



BOARD OF FINANCE

LYME TOWN HALL
480 HAMBURG ROAD
LYME, CT 06371

LYME BOARD OF FINANCE
Virtual Regular Meeting

The Lyme Board of Finance held a virtual regular meeting on Tuesday February 9, 2021 at 6:30 p.m.

MEMBERS PRESENT: Dan Hagan Chair, Kathryn Wayland, Judith Duran, Peter Evankow, seated alternates Bob House and Susan Tyler, and Jennifer Thomas Secretary.
Selectmen Steven Mattson and John Kiker present.
Absent Members: Jarrod Leonardo, David Brown, and Bruce Anderson (alternate)

Regular Meeting

Hagan called the meeting to order at 6:32 p.m.

Seat Alternate Member

Hagan called for a motion to seat alternate members Susan Tyler and Bob House for absent regular members Jarrod Leonardo and David Brown. Duran made the motion, seconded by Evankow, and the motion carried.

Approve the minutes from the January 12, 2021 meeting

Hagan called for a motion to approve the minutes from the January 12, 2021 meeting. Tyler made the motion, seconded by House, and the motion carried.

Hagan noted that he had a discussion with Bernie Gigliotti, chair of the Planning and Zoning Commission regarding the Birch Mill Bridge Project. Hagan stated that the Planning and Zoning Commission does not need anything from the Board of Finance at this time.

Mattson said that the Board of Selectmen will hold a public hearing on the project once funding and permitting approvals have been finalized.

Mattson stated that he is working under the assumption that he is not to spend additional monies at this time for aesthetic improvements, and Hagan agreed that this should be a like for like replacement.

New Business

Selectman's Discussion of fiscal year 21/22 preliminary operating budget

Mattson presented the board with the preliminary operating budget, noting that several of the estimates have changed based on new information he has received.

The health insurance forecasted increase is now 3%, bringing a total decrease to the health insurance budget of 7.4%. This is due to individuals moving to Medicare coverage.

The school district cash giveback is also coming in about \$50,000 higher than expected.

The total operating budget is projected at \$9,690,000, which is a 1.6% (\$154,000) decrease over the current year's budget.

Major impacts to the operating budget include a projected 3.2% decrease to the education costs and the elimination of the Coronavirus contingency fund. Increases include the public safety category as well as the second year of salary adjustments approved during the last budget cycle.

Unknown items include the school district budget and final student count as well as shared facility costs with Old Lyme, including Rogers Lake, Senior Center, and Town Woods Park. Hagan stated that there will not be a joint meeting with Old Lyme this year, but members may choose to join the Old Lyme Board of Finance meetings to hear the presentations from the shared facilities groups.

Mattson recommended moving the A/P clerk wages from Board of Selectman line item to Treasurer line item, and the board agreed to this change. A motion to approve the change as presented was made by Duran, and seconded by Tyler, and the motion carried.

Mattson asked the board to consider expanding the Treasurer position to include additional attention to financial management and asked the board to consider the creation of an infrastructure management position which can possibly combine with a Building Inspector position in the future.

Tyler asked if this change would assume the position of Treasurer would go from an elected to an appointed position and Mattson stated that is the assumption and was the recommendation of the Succession Planning Committee.

Duran stated that she believes the town needs to fill in some of these positions and recognizes that most towns have more employees than Lyme.

Hagan questioned what the expanded role would look like in terms of hours, benefits, job description, etc.

Evankow agreed that additional personnel may be needed but questioned whether the Treasurer role and financial management position should be combined, noting segregation of duties.

Wayland brought up upgrading the accounting software as a way to increase efficiency.

Tyler stated that part of the reason the upgrade to the accounting software was put on hold was to wait on recommendations from the Succession Planning Committee on new personnel positions. Any new hires may want input into which software is selected. A placeholder can be added to the budget for this purpose.

Tyler supports these new positions but agrees with Hagan that more information regarding job descriptions and hours would be needed.

Mattson will put together a more detailed description on the roles he is proposing to distribute to the board.

The board discussed recycling and tipping fees, and affordable housing commission line items. Evankow expressed concern about the growing number of dead trees lining the roads in town. He questioned whether the removal of dead trees falls under operating or capital.

Mattson stated that the town budgets \$19,000 annually for tree removal as part of the Town Aid Roads Maintenance line item of the operating budget. He explained that Eversource has done a lot of cutting in town, but they only focus on the trees near the powerlines. Tree removal costs about \$2,000 per tree. He noted that this is a problem regionally and that receiving state assistance would be helpful.

Evankow believes an increase in the budget is warranted to start to address the problem. Hagan agreed that the problem is real and that Eversource does a great job. He believes hiring an arborist for a length of time (month or two) is more cost effective than paying per tree. He believes the state should offer grants on a statewide level to address this problem. Mattson stated that he is most concerned with the trees that fall within the town's right of way, and the town can be held liable if those trees cause damage to people or property. Tyler supports an increase in the budget if there is a prioritized list of trees that need to be removed. Mattson noted that a budget increase will allow for more trees to be removed, but the scale of the problem is such that there will always be more trees to be removed than money in the budget. Evankow expressed concern over increased liability by failing to react to the problem and increasing mitigation efforts. Mattson agreed that if the town is not proactive, they can be seen as negligent, at which time the liability is greater. Mattson stated that while the town will never get to the point of removing all of the dead trees, he is not adverse to allocating more money to address the problem. House agrees that more money should be added to this budget item. Hagan believes there is no reasonable amount of money that will adequately address the problem. His recommendation is to have enough money in the budget to remove the trees that do fall in the road. He does not believe you can eliminate the risk or predict which trees will fall. Evankow believes that the town can actively work to reduce the probability that a tree will fall and cause damage and by increasing the budget you are signaling to the townspeople that the town is working to address the problem. Mattson asked the board to give him direction on how much, if any, to increase the tree cutting budget. Evankow made a motion to recommend increasing the budget for tree removal from \$19,000 to \$50,000. The motion was seconded by Tyler. The motion was approved with five in favor and Hagan opposed.

Old Business

Update from Policy Working Group

Hagan acknowledged the difficulty of progressing with the working groups during the pandemic. A document was created by First Selectman Mattson and approved by the Board of Selectman and was sent to the Board of Finance members providing a description of the way the town finances are managed. Hagan proposed that the board table the discussion until the August meeting, after the next budget is finalized. At that point, the board can add to and fine tune the document presented by Mattson and use it as a guide going forward and the board agreed to this plan.

Mattson stated that his goal with the document was to get new and prospective members up to speed more quickly with procedures of the board and secondly to be a living document that can become more and more detailed as time goes on.

Adjournment

The meeting was adjourned at 7:40 p.m.

Respectfully submitted,

Jennifer Thomas, Secretary