

Beach Stipend Committee
Presentation of Final Report to Old Lyme Board of Selectmen
December 15, 2014
Keith Coakley

PROCESS

The Beach Stipend Committee met 12 times from July through December of this year.

1. We have studied the history of the grants made to certain private associations in town
2. We have had presentations from each of the communities regarding their expenditures and listened to their rationale for continuing the stipends
3. We have looked into what other Connecticut shoreline towns might do to subsidize their beach associations
4. And we have interviewed Town police officer Tommy Heinssen regarding the impact of private beach association security guards on police calls and expense.

FINDINGS

Here are some of the more relevant findings of our research:

1. The stipends have been given since the 1920s, sometimes as a percentage of each association's property taxes, sometimes as fixed dollar amounts.
2. Stipends are currently provided to the private associations at Miami beach, Old Colony Beach, Point o'Woods, White Sand, Old Lyme Shores, Hawks Nest, and Rogers Lake.
3. Reasons for the stipends have included offsetting a portion of property taxes to recognize lower usage of Town services by primarily seasonal homeowners, and helping with private road maintenance, beach cleanup, and private security.
4. Security at the beaches has been mentioned universally and most emphatically. In fact, we were informed by the Old Lyme Police Department that the presence of security at the beaches does materially reduce the calls that would otherwise be made to the Old Lyme police.
5. No other towns we researched provide stipends to private beach associations, although the town of Groton subsidizes Groton Long Point's fire and police departments, which are formally independent of town services.
6. We find that Miami Beach Association must by deed restrictions accept the public at their beach, and they must pay for substantial beach cleanup and security for the overflow from Sound View Beach and the bars. In addition, Pond Road, a private gravel road within Miami Beach, endures public traffic as a logical exit route from the end of Hartford Avenue.
7. Old Lyme residents use the Town's White Sand Beach year-round, but must access it by driving on White Sand Beach association's private roads. This contributes to wear and tear on the roadways and to security needs.

8. The Rogers Lake West Shores Association maintains a community center that is made available at no charge to non-profit organizations and as a Town respite center in the event of emergencies.
9. We also found that the Town has no legal obligation to continue to provide any of these stipends.

PHILOSOPHY

While gathering facts, the Committee developed a working philosophy that boils down to this:

If material expenditures by a private residential association are either caused by the public or reduce Town expense, then it is appropriate and fair that the Town help offset those expenditures. Our recommendations are based on that philosophy.

RECOMMENDATIONS

1. We recommend that the stipends be continued to some extent, although our recommended total is less than the \$101,000 granted in the current fiscal year.
2. Private security at the beaches reduces Old Lyme police department cost, but it is impossible to determine how much. Nevertheless, to obtain a frame of reference, the Committee estimated a foregone overtime cost during the beach season of \$52,500. This amount was then allocated among the private beach associations that currently receive stipends. One-half of the amount was allocated in proportion to the number of taxpayers in each association, and one-half evenly among the associations. The amounts were also limited to one-half of each beach association's security budget. None of the amount was allocated to Rogers Lake West Shores Association, in that they don't provide security services within their community.
3. Regarding Miami Beach Association, we allocated an additional \$10,250 to help offset the association's cost of beach cleanup and extra security caused by public access to the beach from Sound View and the bars. This amount equals one-half of Miami Beach Association's beach cleaning budget plus the cost of the Rangers that the Town provides them each summer to help with beach security. In addition, the Committee recommends that the Town enter into an agreement with Miami Beach Association regarding the maintenance of Pond Road in the vicinity of Hartford Avenue because of the public's heavy use of that road.
4. Regarding White Sand Beach Association, we allocated an additional \$5,800 to help offset road maintenance cost as well as the cost of the security guard who checks for Town beach stickers on the way into the beach. This amount was determined as equal to the association tax Old Lyme would pay on its beach property within White Sand if the Town were not exempt from paying taxes. It also includes \$1,000 to subsidize the security guard for checking for Old Lyme Town beach stickers.

5. Regarding Rogers Lake West Shores Association, we allocated \$3,000, because the use of their community center by non-profit organizations and by the Town as an emergency respite center does benefit the community at large. This amount is roughly 16% of their current variable expense for the community center. Although we've included this cost as part of our total stipends, we recommend this item be removed from the stipend budget and be considered independently by the Board of Finance as a special grant in consideration of Rogers Lake West Shore Association's agreement to continue availability of the community center.
6. The Federation of Beaches has recently been receiving a \$9,000 annual Stipend from which it reimburses the police department for patrolling certain beaches on the Federation's all-terrain vehicle. The Committee recommends that this item be deleted from the Stipends and be included, instead, in the police department's budget.
7. The aggregate amount of the Stipends currently proposed by the Committee will not adversely affect the Town budget. Including the \$9,000 allocated to the Federation of beaches and the \$3,000 for Rogers Lake West Shores Association, the total is about \$81,000, compared to \$101,000 awarded for the 2015 fiscal year.
8. The reduced stipends will impact the beach associations' budgets and the taxes the associations collect from their residents. Therefore, we recommend that the Town inform the associations of the changes in time for them to reflect the new stipends in their upcoming budgets and taxes.
9. Each beach association seeking a Stipend will need to apply to the Board of Finance during the Board's budget development process, and will need to present a statement of its income and expenses for the current, and the immediately prior, fiscal years.
10. We recommend that the stipends be determined based on current facts and circumstances, with reviews and revisions to be implemented every three to five years.
11. Any private beach association not presently or historically receiving Stipends should have the right to apply to the Board of Finance for a stipend based on the guidelines we've recommended. However, any policing stipend awarded would be allocated within the \$52,500 aggregate limit.

SUMMARY

The Committee believes that our recommendations are fair to both the Town and the private associations, and that the guidelines we've proposed will provide a reasonable basis for determining future stipends as facts and circumstances change. Thanks the Committee members and Bonnie Reemsnyder for their valuable input, hard work, and diversity in perspectives.