
BOF Minutes 06/20/2017

302 Main Street Old Saybrook, Connecticut 06475- 1741	
BOARD OF FINANCE MINUTES REGULAR MEETING JUNE 20, 2017 at 7:00 P.M. FIRST FLOOR CONFERENCE ROOM TOWN HALL	

BOF Attendant Members

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

Absent Members

In Attendance

Carl Fortuna, First Selectman
Jan Perruccio, Superintendent of Schools
Julie Pendleton, Director of Finance and Operations
Michael Spera, Chief of Police
Gerri Lewis, Clerk

Call to order:

Vice Chairman Thorpe called the meeting to order at 7:00 P.M.

Minutes:

A motion to approve the minutes of May 16, 2017 was made by Mr. O'Neill seconded by Ms. Rzasa and motion passed 6-0-1.

Board of Education Report:

Ms. Perruccio and Ms. Pendleton reported on the following:

- The board of education chairman sent a letter to the first selectman and Chairman of the Finance board stating the Board of Education will have surplus funds requesting to use them for shortfalls of income, additional special education expenses or to be placed in a capital sinking fund for designated projects.
- Year end operating budget will have a small surplus to return to the town.
- Year end project are underway including paving, sidewalks, cabinet and millwork replacement, culinary room at the middle school, generator at the high school, asbestos removal and tile replacement and summer maintenance in all there buildings.~

Vice Chairman Thorpe thanked Ms. Perruccio and Ms. Pendleton.

Treasurer Report:

Treasurer Fish noted that expenditures were running about 5% less and revenue was running about 1% behind. He noted the general fund revenues for fiscal year 2016/2017, ending May 31, 2017. He discussed briefly the property taxes; state revenue; local revenue; and special education. He answered questions from the board.

Vice Chairman Thorpe thanked Treasurer Fish.

Finance Director Report:

Budget performance through May 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.

On June 12, 2017, the Town purchased the Street Lights from Eversource in the amount of \$214,760.70. The funds were taken from the capital non-recurring, which *temporarily* reduced the balance in that account to \$295,851.82. The \$214,760.75 will be transferred back into the capital non-recurring account by the end of the fiscal year with funds from the Key Bank loan. The debt service on this loan will total \$56,619 and will be taken from the street light budget beginning next fiscal year.

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 \$75,000 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 \$448,096 as of May 31, 2017, please note that not all of the expenses associated with approved appropriations have been paid, and that funds were temporarily used to fund the street light purchase.

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 \$66 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 5/31/2017
Capital Non- Recurring Budget	\$230,000	\$33,096
Fire Apparatus	155,000	315,000
Public Works	60,000	100,000
Catastrophic Illness - 830	70,000	135,383
Retirement Payout – 840	40,000	16,956
Revaluation - 290	50,000	73,809
Economic Dev market plan - 322	10,000	
Total	\$615,000	\$674,244

Capital Expenditures FY 2017 has used 89% of the budgeted amount as noted below.

Department	Amount Budgeted	Amount Used
Fire Department	\$35,000	\$35,000
Police Department	\$94,000	\$93,810
IT – Town	\$25,000	\$9,866
Public Works	\$315,000	\$278,879
Total	\$469,000	\$417,555

Authorized Transfers – none

Fiscal Year 17 Budget Performance

Through May 31, 2017, eleven months or 91.7% of the budget equates to \$14,349,545. Actual expenditures, which are running at 85.2%, are tracking slightly behind budget expectations. Actual expenditures through May 31, 2017 for general government equate to \$13,340,456 behind the eleven month, straight lined budget figures by \$1,009,091. The budget lines that have expenditures in excess of 96.7% 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 ten months of FY 16 to FY17, the current fiscal year's budget is performing slightly better at 85.2, versus 88.6% compared to this time last year.

Vice Chairman Thorpe thanked Ms. Palladino.

Discussion and possible action on recommending to Town Meeting matching funds for the Town Center Pedestrian Node Project. A 5% match is \$69,415.55 of the \$1,388,311.13 total and the First Selectman recommends this amount to come from the capital non-recurring account.

Selectman Fortuna explained this project as construction of these streetscape enhancements within the node of pedestrian activity around Saybrook Junction train station, and the town center smoothes the growing exchange in modes of transportation such as train, bus, automobile, bicycle and, especially, pedestrians.

A motion by Mr. LaMay to recommend to Town Meeting matching funds for the Town Center Pedestrian Node Project; a 5% match is \$69,415.55 of the \$1,388,311.13 total recommended by the Board of Selectman, seconded by Mr. O'Brien. Discussion: Selectman Fortuna recommended that this amount to come from the capital non-recurring account. Motion passed 7-0-0.

Selectman Fortuna noted that he signed the notice of award today for the North Main Street Project. He also noted the grant of \$125,000 for construction of the streetscape.

Department of Police Services:

Chief Spera handed out a folder to the Board of Finance to include the following:

- Legal Notice to bid from the Town of OS Department of Police Services;
- News & Announcements on Town of OS website;
- Department of Police Services Invitation to bid;
- Bids from various motor companies;
- A summary of solicitation dates and summary of the same;
- Department of Police Services DRAFT Trade In List;
- DRAFT of the Fleet Replacement Program as of July 1, 2017, noting the total cost of \$361,051.87.

Chief Spera discussed the above and answered several questions from the board. He noted that Saybrook Ford won the bid. He also noted that the Police Commission gave their approval as well. Selectman Fortuna noted that nothing had been signed as of this date.

Vice Chairman Thorpe thanked Chief Spera.

Selectman Report:

Selectman Fortuna touched on the following:

- Fire Marshall Dobson resigned;
- Leak in boiler room at town hall;

- Building Official Don Lucas retiring;
- Bokum Road house closing next week;
- Y&FS building has 2 bids in lieu of painting:
 - take down lead tainted clapboard;
 - reconstructing side of building;
 - bids open Friday: 6/23/2015.

Vice Chairman Thorpe thanked Selectman Fortuna.

Vice Chairman Thorpe noted that the July 4th meeting will be cancelled due to the holiday.

Public comment: None

Comments from the Chair: Chairman LaMay thanked Vice Chairman for running the meeting.

Adjournment: A motion to adjourn made by Ms. Rzasa at 8:22 p.m. was seconded by Ms. Lindley and so VOTED unanimously.

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

Submitted,
Gerri Lewis, Clerk