
BOF Minutes 04/04/2017

302 Main Street Old Saybrook, Connecticut 06475-1741	
BOARD OF FINANCE MINUTES REGULAR MEETING APRIL 4, 2017 at 6:30 P.M. FIRST FLOOR CONFERENCE ROOM TOWN HALL	

BOF Attendant Members

David LaMay, Chairman
Brad Thorpe, Vice Chairman
Tom Stevenson
Breck Lindley
Barry O'Neill
John O'Brien
Carol Rzasa

Absent Members

In Attendance

Carl Fortuna, First Selectman
Bob Fish, Treasurer
Lee Ann Palladino, Finance Director
Michael Spera, Chief of Police
Jan Perruccio, Superintendent of Schools
Julie Pendleton, Director of Finance & Operations
Larry Bonin, Director Public Works
Representative Devin Carney
Gerri Lewis, Clerk

Call to order

Mr. LaMay called the meeting to order at 6:30 P.M.

Minutes:

A motion to approve the minutes of March 7, 2017 was made by Ms. Rzasa seconded by Mr. O'Brien and was so VOTED unanimously.

A motion to approve the minutes of March 21, 2017 was made by Mr. O'Neill seconded by Ms. Lindley and was so VOTED unanimously.

Board of Education:

The board had several questions;

- Excess Costs Grant which Ms. Pendleton explained;
- Money for litigation of the Turf Field; Ms. Pendleton discussed the accounts used to pay for the legal expense;
- Ms. Perruccio noted that she was looking for a way to put money aside for capital projects and stay away from bonding.
- Discussion ensued about fuel costs; \$20k in budget for marketing was questioned as to the benefit of that. Ms. Perruccio noted that it was to keep our kids in Old Saybrook because the magnet schools are taking our kids away with great marketing ideas.

Mr. LaMay thanked Ms. Perruccio and Ms. Pendleton.

Representative Devin Carney:

Representative Carney passed out information for the board and gave a legislative update.

Department of Police Services:

The board discussed the following:

- Tasers; budget \$11,904;
- Asset Forfeiture Account could fund Tasers for 3 years;
- Taser training is \$10K;
- Request to BOF for their consent to have Selectman sign a 5 yr. financing agreement for the Tasers; financing would be through the Taser company;
- Discussion took place about possibly reducing the Police Equipment budget by \$11,904 and using the Law Enforcement Fund to pay for the Tasers

A motion to allow First Selectman Fortuna to enter into a financing agreement for the purchase of the Tasers was made by Mr. O'Neill, seconded by Mr. Thorpe and it was so voted unanimously.

- Discussion of police Vehicles; financed not leased;
- \$94K in budget;
- Takes 6 months to flip the vehicles;
- Discussion regarding the vehicle financing agreement and the ability of the First Selectman to enter into a contract.

A motion to reduce the vehicle budget to \$89K was made by Mr. Thorpe, seconded by Ms. Rzasa. Discussion: Mr. O'Brien felt that did not make sense and suggested leaving it at \$94K. Motion passed 6-1-0.

After further discussion about the Marine Patrol budget, the following motion was made:

A motion to cut the Marine Patrol budget by \$783.00 was made by Mr. O'Neill, seconded by Mr. Thorpe, and it was so VOTED unanimously.

- Questions about cell phones; for certified employees only;
- When will OSPD have an Open House;

Treasurer's Report:

Mr. Fish discussed the General Fund Operating Budget year ending March 31, 2017, noting that expenditures were normal and the General Fund Revenues noting property taxes and state and local revenues. He reported that we were in good shape for the balance of the fiscal year.

Mr. LaMay thanked Treasurer Fish.

Finance Report:

Ms. Palladino reported the following:

Budget performance through March 31, 2017

Budget Fiscal Year 2017

The general government budget for Fiscal Year ("FY") 2017 presently stands at \$ 15,654,049, up \$26,341 due to FY appropriations, from the FY17 budget of \$15,627,618 approved at the May 2016 budget referendum.

Budget Appropriations

To date in FY17, the following budgetary appropriations, totaling \$26,431 were made

- \$16,431 to recognize the budget impact of the dispatcher's collective bargaining agreement.
- \$10,000 to fund a marketing program for the Economic Development Commission

At the Town meeting held on March 6, 2017, it was voted to approve a sum not to exceed \$585 thousand (including principal and interest) to purchase street lights – along with a rebate from Eversource of not less than \$81 thousand. Said funds are to be taken from and paid out of, in whole or part, either the traffic and street light budget or the capital non-recurring account. The line items affected will be determined once the final funding decision, which includes the ability to borrow up to \$470 thousand, has been made.

Unassigned Surplus Fund Appropriations

During FY17 appropriations against the unassigned surplus fund total \$125,000:

- An appropriation of \$125,000 for the Saybrook Junction Infrastructure planning project was approved at March 6, 2017 town meeting. This is a reimbursable grant.

Municipal Reserve Fund Appropriations

During FY17 appropriations against the municipal reserve fund (“MRF”) total \$332,525:

- Account software system, approved at the Town meeting in August 2016 in the amount of \$170,000. Of that amount \$50,000 has been transferred so far this fiscal year.
- Building repairs, approved at the Town meeting in October 2016, in the amount of \$138,000.
- The Municipality permitting software system, approved at the Town meeting in January 2017, in the amount of \$24,525.

Budgeted Capital Outlays FY17

The balance of the MRF stands at \$949,844 as of March 31, 2017, please note that not all of the expenses associated with approved appropriations have been paid.

FY17 budgeted capital outlays totaled \$685,000, of which \$615,000 has been transferred to various reserve accounts. The difference, \$70,000, was not transferred as the projects were earmarked. To date, about \$61 thousand of this amount has been spent. The balance of the various reserve funds is noted below.

Municipal Reserve Fund – 200	FY 2017 Transfers	Balance 2/28/2017
Capital Non- Recurring Budget	\$230,000	\$534,844
Fire Apparatus	155,000	315,000
Public Works	60,000	100,000
Catastrophic Illness - 830	70,000	146,286
Retirement Payout – 840	40,000	20,910
Revaluation - 290	50,000	79,776
Economic Dev market plan - 322	10,000	
Total	\$615,000	\$1,196,816

Capital Expenditures FY 2017 has used 80% of the budgeted amount as noted below.

Department	Amount Budgeted	Amount Used
Fire Department	\$35,000	\$0
Police Department	\$94,000	\$93,810
IT – Town	\$25,000	\$1,064
Public Works	\$315,000	\$278,879
Total	\$469,000	\$373,753

Authorized Transfers – none

Fiscal Year 17 Budget Performance

Through March 31, 2017, nine months or 75% of the budget equates to \$11,733,037. Actual expenditures, which are running at 73.8%, are tracking slightly behind budget expectations. Actual expenditures through March 31, 2017 for general government equate to \$11,540,226 behind the nine month, straight lined budget figures by \$192,811. The budget lines that have expenditures in excess of 80% are attached. All budget overages are explained by timing differences or seasonal activities.

Fiscal Year 2016 vs. Fiscal Year 2015

The general government budget for FY16 was \$15,258,527, or \$385,522 less than FY17. When comparing the first nine months of FY 16 to FY17, the current fiscal year's budget is performing slightly better at 73.7%, versus 75.2% compared to this time last year.

At this time, Mr. Stevenson wanted to go into Executive Session. Mr. Fortuna noted that he would first have to add it to the agenda and secondly give a valid reason to go into Executive Session. After a short discussion, Mr. Stevenson did not go forward with the motion.

During the discussion, Ms. Rzasz noted that job descriptions haven't been updated for the town. There have been no reviews for merit raises and the like. She suggested a sub-committee of the Board of Finance, perhaps a “Compensation Committee.” Mr. Fortuna suggested a compensation committee for elected officials to start. The board was in favor of this suggestion.

Discussion and Possible Action on Moving the Town Government & Board of Education budgets to Town Meeting:

A motion by Mr. Thorpe to reduce the Land Use budget by \$2,500.00, seconded by Mr. O'Neill was so VOTED unanimously.

A motion by Mr. Stevenson, to cut the Parks & Recreation budget Splash Pad line item by \$5K was seconded by Ms. Rzasa. Motion did not pass 2-5-0.

A motion to remove \$11,904.00 from the Police Department budget was made by Mr. LaMay, seconded by Mr. Thorpe and was so VOTED unanimously.

At this time, there were questions about the WPCA motor vehicle. First Selectman Fortuna noted it was part of the budget deliberations so that the Board of Finance was aware of the requested capital purchase. The funds will be taken from the Sewer Avoidance Fund to purchase the vehicle. It was noted that this was not part of the mill rate.

A motion made by Ms. Lindley to move the Town Government budget of \$19,609,661, with reductions in the amount of \$20,187.00 to Town Meeting, seconded by Mr. Thorpe, was so VOTED unanimously.

A motion made by Mr. Thorpe to approve the Board of Education budget of \$25,767,661 and move it Town Meeting was seconded by Mr. LaMay and was so VOTED unanimously.

Mr. LaMay read a letter from the Harbor Management Commission saying that they would be going over budget \$2,000. Ms. Palladino reported that the overrun was associated with the clerk's hours. She noted that it was not a significant budget deviation and that Harbor Management was diligent in making the Board of Finance aware of the budget overage.

Selectman's Report:

Mr. Fortuna told the board that at their next meeting he was going to ask for an appropriation of \$25 thousand or less to paint the Youth & Family Services building and an additional \$10 thousand for repairs.

With regard to the Municipality software, Mr. Fortuna noted that his secretary will be going for training on May 9th. As a result, the town will be able to make purchases at a reduced rate.

He also noted the energy savings at The Kate. Also, the EDC will be interviewing marketers at their regular meeting on April 13th if anyone wishes to attend that meeting.

Mr. Fortuna noted that the old phones in the town hall were sold.

Mr. LaMay thanked Selectman Fortuna.

Public Comment:

There was no Public Comment.

Mr. LaMay thanked everyone for coming. He noted that our next meeting would begin at 7:00 p.m.

A motion to adjourn was made at 9:00 p.m. and was so VOTED unanimously.

This meeting in its entirety was video taped and can be viewed on Town Website YouTube.

Submitted, Gerri Lewis, Clerk