

**EAST LYME BOARD OF FINANCE
SPECIAL MEETING MINUTES
BUDGET REVIEWS
Thursday, MARCH 21st, 2013**

Members In Attendance: Raymond Hart, Chairman
Steve Harney, Secretary
Camille Alberti
Steve Carpenteri
Steve Kelley
Lisa Picarazzi

Also In Attendance: Paul Formica, First Selectman
Anna Johnson, Finance Director
Lesley Blais, Town Clerk
Lisa Timothy, Library Director
William Scheer, Interim Public Works Director
Victor Benni, Interim Town Engineer
Chuck Holyfield, Highway/Sanitation Superintendent
David Putnam, Parks & Recreation, Youth Services Director

Absent: No One

A. Call Special Meeting to Order

Chairman Hart called this Special Meeting of the East Lyme Board of Finance to order at 6:30 PM.

B. Pledge of Allegiance

The Pledge was observed.

Mr. Hart welcomed new Board member Camille Alberti and introduced her to everyone.

C. Delegations

Mr. Hart called for Delegations.

There were none.

D. New Business

a. Budget Reviews – FY 2013 - 2014

♦ Town Clerk (107) – Lesley Blais, Town Clerk

****MOTION (1)**

Mr. Kelley moved to open the budget review for Item 107 – Town Clerk.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Formica noted that the budget for this department is flat outside of the contractual obligations. He said that Ms. Blaise had stepped into the Town Clerk after 20 years of service as the Assistant Town Clerk and that her experience had made the transition a smooth one.

Ms. Blaise said that she would be happy to answer any questions that they might have.

Mr. Hart asked the Board members if they had any questions for Ms. Blaise –

Hearing none – he called for a motion to close the budget review discussion on this department.

****MOTION (2)**

Mr. Kelley moved to close the budget review for Item 107 – Town Clerk.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ Town Engineer (105) – William Scheer, Interim Public Works Director

****MOTION (3)**

Mr. Harney moved to open the budget review for Item 105 – Town Engineer.
Mr. Carpenteri seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Formica explained that this next group of departments is somewhat interconnected and that with Mr. Giannattasio's passing Mr. Scheer has been the Interim Public Works Director and Victor Benni has been the Interim Town Engineer. Some of the salaries have been reduced due to bringing people up who are at lesser rates and the budget is relatively flat. This department saves the Town a lot of money with the projects that it does in-house.

Ms. Alberti said that she had noticed that dues in professional organizations had remained flat and asked if it should be raised as there are newer people.

Mr. Scheer said that there are other accounts that they can take money from.

****MOTION (4)**

Mr. Kelley moved to close the budget review for Item 105 – Town Engineer.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ Building Maintenance (113) – William Scheer, Interim Public Works Director

****MOTION (5)**

Mr. Harney moved to open the budget review for Item 113 – Building Maintenance.
Ms. Alberti seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Hart noted that after the Board of Selectmen had made modifications that this department budget was reduced.

Mr. Formica noted that the custodians work throughout the Town buildings. The Board of Selectmen did make a \$5000 reduction adjustment off propane and also a small adjustment to the water & sewer utility line. He also explained that when he first got here that the Assistant Building Official position was a full time one and that when the work slowed down he was put in charge of overseeing this department. He subsequently left and Mr. Giannattasio had absorbed oversight of this department. Mr. Scheer has now absorbed it and with the installment of the proposed 'umbrella' position in the new fiscal year, oversight will fall under that larger arena.

Mr. Hart asked if there was anything major under capital improvement for this.

Mr. Formica noted the pumps on top of the Community Center roof which would be using the multi-building HVAC. The only real capital expense may be the heating upgrade at the Probate building which would be divided by the formula amongst the Towns sharing it.

Ms. Picarazzi asked about line 311 – Custodian salaries showing a 3.7% increase and asked why.

Mr. Formica and Ms. Johnson said that the wages that were reflected were as of 6/30/2012 and the wages seen are a two fiscal year jump due to when the contract was ratified.

Ms. Alberti asked about line 295 – Fire Protection noting that not much has been used to date and asked if it is a timing issue.

Mr. Formica said yes.

****MOTION (6)**

Mr. Kelley moved to close the budget review for Item 113 – Building Maintenance.
Mr. Carpenteri seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ **Public Works (317) – William Scheer, Interim Public Works Director; Chuck Holyfield – Highway/Sanitation Superintendent**

****MOTION (7)**

Mr. Kelley moved to open the budget review for Item 317 – Public Works.
Ms. Picarazzi seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Hart noted that there is an increase of approximately \$69,000 over the current year in this budget and it seems that most of it is in salaries.

Mr. Formica said yes, that was true and noted that this also represents the Field Services Building position that was recently settled with the Union and which they expect to fill soon. There is also some money for the new administrator/coordinator position for the downstairs area of the building which will have a 40% Town / 60% Water & Sewer dollar split. This coordinator will handle all the departments (including Land Use) regarding contractual and personnel issues and projects so that there will be one coordinator for both sides which will now include Building, Zoning, Planning/IWA and the five (5) administrative assistants. The entire Public Works Director salary is also in this line. The 50% that was in Water & Sewer previously will go to a sewer mechanic that is needed. This accounts for the increase that they are seeing.

Mr. Kelley said that the budget reports are showing different numbers.
Ms. Johnson said the reason for the difference is that encumbrances that are carried increase the budget. There are encumbrances here.

Mr. Kelley asked about road maintenance in the current budget as they have only spent 28% so far and asked if they expect to expend so much.

Mr. Holyfield explained that most of this work is done during the spring season and that they have been working with contractors to do this work in the spring. They will do crack-filling in April which will cost \$100,000 and micro-surfacing all over Town. He added that Walnut Hill, Upper Walnut Hill and Holmes Roads are now done and have held up well over the winter.

Mr. Hart said that he had noticed that recycling cans are in the budget again this year.

Mr. Holyfield said that they do get lost; stolen; broken and need to be replaced. He said that the purpose of the money is to keep the supply up. They have two sizes and two types (colors). They also have a good warranty with the company that if cans break and they can provide them with a serial number, that the company will replace it. Obviously, lost or stolen cans or those that have been crushed beyond repair cannot be covered by the warranty.

Mr. Harney asked about the sealing/micro-paving.

Mr. Holyfield explained the process of grinding out the uneven spots and fixing them before micro-paving and of grinding out cracks and filling them prior to sealing rather than just sealing. He said that they try to do it right so that it will last longer.

****MOTION (8)**

Mr. Harney moved to close the budget review for Item 317 – Public Works.
Mr. Carpenteri seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

◆ **Information Technology (109) – William Scheer, Director**

****MOTION (9)**

Ms. Picarazzi moved to open the budget review for Item 109 – Information Technology.
Mr. Kelley seconded the motion.
Vote: 6 – 0 – 0. Motion passed.

Mr. Hart said that he had noticed that this budget had increased by approximately \$9000.

Mr. Formica said that the one main difference is the increase in the copier maintenance program – it has gone from \$15,000 to \$18,000 and now includes copiers for Parks & Recreation, Probate and the Police departments.

Mr. Scheer noted that the new contract has been awarded.

Mr. Formica explained that Mr. Scheer currently has oversight of this department however it is anticipated that the new coordinator will take over oversight of this department also with the rest of the departments downstairs.

****MOTION (10)**

Mr. Kelley moved to close the budget review for Item 109 – Information Technology.

Mr. Carpenteri seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

◆ First Selectman (1019) – Paul Formica, First Selectman

****MOTION (11)**

Mr. Kelley moved to open the budget review for Item 101 – First Selectman.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Formica explained the new Economic Development (EDC) line item with \$4000 in it noting that the previous EDC budget that was \$5900 goes to zero – representing a reduction of \$1900. They had trouble staffing the EDC and may make it a subcommittee of the Board of Selectmen. He added that his office is usually where a lot of potential projects come for information on the Town. He said that postage went up a bit as the rates had increased. Also, when his Executive Assistant is off the office is staffed two hours per day on a fill-in basis.

Mr. Kelley said that they have only spent about 20% of the Miscellaneous Supplies line item 320 so far this year and they are asking for a \$500 increase in that line. He asked for an explanation.

Ms. Johnson said that there is a \$1600 encumbrance in that account so the true current percentage used is at 61%.

Ms. Picarazzi said that line 115 – Board of Selectmen is up by 4.7% and asked why.

Mr. Formica said that it is per State Statute and by Charter that they get this stipend. He recalled to the Board that when he was on the Board of Finance that he had asked the same questions and tried to have it eliminated.

Ms. Picarazzi asked why it went up by 4.7%.

Ms. Johnson said that she would check and get back to them as it is about \$120/month now that they each receive.

Mr. Formica added that the Deputy First Selectman receives a bit higher amount.

****MOTION (12)**

Mr. Kelley moved to close the budget review for Item 109 – First Selectman.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

◆ Library (Culture and Rec) (420) – Lisa Timothy, Director; Dave Jacobs, Board Chairman

****MOTION (13)**

Mr. Harney moved to open the budget review for Item 420 – Library.

Mr. Kelley seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Dave Jacobs, Library Board Chairman said that Mr. Deakyne had been the Executive Director of the Library for 33 years and retired last June. Lisa Timothy was the Assistant Director and moved up to become the new Executive Director. He introduced Ms. Timothy to the Board.

Lisa Timothy, Executive Director said that this is the 116th year of the library and they have over 12,000 members in this Town utilizing the various types of media that they offer and also the inter-library loans. The increases in the budget are in the salary line (2.34%). They are also asking for \$500 more in computer maintenance as the equipment has become more sophisticated and the repair costs more.

Ms. Picarazzi noted that they do a nice job keeping up with the eBooks and trends.

Mr. Hart said that the library is open for 62 hours and asked about staffing and if the staff is utilized to its full potential.

Ms. Timothy said that they are all used and that she would wish to be able to add a few people in the future.

****MOTION (14)**

Mr. Kelley moved to close the budget review for Item 420 – Library.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

◆ Parks & Recreation and Youth Services (421, 422) – David Putnam, Director

****MOTION (15)**

Ms. Picarazzi moved to open the budget review for Item 421 & 422 – Parks & Recreation & Youth Services.

Ms. Alberti seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Formica recalled that they had consolidated Youth Services with Parks & Recreation and that Mr. Putnam manages both. This department budget represents how the Town is going to manage the new asset of the larger Amtrak Beach and Boardwalk as they anticipate that there will be maintenance there of some kind and that they may need lifeguards. They have a grant application pending for Cini Park to run Water & Sewer there for bathrooms. There are some dollars in this year's budget for the new Amtrak Beach as they were not sure on how long it would need to be staffed this year from when it is opened. Parks & Recreation also manages the fields and they have taken on a lot of the Town functions such as the Celebrate East Lyme and Light Parade events which bring a number of people into the Town. They are not sure on the revenue that they will get from the beach however when Rocky Neck fills up, people do come to them to use McCook's. They are looking to have in the future a kiosk to sell buttons/day passes on site for those day people who do come and want to use the beach.

Mr. Kelley said that part of what was going on with the fields in the past was that lacrosse was being played at Bridebrook but with the new area at the High School, that should help reduce the maintenance however he does not see that reflected here.

Mr. Putnam said that the increase in Park & Field is for Cini Park.

Mr. Kelley asked if they expect the Field maintenance budget to decrease with the High School fields in use.

Mr. Putnam said that he would hope so.

Mr. Harney asked about the Special Revenue Account.

Mr. Putnam said that they expect \$10,000 back in revenue. He added that the fund has been a great asset.

Mr. Harney asked if he has been able to start the new programs that he had indicated he would like to do.

Mr. Putnam said not as yet but that he expects to in the near future.

Ms. Picarazzi asked about the dollars for Beach/Storm Erosion and if that was included in maintenance.

Mr. Putnam said yes, it is in Field Maintenance.

Ms. Picarazzi asked about line 311 – Program Director/Admin salaries which are showing a 6% increase.

Mr. Putnam said that it is contractual.

Ms. Picarazzi asked if there was anything that they could do about negotiating longevity. She said that there are a lot of people giving back due to the economy and it just seems that this is something that could be considered.

Mr. Formica said that he is the Chief negotiator with the unions and that it is difficult to take away something that is already given. They do look at other options.

Ms. Picarazzi asked about the admission that would be charged at Cini Park.

Mr. Putnam said that it would be an extension of the McCook's fees and that the only fees that went up are for non-residents which is \$20 per day per vehicle. The non-resident seasonal pass is \$90; seasonal resident is \$30; and the seasonal senior is \$10.

Ms. Picarazzi asked about the money for the Skateboard Park.

Mr. Putnam said that there is not enough in it currently to do anything at this point, but they have not given up on the project.

Ms. Picarazzi said that she wants to go on record as saying that she feels that it is an important project.

Ms. Alberti said that she had computed line 311 as showing an 11% increase.

Mr. Putnam said that they had a PT Secretary that they had shared with the Senior Center who later went FT with the Senior Center so they replaced that PT position with a 30 hour person in Parks & Recreation. This person also gets benefits.

Ms. Picarazzi asked what happens when they run out of parking.

Mr. Formica said that Cini Park is increasing the parking there to 127 spots and that they will be looking at a trolley service to move people up and down Main Street.

Mr. Putnam noted their new brochure and that it is now a Town-wide brochure and not just Parks & Recreation oriented. He said that they also had changed printers for it and that it is a great savings. He lastly noted that Keser Field had won a national award.

****MOTION (16)**

Mr. Kelley moved to close the budget review for Item 421, 422 – Parks & Recreation & Youth Services.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

◆ Capital (724) and Long Range Capital Plan – Paul Formica, First Selectman

****MOTION (17)**

Mr. Kelley moved to open the budget review for Capital – 724 and Long Range Capital Plan.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Mr. Hart asked Mr. Formica to explain this.

Mr. Formica said that there is a Long Range Capital Committee that meets to determine the projects deemed necessary over the next 5 years, 10 years, etc. There is a Board of Finance member who is on this Committee. The closer that the items are to this year; the more likely they are to be completed. Capital Account 724 represents everything that comes out of the FY 2013/2014 (first) column of the Long Range Capital Plan. He explained what the colors represent in correlation to the Long Range Capital Plan. The CNRE Municipal is our funding; LoCIP (Local Capital Improvement Projects) dollars relate to those projects that are sent off to the State who then reimburses us for the upgrades to the municipal buildings. The Governor has proposed for this year to include the BOE in with these improvements. He said that they have not put those dollars in as it has not made it through the process yet so they do not know yet what they are.

Ms. Alberti asked if it is 'our discretion' on what these projects are.

Mr. Formica said that we send a project proposal to the OPM (Office of Policy & Management) and once they have reviewed and approved it we do the work and submit the costs for reimbursement from LoCIP funds.

Mr. Formica then reviewed the items for first year funding on the Long Range Capital Plan citing that we are in year four of the vehicle acquisition program and that at the end of five years we own the vehicles and they are not given back. He said that Mr. Holyfield is present and that he could explain this program and answer any questions that they have.

Ms. Picarazzi said that new vehicles depreciate a lot in the first year and asked if they look at slightly used vehicles for a savings.

Mr. Holyfield said that slightly used vehicles often times are someone's headache. New vehicles tend to make more sense and have served the Town really well. He noted the recent storms and the new vehicles that they have which were great assets. This program makes the best sense for them. He explained how this program came about and that it is the First Responders who need vehicles that are reliable and that is the replacement process that they follow and then pass on the older vehicles to areas within the Town that are not First Responders (such as the Building Official for inspections) and use these vehicles to the end of their life. They have a plan for dump trucks and garbage trucks and a program on use and when they should be replaced.

Mr. Kelley said that he wanted it known that he has been an advocate of this vehicle replacement system – however; in a year of uncertainty about revenues they are looking for two police cruisers and two SUV's and asked if they bought two police cruisers and one SUV what they would save.

Mr. Holyfield said that it would only save about \$2200.

Mr. Kelley asked about the dump truck.

Mr. Holyfield explained that if they take the dump truck out that they do not have a spare. They are getting rid of a 1986 and replacing it with a 1993. The auto loader trucks are good for seven years and they have one that is three years beyond that life and it becomes unreliable when they need it for double up days for pick up due to holidays. He said that he feels that they need to keep this program up so that they don't have vehicles that are beyond repair. His aim has been to keep the police vehicles under 100,000 miles.

Mr. Hart asked how many police cars they have.

Mr. Holyfield said that there are 12 patrol vehicles plus the detective and resident trooper vehicles'. He noted that the police vehicles are now assigned to officers and that this has resulted in better care of them.

Mr. Hart noted that at any given time that there are only three to four patrol cars on the road.

Mr. Holyfield and Mr. Formica said that was correct except for extra duty jobs and large events in Town.

Mr. Kelley asked about the web based software for building and if they could do that as \$7500 this year and \$7500 next year rather than all in one year.

Mr. Formica said that they would do what they have to do.

Mr. Kelley asked about the Grand Street boat launch.

Mr. Formica said that they have to have that at this time to be able to do the repair during a short window in 2014. They already have money in for it and this is the rest that is needed to do it.

Ms. Picarazzi asked if the SCBA Gear Replacement at \$28,000 for Flanders Fire Department were all necessary.

Mr. Hart and Mr. Holyfield said that what they have are 20 years old and are expiring. This would only purchase 10 pieces of gear. There is the possibility of some grant money being available.

Ms. Picarazzi asked that they recommend looking to see if any grant money is available.

Mr. Hart asked about the Parks & Recreation equipment at \$65,000.

Mr. Holyfield explained that they need the larger rake and the tractor to pull it for the much larger beach. It is also their time for a new pick-up which they also use to help Public Works with the roads. The larger infield pro-groomer is for the fields and the schools are interested in the older, smaller one that Parks & Rec has now.

****MOTION (18)**

Ms. Picarazzi moved to close the budget review for Capital – 724 and Long Range Capital Plan.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

E. Public Discussion

Mr. Hart called for any comments from the Public.
There was none.

F. Board Comments

Mr. Hart asked if anyone had any comments.

Mr. Kelley said that Mr. Formica had mentioned that he was at a meeting and could speak to the 'no strings' attached item.

Mr. Formica explained that he was at a CCM Meeting today and updated that the car tax item is not being met with much favor among the legislators so far. They asked about the PILOT funding being married into ECS with 'no strings' but heard that next year it would have strings attached so they are not sure how this would help anything. While the Governor's program presented on February 6, 2013 does not make a lot of sense it would all have to be part of a larger reform. He said that he is monitoring everything and will be going to Hartford again tomorrow. He added that the Governor also wants a 5% rescission mid-year of State aid to cities and Towns if he finds it necessary.

Mr. Hart asked when he expected to hear the Governor's update.
Mr. Formica said that they are not sure.

Ms. Johnson noted that Mr. Harney had asked previously about the difference in the principal and interest figure in the budget not agreeing with that found on page 42 of the 6/30/2012 Town audit. She said that the principal and interest in the Town proposed 2013/2014 budget do not agree with information on Page 42 of the 6/30/2012 audited financial statements as the information reported in the 6/30/2012 audited financial statements is correct as of that date. It combines Town and water obligations. In addition, the Town had a GOB Sale in July 2012 which principal and interest information is not included in the 6/30/2012 audited financial statements.

G. Adjournment

Mr. Hart called for a motion to adjourn.

****MOTION (19)**

Mr. Kelley moved to adjourn this Special Meeting of the East Lyme Board of Finance at 8:40 PM.

Mr. Harney seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary