



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE
REGULAR MEETING MINUTES
APRIL 3, 2018 6:00 P.M.
FIRST FLOOR CONFERENCE ROOM

BOF Attendant Members

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

Absent Members

In Attendance

Carl Fortuna, First Selectman
Carol Conklin, Selectwoman
Bob Fish, Treasurer
Lee Ann Palladino, Finance Director
Jan Perruccio, Superintendent of Schools
Julie Pendleton, Director of Finance and Facilities
Michael Spera, Chief of Police
Heather McNeil, Director Y&FS
Gerri Lewis, Clerk

Call to order:

Chairman LaMay called the meeting to order at 6:00 P.M.

Pledge of Allegiance:

Chairman LaMay led the pledge.

Minutes:

A motion to approve the Public Hearing minutes of March 20th was made by Ms. Rzasa, seconded by Mr. O'Neill and was so voted with Ms. Nucci abstaining.

A motion to add the March 6 minutes to the agenda was made by Ms. Rzasa, seconded by Mr. O’Nell and was so voted unanimously.

A motion to approve the March 6, 2018 minutes was by Mr. O’Nell, seconded by Ms. Rzasa and was so voted unanimously.

Tax Collector Report:

Mr. Maynard presented the board with figures and facts on the Grand List 2016; Fiscal Year 2017/2018. Mr. Maynard discussed the current collection of 17/18; the 2016 Total Tax Levy and credit card payments. He noted the back tax and what was collected. Mr. Maynard answered questions from the board. Mr. Maynard’s numbers/graph can be seen upon request in the Tax Office.

Chairman LaMay thanked Mr. Maynard for his report.

Board of Education Budget Discussion:

Ms. Perruccio and Ms. Pendleton discussed their 5 year Capital Improvement Plan. They noted the items in the Central Office; Goodwin Elementary School; Middle School; and the High School.

They discussed their expenditures to date against the list of items and the cost.

Ms. Pendleton noted that the removal and replacement of the oil tank at the Middle School would be approximately \$150,000 dollars. She noted that this was an estimate and based it upon past work. Ms. Rzasa asked if she had a written estimate to which she replied no. Ms. Pendleton noted that she will get estimates for the removal/replacement of the oil tank. Ms. Rzasa also inquired about the \$20,000 dollars that was budgeted from last year for a marketing plan. It was noted that \$3,600 dollars was already spent and \$5,000 dollars is budgeted for 2018-19 year.

Ms. Nucci went on record to say that she wished she could give BOE more money.

Chairman LaMay thanked Ms. Perruccio and Ms. Pendleton.

Treasurer Report:

Treasurer Fish discussed his monthly report, going over the revenues. He briefly went over the general fund revenues. He noted that the year’s receipts continue to do well.

Chairman LaMay thanked Treasurer Fish.

Finance Director Report:

Budget performance through March 2018

Budget Fiscal Year 2018

The general government budget for Fiscal Year (“FY”) 2018 presently stands at \$16,264,736, up \$14,330 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%.
- At the December 5, 2017 meeting, \$7,000 was appropriated to the Katherine Hepburn Cultural Arts Center budget for the purpose of performing a column integrity study.

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 \$1,085,838 as of March 31, 2018, please note that not all of the expenses associated with approved appropriations have been paid.

Municipal Reserve Fund	FY 2018 Transfers	Balance 3/31/2018
Capital Non- Recurring Budget 3350	\$154,800	\$456,017
Fire Apparatus -3351	159,200	454,821
Public Works - 3353	75,000	175,000
Catastrophic Illness – 7219	70,000	129,100
Post-employment Payout – 7220	40,000	219,893
Revaluation – 7222	50,000	103,012
Named Projects – 3014	145,200	94,205
Contingency – 7224	30,000	10,513
Contingency Collective Bargaining	52,000	0
Total	\$776,200	\$1,642,561

Capital Expenditures FY 2018 budgeted amount as noted below.

FY18 budgeted capital expenditures totaled \$549,804 with the transfer of \$67,571 to public works, capital expenditure has been increased to \$617,375. Beginning with this fiscal year, these funds have been placed directly in the budgets of the recipient department. To date 77% of these funds have been utilized

Department	Amount Budgeted/Transferred	Amount Used/Encumbered
Fire Department (4203)	\$60,000	\$0
Police Department (4201)	\$89,804	\$89,804
IT – Town (4143)	\$25,000	\$12,129
Highway & Streets (4303)	\$442,571	\$372,649
Total	\$617,375	\$474,582

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 \$231 thousand to the post-employment payout fund from the Retiree Health Care Fund.

Fiscal Year 18 Budget Performance

Through March 31, 2018, nine months or 75% of the budget equates to \$12,198,553. Actual expenditures of \$11,316,182, which are running at 69.6%, are below expectations by \$882,371. Capital transfers, quarterly payment, and other one-time annual payments were made near the start of the fiscal year. In addition, pension contributions of \$403 thousand were made fiscal year to date. The pension contribution remaining budget of \$239 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 nine months of the year, the FY18 budget is performing slightly better than last year at 69.6% expended vs 73.7% expended at the same time last year.

Ms. Palladino noted that in the interest of time, she told the board that there are no major changes.

Chairman LaMay thanked Ms. Palladino.

Selectman Report:

Selectman Fortuna touched on the following:

- Board of Education converting to town government accounting system;
- Town going to bi-weekly payroll;
- Attended CCM conference;

Selectman Fortuna, in the interest of time, noted that he had nothing else. He did talk briefly about the Elderly Tax Benefit.

Chairman LaMay thanked Selectman Fortuna.

BOF Recommendation To Maintain The \$90,000 Elderly Tax Benefit:

After a very brief note from Selectman Fortuna, a motion by Mr. Carver was made to maintain the \$90,000 Elderly Tax Benefit, seconded by Mr. O'Brien was so voted unanimously. 7-0-0.

FY 2018-19 Budget Board of Finance

A motion by Ms. Rzasa, to remove \$50,000 dollars from the Board of Education budget was seconded by Mr. Stevenson. Discussion: Ms. Rzasa noted that the oil tank removal/replacement at the Middle School estimate was high and there was no formal estimate to compare. Ms. Nucci objected and disagreed. Approved: Ms. Rzasa; Mr. Stevenson; Mr. Carver. Opposed: Mr. LaMay; Mr. O'Brien; Mr. O'Neill; Ms. Nucci. Motion did not pass. 3-4-0

A motion to reduce the Board of Education budget by \$125,821 dollars and move that the Board of Education budget in the amount of \$25,809,822 be moved to Town meeting was made by Chairman LaMay, seconded by Mr. Carver. Motion was so voted unanimously. 7-0-0.

A motion to reduce the WPCA budget by \$4,200 dollars was made by Mr. O'Neill, seconded by Mr. O'Brien and was so voted unanimously. 7-0-0.

At this time, Selectman Fortuna requested \$20,000 dollars be added to the water company budget.

A motion made by Ms. Rzasa, seconded by Mr. Stevenson to add \$20,000 to the water company budget was so voted unanimously. 7-0-0.

Acton Library: A motion to add \$12,432 to the Acton Library budget, seconded by Mr. O’Nell to compensate for an error in their budget was so voted unanimously. 7-0-0.

Park & Rec: Mr. Stevenson recommended moving \$61,000 out of the named capital projects for a Park and Rec compost toilet and proposed moving \$10,000 out of the Park and Rec irrigation for the Maple Ave ball field named project. Thereby reducing the named project budget in total by \$71,000 to \$72,610 and simultaneously increasing the Capital non-recurring budget was increased by \$71,000 to \$227,390. The name projects plus the capital non-recurring budget continue to total \$300,000 which led to no overall change in the total capital budget.

A motion by Mr. Stevenson, seconded by Mr. O’Brien to move \$71,000 dollars out of the named project capital budget and into Capital Non-recurring was so voted unanimously. 7-0-0.

Department of Police Services budget:

A motion to reduce the Police budget by \$7,000 dollars was made by Mr. Stevenson, seconded by Ms. Rzasa. Motion to approve: Mr. Stevenson; Ms. Rzasa; Ms. Nucci; Opposed: Mr. O’Nell; Mr. O’Brien; Mr. LaMay; Mr. Carver. Motion did not pass. 3-4-0

Youth & Family Services budget:

A motion to increase the Y&FS budget by \$12,200 dollars was made by Mr. O’Nell, seconded by Mr. O’Brien. Motion to approve: Mr. O’Nell; Mr. O’Brien; Mr. LaMay; Ms. Nucci; Opposed: Ms. Rzasa; Mr. Carver; Mr. Stevenson. Motion passed.

A motion was made to move the General Government budget in the amount of \$16,339,829 and the debt service budget in them amount of \$3,445,429 to Town meeting, which totals \$19,795,258.

The General Government budget of \$19,795,258 and the Board of Education budget of \$25,809,822 total \$45,605,080.

Mr. LaMay moved to recommend the FY 2018-2019 budget to the annual budget meeting which shall adjourn to referendum was seconded by Ms. Rzasa and was so voted unanimously. 7-0-0.

A motion to adjourn at 7:40 was passed unanimously. 7-0-0.

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

Submitted:
Gerri Lewis, Clerk