center renovation and expansion.

A new process for evaluating project requests has been implemented to improve efficiency and effectiveness; the new process includes a detailed template with 15 questions to benchmark projects against each other.

ARPA funds need to be fully obligated by December 31st, 2024.

An update on ARPA fund obligations will be provided by the next meeting or by the end of the week.

There are a couple hundred thousand dollars left to be obligated, and projects need to be contracted out.

Note The town's pension contributions have increased significantly over the past years, with projections indicating further increases.

The budget was set for \$600,000, but the actual contribution required is expected to be \$1.2 million. Contingency funds of \$400,000 are available to address budget shortfalls.

Note The firefighter union negotiated a new staffing schedule, changing from five nine-hour days to a 24-hour on, 24-hour off schedule.

This has implications for overtime and part-time staffing costs.

The town is over budget on overtime by approximately \$400,000.

Part-time wages are under budget by \$110,000, which can offset some overtime costs.

The new schedule requires more consistent staffing, leading to increased overtime costs.

The town is responsible for staffing ambulances during certain hours, which is costing approximately \$12,000 to \$15,000 a week.

Negotiations are underway to transition ambulance staffing responsibilities to the East Lyme Ambulance Association by January or February since the current staffing arrangement is financially unsustainable for the town.

Note Mr. Steel asked about the associated costs in terms of the town transitioning from NOVA time to ADP, and Mr. Gervais explained that it will increase costs but is expected to improve efficiency.

ADP will cost approximately \$50,000 annually, with additional orientation fees.

ADP centralizes and digitizes employee information, potentially improving efficiency.

Mr. Steel also asked about what's involved with the Finance Department dealing with the complex pension-related issues, and Mr. Gervais detailed how it requires significant time and resources.

The process involves correcting multiple layers of financial records, including W-2s and quarterly reports.

Note Mr. Gervais gave a brief overview of the budget noting some of the following:

Overtime costs are exceeding the budget, due to shortages in dispatchers and having two Police Chiefs.

He plans to have quarterly balance sheet reports and budget versus actual projections.

The town currently manages six or seven grants, with regular updates planned.

5. New Business

5-1. Discussion and Possible Action - 2025 Meeting Schedule

Note see attachment.

 [Board of Finance Meeting Schedule.pdf](#)

Note see attachment.

 [BOF Budget Meeting Schedule FY2025-26.pdf](#)

Decision MOTION (2)

Mr. Maxfield moved to approve the proposed Regular BOF Meeting Schedule for 2025 as presented.

Mr. Birmingham seconded the motion.

Motion carried, 5-0-0.

Note Ms. Hall and Mr. Gervais called attention to the budget meeting schedule for 2025 noting that no motion was needed for this series of special meetings.

5-2. Discussion and Possible Action - Nuclear Safety Grant

Note see attachment.

 [BOF - Agenda Item 2b - Bd Selectman Agenda Request for Special Appropriation 75000 Allocation - 12-4-24.pdf](#)

Note Mr. Gervais detailed the request for \$75,000, which will be reimbursed by the 2025 Nuclear Safety Emergency Fund (NSEF).

Note 2025 NSEF Special Appropriation for Awarded Grant Funded Purchases

1. One quarter of EMD Salary & Fringe Benefits (7/1/24-9/30/24) 33,485.65.
2. 2020 Ford Interceptor EMD Vehicle Including all installed equipment 39,532.00.
3. Phase One Electrical Project for EM Trailers Install RV electrical in lower lot to maintain readiness for deployment 736.35.
4. Wireless Vantage Pro2 Plus for North Tower- Real-Time Severe Weather Monitoring, allows for more accurate and timely warning decisions for the community, provides continuous, site-specific meteorological data that is invaluable for comprehensive emergency management planning such as evacuations and resource allocations 1,246.00.

Decision MOTION (3)

Mr. Maxfield moved to approve a special appropriation in the amount of \$75,000.00, to cover the cost of purchasing the above listed equipment and services for the Department of Emergency Management, and noted that this requires a Town Meeting.

Mr. Birmingham seconded the motion.

Motion carried, 5-0-0.

6. Old Business

Note There was none.

7. Public Discussion

Note There was none.

8. Board Comments

Note Mr. Steel asked if a narrative explanation of pension issues could be provided to help clarify the situation for those unfamiliar with the details.

Note The rest of the Board inquired how Mr. Steel fared attending the previous meeting virtually which led to a general discussion about improving hybrid meeting capabilities and enhancing remote participation.

9. Adjournment

Decision MOTION (4)

Mr. Maxfield moved to adjourn the BOF December 9th, 2024, Special Meeting at 6:33 p.m.

Mr. Birmingham seconded the motion.

Motion carried, 5-0-0.

Note Respectfully Submitted,
Brooke Stevens, Recording Secretary