



**TOWN OF OLD SAYBROOK  
Board of Finance**

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**302 Main Street • Old Saybrook, Connecticut**

**BOARD OF FINANCE REGULAR MEETING MINUTES**

**MAY 16, 2023 6:30 P.M.**

**This was a hybrid meeting**

BOF Attendant Members

Paul Carver, Chairman  
Brad Thorpe, V. Chairman  
Eric Dussault  
Tom Stevenson  
Rick Swan  
Bruce Carlson  
John O'Brien

Absent Members

In Attendance

Carl Fortuna, First Selectman  
Matt Pugliese, Selectman  
Lee Ann Palladino, Finance Director  
Barbara Labriola, Treassurer  
Gerri Lewis, Clerk

**I. CALL TO ORDER**

Chairman Carver called the meeting to order at 6:30 p.m.

**II. PLEDGE OF ALLEGIANCE**

Chairman Carver led the pledge.

**III. ROLL CALL**

All members present. Mr. Dussault attended virtually.

**IV. MINUTES**

A motion to approve the minutes of 5/2/2023 and 5/9/2023 by Mr. Thorpe was seconded by Mr. Carlson. Discussion: After a correction to the 5/9/2023 minutes to the mill rate, they were so VOTED unanimously.

**V. SUSPENSE REPORT – TAX COLLECTOR**

Ms. Palladino briefly discussed the Suspense List for Grand List Year 2017.

A motion to accept the Suspense Report was made by Mr. Thorpe, seconded by Mr. Carver and was so VOTED unanimously.

## **VI. DISCUSSION AND CONSIDERATION OF APPROPRIATION TO THE RETIREMENT HEALTH CARE LINE ITEM**

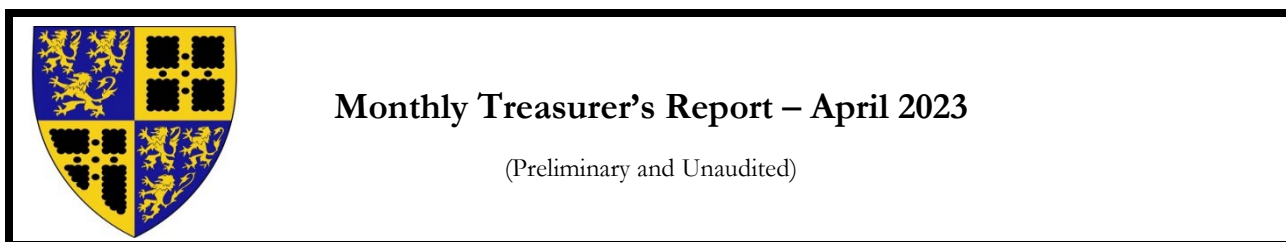
Ms. Palladino explained that this appropriation will avoid going over the \$25,000 limit on this budget line item. Appropriating from the fund balance will reduce the surplus for this FY by like amount.

A motion to appropriate \$30,000 to the FY23 budget line item 414200, Retiree Health Insurance from the fund balance. Further to move this appropriation to Town meeting was made by Mr. Thorpe, seconded by Mr. Swan and was so VOTED unanimously.

Chairman Carver thanked Ms. Palladino and Selectman Fortuna.

## **VII. TREASURER REPORT**

Ms. Labriola gave the Treasurer Report as follows:



**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 April 2023**

<b>REVENUES:</b>	<b>Budget</b>	<b>Received FYTD</b>	<b>% Received FY23</b>	<b>% Received FY22</b>
Taxes	46,839,698	47,962,296	102.4%	101.0%
State of Connecticut	463,000	551,543	119.1%	110.0%
Local Revenues	1,075,000	1,661,887	154.6%	106.8%
<b>TOTALS:</b>	<b>48,377,698</b>	<b>50,175,726</b>	<b>103.7%</b>	<b>101.6%</b>

### **Authorized Investments per Investment Policy:**

<b>Authorized Investment</b>	<b>Balance</b>	<b>Rate as of 4/30/23</b>
STIF	\$17,272,116	4.85%
Webster Bank	\$2,117,766	4.79%
Short Term Cash Management	\$10,000,000	4.60%
ARPA Cash Management	\$1,200,000	4.68%
Total	30,589,882	4.76%

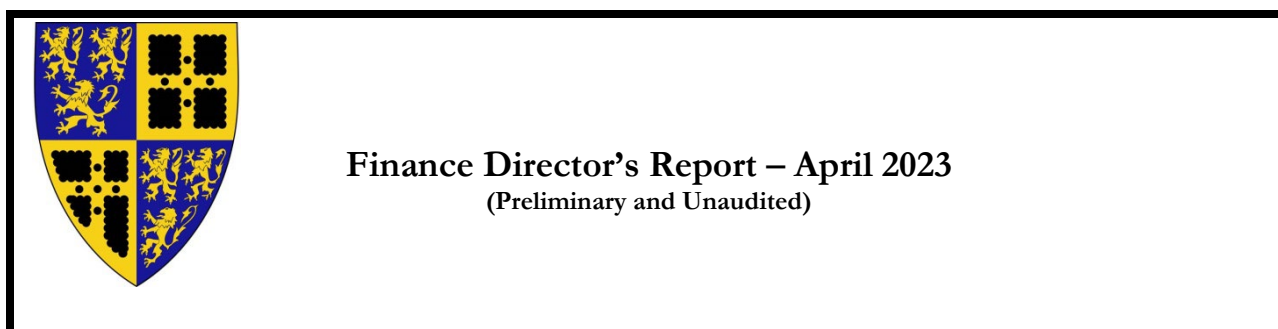
## Pension Plans as of: April 2023

Description	Town Pension Plan	Fire Department Pension Plan
Beginning Balance 6/30/22	24,026,515	1,558,038
Change in Value	1,371,778	85,317
	25,353,007	1,679,792
Return FYTD (net of fees)	8.05%	7.81%
Benchmark Return	7.65%	7.65%
Assumed Rate	6.75%	6.50%
Funded Ratio	85%	52.7%

Mr. Carver thanked Ms. Labriola.

## VIII. FINANCE DIRECTOR REPORT

Ms. Palladino gave the Finance Director report as follows:



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 2023

EXPENDITURES:	Budget	Expended FYTD	% Expended FY23	% Expended FY22
General Government	17,832,513	14,003,612	78.5%	78.4%
Bonded Indebtedness	3,071,844	3,071,844	100.0%	100.0%
Board of Education	27,473,341	21,705,605	79.0%	77.6%
<b>TOTALS:</b>	<b>48,377,698</b>	<b>38,781,061</b>	<b>80.2%</b>	<b>79.4%</b>

### Budget Fiscal Year 2023

The general government budget for Fiscal Year ("FY") 2023 presently stands at \$17,832,513, along with the Town's Debt Service budget of \$3,071,844, total General Government Expense equate to \$20,904,357. The Board of Education budget of \$27,473,341 brings the Town-wide budget to \$48,377,698. The budget was approved at the May 10, 2022 referendum.

### *Budget Appropriations –*

A ratification of \$247,461.27 in American Rescue Plan Act ("ARPA") funds and an appropriation in the amount of \$12,800 were approved on July 19, 2022 at the Board of Finance meeting and was further approved at the August 2, 2022 Town Meeting.

An appropriation in the amount of \$1,386,292 in American Rescue Plan Act ("ARPA") funds was approved on November 1, 2022, at the Board of Finance meeting and was further approval at the November 28, 2022 Town Meeting.

Three appropriations in the amount of \$500,000, \$500,000 and \$769,500 were approved for three reimbursable grants for STEAP Funds, legislative earmark for the main street connection grant, and the grant in aid for the sidewalk construction, respectively, at the November 1, 2022 Board of Finance meeting and was further approval at the November 28, 2022 Town Meeting

#### *Budget Transfers –*

The Board of Finance approved of a transfer of \$312,821 from the Debt Service Reserve to the newly created Pension Reserve Fund at its August 16, 2022, meeting and was approved at the September 28, 2022 Town meeting.

#### *Capital Non-Recurring Appropriations -*

At the October 2022 Board of Finance meeting, it was voted to approve a \$500,000 capital non-recurring funding for the community challenge match. The town was not selected as a recipient for this grant.

At the October 2022 Board of Finance meeting, it was voted to approve an appropriation for a town match in the amount of \$347,200 toward the \$500,000 Small Town Economic Assistant Program funded by \$317,000 from the Town's sidewalk fund 3019 and \$30,200 from the capital non-recurring fund. Further, to move the capital non-recurring portion of the match for further approval at town meeting.

At the October 18, 2022 Board of Finance meeting, it was voted to approve an appropriation for \$20 thousand to complete electrical work at the newly constructed Town Gazebo; and was further approval at the November 28, 2022 Town Meeting.

At the October 18, 2022 Board of Finance meeting, it was voted to approve an appropriation for \$4 thousand to stain the fence at Whisper Cove and was further approval at the November 28, 2022 Town Meeting.

At the October 18, 2022 Board of Finance meeting, it was voted to approve an appropriation for \$5,106.38 for digital sign upgrades and was further approval at the November 28, 2022 Town Meeting.

At the November 1, 2022 Board of Finance meeting, it was voted to approve an appropriation for \$125,000 for town-wide camera software upgrades and was further approval at the November 28, 2022 Town Meeting.

#### Fiscal Year 23 Budget Performance

Through April 2023, 83% of the general government budget equates to \$14,800,986. Actual expenditures of \$14,003,612 are \$797 thousand below 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 April 30, 2023, the Town's cash balance was as follows:

Fund	Total	Monthly Activity
General Fund	11,285,429	-2,608,657
Capital Funds	3,045,656	-21,021
Reserve Funds	4,122,456	-68,369
Non-major Funds	4,033,824	-396,210
Total	22,487,365	-3,094,257

The Town's total cash decreased by \$3.1 million of which \$2.6 million was due to activities in the General Fund. The GF received \$.2 million in revenues which were offset by \$2.9 million in expenditure.

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

1. Capital Outlays FY23

The Municipal Reserve Fund, which includes capital non-recurring, fire apparatus, public work/transfer station, and Board of Education sinking funds, totals \$2,563,470 as of April 30, 2023.

Municipal Reserve Fund	FY 2023 Transfers	Balance
Capital Non- Recurring Budget 3350	\$135,729	1,171,622
Fire Apparatus -3351	170,000	71,083
Public Works – 3353	75,000	320,765
Board of Education – 3354	0	1,000,000
Catastrophic Illness – 7219	70,000	186,589
Post-employment Payout – 7220	40,000	104,741
Revaluation – 7222	50,000	168,902
Contingency – 7224	30,000	60,234
Roof Repair – 3020	25,000	30,405
DPW Sand Shed – 3059	6,050	6,050
DPW Dumpster for Metal	12,400	0
DPW Asphalt Roller	18,000	5,500
P&R Flagpole – 3060	3,299	0
P&R Water Fountain	3,364	0
P&R Mulch Trask Playground	3,630	0
P&R Netting	7,528	0
Gazebo Town Hall Green – 3000	60,000	0
Paving Budget	25,000	0
Total	735,000	3,125,891

Capital Expenditures FY 2023 budgeted amount as noted below.

Department	Amount Budgeted/Transferred	Amount Used
Fire Department (4203)	60,000	\$59,623
Police Department (4201)	99,804	89,804
IT – Town (4143)	13,500	8,717
Highway & Streets (4303)	475,000	392,826
Library Heat Pumps (4501)	16,660	16,660
Total	664,964	567,630

## 2. Pension Plan

Description	Town Pension Plan	Fire Department Pension Plan
Actuarial Defined Contribution (ADC) FY22:	\$789,000	\$175,829
Paid to date by the Town & BoE	\$838,000	\$180,000
ADC budget amount	\$664k (town) \$174k (BoE) = \$838k	\$180,000
Pension Reserve Amount:	\$312,000	

### Debt Service

Outstanding June 30, 2022:	\$22,940,000
Debt Service budget FY23:	\$3,071,844

Mr. Carver thanked Ms. Palladino.

## **IX. SELECTMAN REPORT**

Selectman Fortuna reported on the following:

- Working on Celebrate Old Saybrook; June 25, 2023;
- Town Surplus
- Fire Fighter Cancer Presumption Bill
- Voting early; will need poll workers
- Whole Foods back to the table
- Project: Camoin Group; Market Trends for Mariners Way;

Chairman Carver thanked Selectman Fortuna.

## **X. LIAISON REPORTS** None

## **XI. COMMENTS FROM THE BOARD** None

## **XII. PUBLIC COMMENT** – None

## **XIII. COMMENTS FROM THE CHAIR**

Mr. Carver thanked the board members, staff and Clerk for all of their hard work and support during the budget process especially while he was away. Selectman Fortuna seconded that and thanked everyone as well.

## **XIV. ADJOURNMENT**

A motion by Mr. Thorpe, seconded by Mr. O'Brien at 7:23 p.m. was so VOTED unanimously.

Submitted:

Gerri Lewis, Clerk