



TOWN OF OLD SAYBROOK  
Board of Finance

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302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE REGULAR MEETING MINUTES

**December 7, 2021 7:00 p.m.**

**This was a hybrid meeting**

BOF Attendant Members

Carol Rzasa, Chairman  
Tom Stevenson  
Rick Swan  
Brad Thorpe  
Bruce Carlson  
John O'Brien

Absent Members

Paul Carver, Vice Chairman

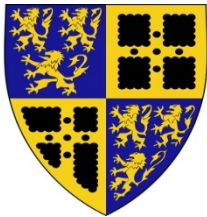
In Attendance

Carl Fortuna, First Selectman  
Lee Ann Palladino, Finance Director  
Barbara Thompson Labriola, Treasurer

1. Chairwoman Rzasa called the meeting to order at 7:00 p.m.
2. **Pledge of Allegiance:**  
  
Chairwoman Rzasa led the pledge.
3. **Roll Call:** Vice Chairman Paul Carver absent.
4. **Minutes**

A motion to approve the minutes of December 7, 2021 was made by Mr. O'Brien, seconded by Mr. Thorpe and was so voted unanimously.

5. **Treasurer Report**



**Monthly Treasurer's Report – November 2021**  
(Preliminary and Unaudited)

**Background Sec. 7-80. Duties of treasurer.** (a) The town treasurer shall receive all money belonging to the town, pay it out on the order of the proper authority and keep a record of all moneys received and when received and of all moneys paid out, when, for what and upon whose authority, which record shall always be open to the inspection of any taxpayer in such town and shall be presented to each annual town meeting, being first sworn to by him and adjusted by the selectmen. The town treasurer shall be, ex officio, treasurer of the town trust funds and may appoint a deputy who shall, in the absence or disability of the town treasurer, perform all his duties.

**Executive Summary as of October 31, 2021**

<b>REVENUES:</b>	<b>Budget</b>	<b>Received FYTD</b>	<b>% Received FY22</b>	<b>% Received FY21</b>
Taxes	45,653,717	26,263,827	57.5%	56.8%
State of Connecticut	463,000	210,152	45.4%	50.7%
Local Revenues	1,071,000	714,609	66.7%	60.3%
<b>TOTALS:</b>	<b>47,187,717</b>	<b>27,188,588</b>	<b>57.5%</b>	<b>56.8%</b>

<b>EXPENDITURES:</b>	<b>Budget</b>	<b>Expended FYTD</b>	<b>% Expended FY22</b>	<b>% Expended FY21</b>
General Government	17,206,508	7,488,417	43.5%	41.5%
Board of Education	26,771,365	10,229,986	38.2%	38.6%
Bonded Indebtedness	3,209,844	2,794,751	87.1%	86.1%
<b>TOTALS:</b>	<b>47,187,717</b>	<b>20,513,154</b>	<b>43.5%</b>	<b>43.0%</b>

**Authorized Investments per Investment Policy:**

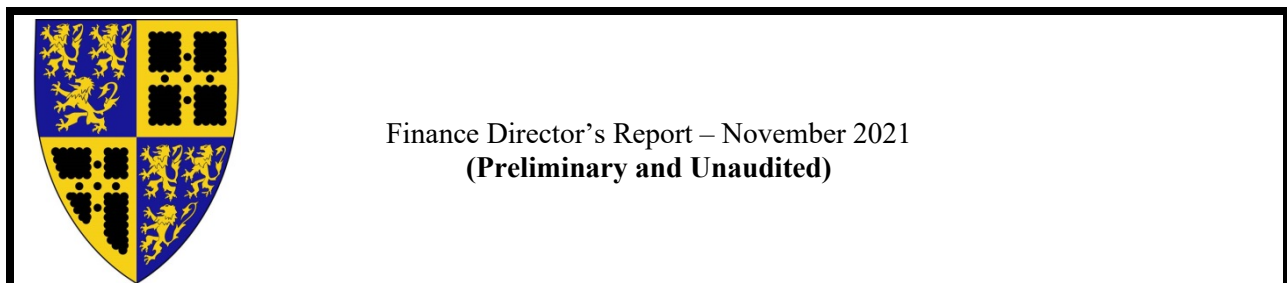
<b>Authorized Investment</b>	<b>Balance</b>	<b>Rate as of 11/31/21</b>
STIF	\$226,475	.09%
Liberty Bank	\$13,408,096	.14%
Webster Bank	\$12,117,354	.08%
<b>Total</b>	<b>25,751,925</b>	<b>.12%</b>

**Pension Plans as of: November 30, 2021**

<b>Description</b>	<b>Town Pension Plan</b>	<b>Fire Department Pension Plan</b>
Beginning Balance 6/30/21	28,974,597	1,801,010
Change in Value	(428,838)	(27,213)
Ending Balance	28,609,456	1,788,398
Return FYTD (net of fees)	-.65%	-.70%
Benchmark Return	.63%	.63%
Assumed Rate	7.00%	7.125%
Funded Ratio	84.5%	50.3%

Ms. Rzasa thanked Ms. Labriola.

**6. Finance Director Report**



The Finance Director's report will address the present status of the Fiscal Year expenditure budget, Cash Flow trends, and the Town's long-term strategies.

#### **Section I: Expenditure Budget for Fiscal Year 2022**

##### Budget Fiscal Year 2021

The general government budget for Fiscal Year ("FY") 2022 presently stands at \$17,206,508, along with the Town's Debt Service budget of \$3,209,844, total General Government Expense equate to \$20,416,352. The Board of Education budget of \$26,771,365 brings the Town-wide budget to \$47,187,717. The budget was approved at the May 11, 2021 referendum.

##### *Budget Appropriations –*

- A \$25 thousand reimbursable grant USDA rural development grant with a \$17,000 in kind match of town services was approved at the August 3, 2021, BoF meeting. Further it was approved by Town meeting at the August 24, 2021, meeting.

##### *Budget Transfers –*

- An \$80 thousand transfer was made between the miscellaneous income line item to the roof repair fund, which will be determined by the sale price of two fire trucks, was approved at the September 7, 2021 BoF meeting. Further it was approved by Town meeting on September 27, 2021.

*Municipal Reserve Fund Appropriations - During FY22 no appropriations against the municipal reserve fund ("MRF") have been made.*

##### Fiscal Year 22 Budget Performance

Through November 30, 2021, 41.6% of the general government budget equates to \$7,169,263. Actual expenditures of \$7,169,263 are \$319 thousand above the straight-lined budget. Capital transfers, quarterly payment, and other one-time annual payments were made near the start of the fiscal year. Attached is the detail list of budget line items.

#### **Section II: Cash Flow Summary**

As of November 30, 2021, the Town's cash balance was as follows:

Fund	Total	Monthly Activity
General Fund	16,251,789	-2,459,919
Capital Funds	2,338,394	139,253
Reserve Funds	3,611,106	-145,652
Non-major Funds	3,551,164	-228,800
Total	25,752,453	-2,695,118

During the month of November, the Town's total cash decreased by \$2.7 million of which \$2.5 million was due to activities in the General Fund. The GF received \$400 thousand in revenues which were offset by \$3 million in expenditure.

State of Emergency COVID 19 Fund 2843 had a negative balance of \$544,198. Total funds expended to date equal \$1,006,280. Total funds received to date equal \$462,082. During the month of November 2021, \$5,296 was expended.

#### **Section III. Long Term Strategies**

##### **1. Debt Service**

**Outstanding June 30, 2021:** \$25,515,000  
**Debt Service Payment FY22:** \$3,209,845  
**Debt Service Reserve:** \$431,927

## 2. Capital Outlays FY22

The Municipal Reserve Fund, which includes capital non-recurring, fire apparatus, public work/transfer station, and Board of Education sinking funds, totals \$1,969,485 as of November 30, 2021.

Municipal Reserve Fund	FY 2022 Transfers	Balance
<b>Capital Non- Recurring Budget 3350</b>	<b>\$183,643</b>	<b>\$730,899</b>
<b>Fire Apparatus -3351</b>	<b>170,000</b>	<b>46,271</b>
<b>Public Works – 3353</b>	<b>75,000</b>	<b>192,315</b>
<b>Board of Education – 3354</b>	<b>0</b>	<b>1,000,000</b>
<b>Catastrophic Illness – 7219</b>	<b>70,000</b>	<b>151,589</b>
<b>Post-employment Payout – 7220</b>	<b>40,000</b>	<b>148,879</b>
<b>Revaluation – 7222</b>	<b>50,000</b>	<b>142,581</b>
<b>Contingency – 7224</b>	<b>30,000</b>	<b>53,707</b>
<b>Roof Repair – 3020</b>	<b>25,000</b>	<b>115,775</b>
<b>P&amp;R Sinking Fund – 3053 450335</b>	<b>10,000</b>	<b>211,906</b>
<b>Signage (P&amp;R and DPW) – 3029 450334</b>	<b>7,415</b>	<b>6,337</b>
<b>P&amp;R Mini Golf Carpets – 3055</b>	<b>8,307</b>	<b>8,362</b>
<b>DPW Garage Boiler – 3034</b>	<b>26,500</b>	<b>26,500</b>
<b>DPW Commercial Lawn Mower - 490000</b>	<b>15,473</b>	<b>385</b>
<b>Library back door – 3051</b>	<b>23,000</b>	<b>23,000</b>
<b>Playground pieces – 3057</b>	<b>6,462</b>	<b>0</b>
<b>YFS Fire Panel – 490000</b>	<b>4,200</b>	<b>0</b>
<b>Total</b>	<b>745,000</b>	<b>2,858,506</b>

Capital Expenditures FY 2022 **budgeted amount as noted below. To date, 86% has been utilized.**

Department	Amount Budgeted/Transferred	Amount Used
<b>Fire Department (4203)</b>	<b>60,000</b>	<b>\$9,690</b>
<b>Police Department (4201)</b>	<b>99,804</b>	<b>\$89,804</b>
<b>IT – Town (4143)</b>	<b>13,500</b>	<b>\$11,562</b>
<b>Highway &amp; Streets (4303)</b>	<b>400,000</b>	<b>\$392,696</b>
<b>Library Heat Pumps (4501)</b>	<b>15,000</b>	<b>\$0</b>
<b>Total</b>	<b>588,304</b>	<b>503,752</b>

## 3. Pension Plan

Description	Town Pension Plan	Fire Department Pension Plan
<b>Actuarial Defined Contribution (ADC) FY22:</b>	<b>\$813,814</b>	<b>\$171,642</b>
<b>Paid to date by the Town &amp; BoE</b>	<b>\$472,728 (+ \$250k contribution)</b>	<b>\$180,000</b>
<b>ADC budget amount</b>	<b>\$468k (town) \$150 (BoE) = \$618k</b>	<b>\$180,000</b>

At this time, Ms. Palladino reviewed the COVID Fund expenditures and revenues in detail.

Ms. Palladino noted that she will be holding a Capital Planning Budget meeting and usually 2 members of the Board of Finance attend. Mr. Thorpe and Mr. Carlson will attend for the Board of Finance.

Ms. Rzasa thanked Ms. Palladino.

#### **6. Comments from the Chair**

Ms. Rzasa thanked everyone and noted that the 12/21 meeting was canceled and wished all a Merry Christmas and Happy New Year.

#### **7. Comments from Board Members**

Mr. Swan noted that he wanted to continue the discussion of the Board of Education Capital Improvements project soon.

#### **8. Selectman Report**

Selectman Fortuna briefly discussed the following:

- Tentative agreement with Dispatchers Union;
- Support Union still in negotiations;
- Acton Library building study;
- Engineering side of budget; several projects including culvert at Beaver Dam and Chalker Mill Pond Dam;
- LoCIP Grant for sidewalks;
- Starlight Festival; Torchlight Parade;

Ms. Rzasa thanked Mr. Fortuna.

#### **9. Liaison Report**

Ms. Rzasa reported that she and Mr. Swan would be the liaisons to the Fire Department; Mr. Swan and Mr. Stevenson Public Works; Mr. Carver OSPD; Mr. Thorpe Parks and Recreation.

#### **10. Public Comment: None**

#### **11. Adjournment:**

A motion to adjourn was made by Ms. Rzasa, seconded by Mr. Swan at 8:24 p.m.

A video of this meeting in its entirety can be seen online in the Town of Old Saybrook's Video Library.

Respectfully submitted:

Gerri Lewis, Clerk