
BOF Minutes 12/05/2017 - Amended

302 Main Street Old Saybrook, Connecticut 06475-1741 BOARD OF FINANCE MINUTES AMENDED REGULAR MEETING DECEMBER 5, 2017 at 7:00 P.M. FIRST FLOOR CONFERENCE ROOM TOWN HALL	

BOF Attendant Members

David LaMay, Chairman
Carol Rzasa, V. Chairman
Tom Stevenson
John O'Brien
Barry O'Neill
Paul Carver
Donna Nucci

Absent Members

In Attendance

Carl Fortuna, First Selectman
Bob Fish, Treasurer
Lee Ann Palladino, Finance Director
Dan Moran, Facilities Director

Gerri Lewis, Clerk

Call to order:

Chairman LaMay called the meeting to order at 7:06 P.M.

Pledge of Allegiance:

Chairman LaMay led the pledge.

Roll Call:

All members present.

Minutes:

A motion by Ms. Rzasa to approve the November 21, 2017 minutes was seconded by Mr. O'Neill and was so voted and carried with 1 abstention.

Treasurer Report:

Treasurer Fish gave his report, going over the general fund operating budgets. He noted that the expenditures were similar to last year at this time. He explained the projections of revenues as well. He noted that if the new members on the board had any questions, he was available to meet with them.

Chairman LaMay thanked Treasurer Fish.

Finance Director Report:

Ms. Palladino explained in detail the budget expenditures year to date for the board. Her report is as follows:

Budget performance through November 30, 2017

Budget Fiscal Year 2018

The general government budget for Fiscal Year ("FY") 2018 presently stands at \$16,257,736, up \$7,330 from the \$ 16,250,406, which was approved at the May 2017 budget referendum.

Budget Appropriations

The following budget appropriation was made:

- At the September 5, 2017 meeting, \$7,330 was appropriated to the contingency fund for collective bargaining salary adjustments. This amount was for the difference between the projected salary increase of 2.00% and the actual amount of 2.35%.

Unassigned Surplus Fund Appropriations - During FY18 no appropriations against the unassigned surplus fund have been made.

Municipal Reserve Fund Appropriations

During FY18 appropriations against the municipal reserve fund ("MRF") total \$123,000:

- Youth and Family exterior lead abatement and reconstruction, approved at the Town meeting in July 2017, in the amount of \$123,000.

Budgeted Capital Outlays FY18

The balance of the MRF, which includes Fire Department apparatus, Public Works equipment and Capital non-recurring balances stood at \$1,093,650 as of November 30, 2017, please note that not all of the expenses associated with approved appropriations have been paid.

Municipal Reserve Fund	FY 2018 Transfers	Balance 11/30/2017
Capital Non- Recurring Budget 3350	\$154,800	\$454,502
Fire Apparatus -3351	159,200	464,148
Public Works - 3353	75,000	175,000
Catastrophic Illness – 7219	70,000	181,598
Post-employment Payout – 7220	40,000	(27,957)
Revaluation – 7222	50,000	112,575
Named Projects – 3014	145,200	115,572
Contingency – 7224	30,000	14,562
Contingency Collective Bargaining	52,000	0
Total	\$776,200	\$1,490,000

Capital Expenditures FY 2018 budgeted amount as noted below.

FY18 budgeted capital expenditures totaled \$559,804 with the transfer of \$67,571 to public works, capital expenditure has been increased to \$627,375. Beginning with this fiscal year, these funds have been placed directly in the budgets of the recipient department. To date 74% of these funds have been utilized

Department	Amount Budgeted/Transferred	Amount Used/Encumbered
Fire Department (4203)	\$60,000	\$0
Police Department (4201)	\$99,804	\$89,804
IT – Town (4143)	\$25,000	\$6,355
Highway & Streets (4303)	\$442,571	\$366,127
Total	\$627,375	\$462,286

Authorized Transfers –

- A transfer in the amount of \$67,571 was placed in the highway and street budget. The funds were received from Southern Connecticut Gas.
- At the September 5, 2017 meeting, it was approved to transfer \$52,000 plus the newly appropriated \$7,330 from the salary contingency fund to the various departments on a pro-rata basis.
- At a Town meeting held November 27, 2017, it was approved to transfer \$1 million to the Town pension plan and approximately \$234 thousand to the post-employment payout fund from the Retiree Health Care Fund.

Fiscal Year 18 Budget Performance

Through November 30, 2017, five months or 41.6% of the budget equates to \$6,774,057. Actual expenditures of \$6,994,233, which are running at 43% of the yearly budget, are tracking slightly ahead of expectations by \$220,176. This is due to the fact that capital transfers, quarterly payment, and other one-time annual payments were made at the start of the fiscal year. In addition, pension contributions of \$405 thousand were made fiscal year to date. The balance of \$237 thousand will be made over the course of the year. The budget lines that are running ahead of budget are attached, there are no unusual or unexpected expenses at this time.

Fiscal Year 2018 vs. Fiscal Year 2017

The general government budget for FY17 was \$15,654,049, or \$596,357 less than FY18. For the first five months of the year, the FY18 budget is performing slightly better than last year at 43% expended vs 44.5% expended at the same time last year.

Selectman Report:

Selectman Fortuna touched on the following:

- Conference call with Moody's;
- Thanked those on the board who came to town meeting to honor Madge and Bob Fish

Chairman LaMay thanked Selectman Fortuna.

DISCUSSION AND POSSIBLE ACTION ON FUNDING AN AGREEMENT FOR THE PROVISION OF LIMITED PROFESSIONAL SERVICES IN THE AMOUNT OF \$7,000 REGARDING THE KATHERINE HEPURN CULTURAL ARTS CENTER:

After a short discussion, the following motion was made:

A motion by Ms. Rzasa to make an appropriation in the amount of \$7,000 by increasing the KHCAC budget for the purpose of performing a study on the structural integrity of the building columns was seconded by Ms. Nucci and was so VOTED unanimously.

Chairman LaMay noted that agenda item number ten (X), would not go forward on the agenda.

Chairman LaMay asked for a motion to go into Executive Session at this time.

A motion to go into Executive Session at 7:42 p.m. was made by Chairman LaMay, seconded by Ms. Rzasa and was so voted unanimously.

A motion to come out of Executive Session at 8:20 was made by Ms. Rzasa, seconded by Mr. Stevenson and was so voted unanimously.

Public comment: None

Comments from the Chair: Chairman LaMay thanked everyone for coming.

Adjournment:

A motion to adjourn made by Mr. Stevenson at 8:40 p.m., seconded by Mr. O'Brien was so VOTED unanimously.

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

Submitted,
Gerri Lewis, Clerk