
BOF Minutes 12/19/2017

302 Main Street Old Saybrook, Connecticut 06475- 1741 BOARD OF FINANCE MINUTES 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

Absent Members

Donna Nucci

In Attendance

Carl Fortuna, First Selectman
Bob Fish, Treasurer
Lee Ann Palladino, Finance Director
Jan Perruccio, Superintendent of Schools
Julie Pendleton, Director of Finance & Operations
Heather McNeil, Director Youth & Family Services
Gerri Lewis, Clerk

Call to order:

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

Pledge of Allegiance:

Chairman LaMay led the pledge.

Minutes:

A motion by Mr. Carver to approve the December 5, 2017 minutes was seconded by Mr. O'Neill and was so voted unanimously.

Board of Education Report

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

- 2017/2018 budget is projected to be expended as planned.
- Revenue for 17/18 is still unknown; taking a conservative approach should some or all of the revenue be reduced or cut;
- Hiring Freeze has been put in place;
- Capital and Technology funds have been frozen until revenue is certain;
- Feel comfortable with financial plan to date;

Revenue returned to the town last year should shortfalls in Excess Cost Grant occur

2018/2019 Budget

- Right sizing certified and non-certified staff due to enrollment decline;
- BoE Budget will get the budget the end of this week;

- Superintendents budget will be available on the website once Board has received the budget

REVENUE PROJECTIONS

- Revenue is still uncertain;
- BoE has planned for most conservative projections;
- ECS is most likely all going to be reduced in 18/19;
- Excess Cost is still funded but at what level is uncertain;

Chairman LaMay thanked Ms. Pendleton and Ms. Perruccio.

Youth & Family Services Report

Ms. McNeil addressed the Board. She handed out a Program Budget Calendar from 10/2017 through 5/2018, and a spreadsheet of the **Annualized Off Budget Payroll FY2019 Plus Employer Tax Match and Pension Match July 1st 2018 If Percentages/Grants Remain the Same.**

Ms. McNeil proposed that the municipality front the percentages currently funded by grants and client fees in addition to the town budget portion of personnel costs for four (4) employees, all of whom are currently partially funded by grants and client fees. One of these employees is a full time position. Ms. McNeil discussed her proposal for the board and a discussion and questions ensued. Ms. Palladino noted that this proposal could work smoothly in the upcoming budget process.

Chairman LaMay thanked Ms. McNeil.

Finance Director Report:

Ms. Palladino updated the Board of Finance on the recent refunding that saved the Town just over \$200 thousand in debt service payments over the life of the bond. She then discussed the Town's meeting with Moody's that led to a reaffirmation of the Town's Aa2 credit rating, which was occurred during December 2017.

In comparison, she noted that Moody's had recently placed 26 Connecticut Towns under review for downgrade and assigned a negative outlook to 25 additional towns due to cuts the State is making in municipal aid. Old Saybrook was not affected by Moody's rating cuts and was further cited as not having a material reliance on State funding.

Ms. Palladino noted that the Town's strong credit rating is due its increasing tax base, strong management, solid finances, and prudent amounts of long term liabilities. She discussed the upward trend in the fund balance and the downward trend in debt service. Debt service will decline by 66% over the next 10 years.

Finally she discussed the impact of these long term liabilities on the budget for FY19 and noted the budget would contain funding for the Town's long term obligations, including debt service, pension obligations and the Town's conservative practice of annual contributions to reserves.

Chairman LaMay thanked Ms. Palladino.

Selectman Report:

Selectman Fortuna touched on the following:

- Possible look ahead 2 years for budget going forward;
- Consolidated hours for 2 town hall admins. 1 at 20 hours; 1 at 30 hrs.
- Payroll now done in-house;
- 3 less people on health insurance;
- Budget Timeline;
- Temporary Fire Marshall now Permanent;

Chairman LaMay thanked Selectman Fortuna.

Public comment: None

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

Mr. O'Neill had questions / comments about WPCA van which was replaced but still in service.

Adjournment: A motion to adjourn made by Mr. Stevenson at 8:12 p.m., seconded by Ms. Rzasa was so VOTED unanimously.

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

Submitted,
Gerri Lewis, Clerk