

Minutes of the Board of Finance meeting held on Tuesday, January 23, 2024, at 7:00 p.m. at the Old Lyme Memorial Town Hall, 52 Lyme Street, Old Lyme, CT 06371. Meeting postponed from Tuesday, January 16<sup>th</sup> due to inclement weather.

To join this meeting by phone dial +1-605-472-5727 and enter access code 3819718.

**Present in Person:**   **Regular Members:** BJ Bernblum, David Kelsey, Matthew Olson,  
Andrew Russell, Kim Thompson  
**Alternate Members:** Fred Behringer, Candace Fuchs, Diane Linderman

**Present in Person:** Martha Shoemaker, Selectwoman, ex-officio  
Anita Mancini, Finance Director

**Present via Phone:**   **Regular Members:** Anna Reiter  
**Alternate Members:**

**Absent:**               **Regular Members:**  
**Alternate Members:**

**Guests:**             Ed Adanti, Public Works Director  
Jeri Baker, Chairperson, Lymes' Senior Center Building Committee  
Mike Presti, Resident

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Mr. Bernblum called the meeting to order at 7:02 p.m. and formally introduced Fred Behringer, welcoming him as an alternate member on the Board of Finance.

### **Minutes of Meeting of December 12, 2023**

The Minutes of December 12<sup>th</sup> Meeting were reviewed. There was a correction on page 4, 2<sup>nd</sup> sentence, to capitalize Mrs. Shoemaker's name.

There being no other corrections noted, a motion was made by Mrs. Thompson, seconded by Mr. Kelsey, to approve the minutes as corrected. Motion carried.

### **Financial Reports**

Ms. Mancini reviewed the highlighted Revenues and Expenditures that she updated as of January 16, 2024. She explained that compared to December 2022, the revenues are up 30.99% and approximately up 6.23% overall. For comparison's sake, tax deposits for last December were shown at 0.00 for total amount collected. However approximately \$2.3 million was collected during the month of December 2023.

The interest income on General Fund for December 2023 is \$65,946.32 versus \$19,936.14 in December of 2022.

The percentage of general government revenue received year-to-date is 63.23%.

Ms. Mancini reviewed the expenditures stating that the expenditures are up 1.01% over December 2022 and increased approximately 3.24% overall. Total General Government expenditures are up approximately .05% over last December and overall costs are up approximately 1.28%. Public Works expenditures are up 1.32% over last December but overall costs are down 12%.

The percentage of general government budget spent year-to-date is 49.7%. This does not include Regional School District #18.

Further discussion on the Financial Reports was postponed as some members did not receive a copy of the Report in advance to review.

### **New Business**

***Financial System Upgrade:*** Ms. Mancini stated that the present payroll company, BMSI, has been bought out by another company named gWorks. The new company has introduced several upgrades that will be made to the payroll system. Ms. Mancini decided to explore the various options of outsourcing to another company or keeping payroll in-house. She received estimates from several vendors (ADP, Paychex, and PayCor). The two options for keeping payroll in-house are BMSI/gWorks and Munis Financial. Prices for the outsourced companies, including the financial software and conversion cost, range from approximately \$22,000 to \$38,000. Discussion ensued on the advantages and disadvantages of the various companies. Ms. Mancini stated that at her previous place of employment, she switched payroll companies to Munis Financial and it was an extensive transition and quite costly. Remaining with BMSI/gWorks would require upgrading to the new format. Ms. Mancini stated that funding can come from the IT fund, as this is a technology upgrade.

After discussion, a motion was made by Mr. Kelsey, seconded by Mr. Russell, to approve \$10,000 to be expended out of the IT fund for the gWorks payroll software upgrade. Motion carried.

***FY2024-25 Budget Overview:*** Ms. Mancini distributed the Budget Summary for FY2024-25. She explained that the numbers that she inserted are very preliminary figures and some numbers are placeholders until the Boards of Selectmen and Finance have their final budget meeting with the numerous spending agencies. Mrs. Shoemaker commented that the budget meetings that were held on January 8<sup>th</sup> and 22<sup>nd</sup> so far have been long and productive. There will be one more budget meeting that's scheduled for January 29<sup>th</sup> to finalize the review and discussion of the remaining spending agencies. It is Mrs. Shoemaker's hope that this new process of meeting and reviewing the individual groups will help streamline the budget process. Mrs. Shoemaker stated that the budget lines that are being reviewed will be revisited at the February 5<sup>th</sup> Board of Selectmen meeting. There was a discussion regarding the Regional School District #18 expenditure that was included on the Summary sheet. Ms. Mancini and Mrs. Shoemaker reiterated that this document is a rough summary of the budget and will be fine-tuned during the budget process.

The current salaries stated in the budget overview are estimated salaries pending the Compensation Committees recommendation. The Compensation Committee has met once to review the salary study and will be meeting again. The Committee will review submitted reports to determine steps and raises for Town employees, excluding Public Works and the Police, as salaries are determined by their individual Union Contracts.

**Senior Center Financing Options:** Mrs. Shoemaker stated that the Board of Selectmen voted to recommend taking \$2 million out of surplus to assist in funding the Town's portion of the Lymes' Senior Center. The estimated Fund Balance in surplus is \$12,131,914 and taking \$2,000,000 to help fund the Senior Center renovation project leaves \$1,315,000 to be financed by a bank loan. The Board discussed this proposal and agreed that major capital projects expected in the next few years should be identified before deciding how best to fund this expense. Construction bids will be opened on Feb. 6<sup>th</sup> at 2pm.

Mrs. Shoemaker stated that the Senior Center needs to secure Builders Risk Insurance before groundbreaking can occur. One policy offer is currently under consideration. However, the insurance must be checked to make sure that the policy or CIRMA is covering the building during the construction phase. Mr. Bernblum has previously stated that CIRMA wanted to outsource the insurance, however, CIRMA had a problem finding an insurance company to insure a wood structure building at a reasonable price. Waiting to secure an insurance company could delay the groundbreaking. Mrs. Shoemaker stated that she and Lymes' First Selectman, David Lahm, have discussed fundraising efforts for the project. He would like all Private and Donor Director funds from Lyme citizens to be applied 100% to Lyme's contribution. All corporate donations would be applied 100% to total cost so that both towns will benefit. A corporate donation letter will be drafted in the very near future.

**Swan Brook Crib Discussion/Repairs:** Mrs. Shoemaker stated that in April, the Town spent \$55,000 repairing the Swan Brook Crib. December 18<sup>th</sup> and the heavy wind and rainstorms in January destroyed a large portion of the crib. Mrs. Shoemaker, along with other Selectmen, Mr. Adanti and Mr. Griswold explored the damage and options to repair. Mrs. Shoemaker stated that while examining the route that the water flows to get to the Swan Brook crib, it was discovered that many neighbors along the pathway have created their own barricades, walls, plantings, etc., which has the potential of caving in, and compromising the flow of water. These walls and barricades are located on personal property and this issue would need to also be addressed as the landowners along the trail would have to do their part to keep the water route free and clear of blockage. Mrs. Shoemaker said that Docko, a marine engineering firm from Mystic, presented a quote in the amount of \$10,000 to investigate options and present a plan. She stated that repairing the Crib could cost the Town an additional \$100,000, as well as submitting a new application to the Corps of Engineers and would most likely take DEEP up to three years to approve. Mrs. Thompson suggested that the newly established Flood and Erosion board be made aware of this water issue and should be having the discussion with DEEP.

### **Other Business**

Mr. Bernblum explained that Mr. Griswold always reviewed the Board of Finance minutes and Mrs. Shoemaker does not want to take on that role. He asked the Board for volunteers, or "a second set of eyes" to review the minutes before posting to reduce errors within the minutes. Because the Board of Finance Minutes are very detailed and have money matters involved, he feels that another set of eyes reviewing the minutes before they are posted would be helpful. It was decided that the "draft" minutes would be sent to each Board member for review and corrections, and sent back within 24 hours, so the final minutes posted are as accurate as possible and within FOIA timelines. They would remain subject to acceptance at a future Board of Finance meeting.

**Selectman's Report**

***FY2024-25 Budget Process:*** Mrs. Shoemaker thanked everyone who has participated in the two budget meetings that were held on January 8<sup>th</sup> and 22<sup>nd</sup>. She stated that the meetings were long, but very productive and she appreciates all the time the Selectmen and Finance Board members have dedicated to the budget process.

***Contracts and Documents:*** Mrs. Shoemaker stated that Executive Assistant, Katie Balocca, has been compiling all Contracts and Agreements and digitalizing and saving them, as well as creating files for the many contracts the Town has. She mentioned that the Planning and Zoning Departments have been scanning files and requesting permission from the State Library to properly dispose of the hard copies once scanned and filed. This process will free up file cabinets that could then be assigned to Boards and Commissions that need space for their records and documents.

***Town Heating Oil Contract:*** Mrs. Shoemaker said that she is looking into the Town's Fuel Oil Company and investigating and negotiating more competitive pricing for the several Town buildings.

***Beach Association Request:*** Mrs. Shoemaker stated that the Beach Associations have requested an increase in its stipends. Presently, Beach Associations receive \$71,700, split between 8 beach communities. The amount that they receive has not been increased in several years and would like the Town to consider increasing its stipend amount.

***Ferry Road Sidewalk Project:*** Mrs. Shoemaker stated that Ferry Road Sidewalk Improvement project is progressing forward. All easements have been signed off on and contract drawings presented to the CT Department of Transportation for review and authorization, with putting the project out to bid as the next step. Mrs. Shoemaker stated that Mr. Griswold is continuing to oversee this project and has prepared a timeline of events, including cost projections and current bills, with the project completion date of late spring.

***Upcoming Capital Projects:*** Mrs. Shoemaker stated that Capital Expenditures are large, non-recurring Expenditures and a list of Capital Projects is being collected and reviewed. The Board should know what's coming down the pike before taking \$2 million from surplus to assist in funding the Senior Center renovation project. Some of the non-recurring Capital projects include interior painting at the Town Hall, which hasn't been done since the building addition/renovation in 2007, a filtration system for the heating system at the Town Hall, new exterior doors throughout the Town Hall, as well as the Grassy Hill Road bridge project, which could take place within the next couple of years. Mr. Adanti informed the Board that repaving of all the town roads that get impacted where sewer lines will be installed will have to be done. He stated that the expense associated with road work due to the sewer is not included in his budget and would have to be included in his Paving line. Although premature, he estimates that the expense will be more than an additional \$1 million. Mrs. Shoemaker stated that the State DOT's Route 156 paving project will stop right before the beach associations allow the necessary road work to begin without ruining new pavement.

**Public Comment**

Jeri Baker thanked the Board for their time and dedication and stated that she understands and respects the many other projects that the Town is involved with, but the Senior Center project started its planning process over four years ago. Ms. Baker is concerned about expenses that may be accrued that are not covered under the STEAP grant. She asked the Board for clarification on how these expenses will be funded before a funding plan is adopted. Mr. Bernblum commented that the Building Committee shouldn't worry that bills can't be paid in a timely fashion because payments can be drawn from the General Fund until the final funding decision is made. Ms. Baker stated that Newfield Construction will open the project bids on February 6<sup>th</sup> at 2:00 pm in the Town Hall large Meeting Room. Ms. Baker thanked the Board for their ongoing support and invited everyone to a Lymes' Senior Center Building Committee meeting held on the second Wednesday of each month at 5:00 p.m. in the Town Hall.

Mr. Bernblum stated that the next Board of Finance meeting is scheduled for Tuesday, February 6<sup>th</sup> at 7:00 p.m.

A motion was made by Mrs. Thompson, seconded by Mr. Olson, to adjourn the regular budget meeting at 8:55 p.m. Motion carried.

*Respectfully Submitted,*

*Michele E. Hayes*  
*Secretary*