



TOWN OF OLD SAYBROOK  
Board of Finance

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302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE MEETING MINUTES

January 21, 2020

TOWN HALL FIRST FLOOR CONFERENCE ROOM

BOF Attendant Members

Carol Rzasa, V. Chairwoman  
Tom Stevenson  
Barry O'Neill  
Paul Carver  
Rick Swan  
Donna Nucci

Absent Members

David LaMay, Chairman

In Attendance

Carl Fortuna, First Selectman  
Lee Ann Palladino, Finance Director  
Bob Fish, Treasurer  
Gerri Lewis, Clerk

**1. Call to order:**

V. Chair Rsaza called the meeting to order at 7:00 P.M.

**2. Pledge of Allegiance:**

V. Chair Rsaza led the pledge.

**3. Roll Call:** Chairman LaMay absent

**4. Minutes:**

A motion to approve the minutes of December 17, 2019 was made by Mr. O'Neill, seconded by Mr. Swan and was so VOTED unanimously.

A motion to approve the minutes of January 6, 2020 was made by Mr. O’Neill, seconded by Mr. Swan and was so VOTED unanimously.

#### **5. Auditors Report:**

Present from Mahoney Sabol was CPA and Partner Michael VanDeventer and Samantha Thomas, CPA and Manager. Mr. VanDeventer gave their Independent Auditor’s Report on Internal Controls Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements performed in accordance with Government Auditing Standards. They presented an overview of the financial statements.

The presentation included details of Scope of Work; Auditor’s Reports; Financial Highlights; Required Communications. A Q&A session followed.

This information can be viewed in the Treasurer’s Office or in the Finance Director’s office at the town hall.

V. Chairman Rzasa thanked Mr. VanDeventer and Ms. Thomas.

#### **6. Treasurer Report**

Treasurer Fish gave his report which was handed out to the board. He noted that we were doing very well with revenues and expenditures. As he does at the meetings, he went through a few of the general fund revenues and he noted that there was nothing unusual to point out.

These reports can be seen in the Treasurer’s Office.

V. Chairman Rzasa thanked Treasurer Fish.

#### **7. Finance Director Report**

##### **Budget for Fiscal Year 2020**

##### **Budget Fiscal Year 2020**

The general government budget for Fiscal Year (“FY”) 2020 presently stands at \$16,761,338, along with the Town’s Debt Service budget of \$3,238,104, total General Government Expense equate to \$19,999,442. The Board of Education budget of \$26,520,747 brings the Town-wide budget to \$46,520,189. The budget was approved at the May 2019 budget referendum.

Budget Appropriations – None.

Unassigned Surplus Fund Appropriations - During FY20 no appropriations against the unassigned surplus fund have been made.

- An appropriation in the amount of \$5,000 for the purpose of reseeded the oyster beds in Oyster River was approved at the December 17, 2019 Board of Finance meeting. The Funds were transferred from the General Fund to the off budget Shellfish Fund

Municipal Reserve Fund Appropriations - During FY20 the following appropriations against the municipal reserve fund (“MRF”) have been made.

- An appropriation for \$111,870 from the capital non-recurring account (CNR) was approved by the Board of Finance (BoF) on September 17, 2019 and moved to Town meeting to be held on October 1, 2019. The funds will be moved to an off budget account “Kavanagh Park Tennis Court Repair”
- An appropriation for \$30,025 from the CNR was approved by the BoF on September 17, 2019 and moved to Town meeting to be held on October 1, 2019. The funds will be moved to an off budget account entitled “Town Hall Roof Repairs”.
- An appropriation of \$478,187 for the purchase of SCBA for the Fire Department was approved by the Board of Finance on November 19, 2019 with a caveat that not more than \$450 thousand would be financed.
- An appropriation in the amount of \$49,000 for the purpose of hiring a strategic planning consultant for the Park and Recreation committee was approved at the January 6, 2020 Special Board of Finance meeting and further moved to Town meeting. If approved the funds will be moved to an off budget account entitled “P&R Strategic Plan”.

#### Budgeted Capital Outlays FY20

The Municipal Reserve Fund, which includes capital non-recurring, fire apparatus, public work/transfer station, and Board of Education sinking funds, totals \$1,849,975 as of December 31, 2019.

Municipal Reserve Fund	FY 2020 Transfers	Balance 12/31/2019
Capital Non- Recurring Budget 3350	\$192,533	\$568,196
Fire Apparatus -3351	169,591	637,268
Public Works – 3353	75,000	144,511
Board of Education – 3354		500,000
Catastrophic Illness – 7219	70,000	164,515
Post-employment Payout – 7220	40,000	178,498
Revaluation – 7222	50,000	18,051

Municipal Reserve Fund	FY 2020 Transfers	Balance 12/31/2019
Contingency – 7224	30,000	54,540
Roof Repair - 3020	25,000	35,035
Old Post Road Culvert Replacement (3050)	49,100	\$1,010
Leap Year (490000)	24,667	\$24,667
Fire Panel (490000)	8,700	\$0
Total	734,591	\$2,326,291

Capital Expenditures FY 2020 budgeted amount as noted below. To date, 66.9% has been utilized.

Department	Amount Budgeted/Transferred	Amount Used
Fire Department (4203)	\$60,000	\$35,119
Police Department (4201)	\$99,804	\$89,804
IT – Town (4143)	\$25,000	\$3,991
Highway & Streets (4303)	\$375,000	\$303,051
Library Heat Pumps (4501)	\$15,000	\$13,476
Park & Recreation (450301)	\$10,000	\$7,836
Total	\$584,804	\$453,277

#### Authorized Transfers –

- A transfer in the amount of \$183,845 was approved by the BoF on November 19, 2019 to cover the increased debt service for FY20 as a result of the debt refunding of October 2019. Funds in the amount of \$115,955 will come from the WPCA debt service fund 3004 and funds in the amount of \$67,890 will come from the WPCA debt service fund 3005

#### Fiscal Year 20 Budget Performance

Through December 31, 2019, 6 months or 50% of the general government budget equates to \$8,380,669. Actual expenditures of \$8,554,413 are \$173 thousand above straight level budget expectations. Capital transfers, quarterly payment, and other one-time annual payments were made near the start of the fiscal year. The budget lines that are running ahead of budget are below, there are no unusual or unexpected expenses at this time.

December 31, 2019 - General Fund Budget Overview

SUB DEPART	----- TITLE -----	BUDGET	YEAR TO DATE EXP	YTD/ Budget	Comment
4215	Animal control	25,000	25,000	100.0%	Appropriated in Jul
4419	Youth services	406,728	406,728	100.0%	Appropriated in Jul
4900	Capital outlay	734,591	709,886	96.6%	Appropriated in Jul
4177	Political sub divisions	181,103	161,877	89.4%	Funds requested at
4505	Parks	70,280	59,282	84.4%	Seasonal
4133	Assessment appeals	11,553	8,504	73.6%	Appeals now under
4303	Highway and street	561,300	390,716	69.6%	Paving budget 75%
4511	The KHCAC	64,500	44,362	68.8%	Replace emergency
4157	Property insurance	388,000	257,455	66.4%	Quarterly payment
4311	Street lighting	154,000	97,111	63.1%	Debt payment mad
4203	Fire	598,896	363,803	60.7%	\$183k pension pay

Fiscal Year 2020 vs. Fiscal Year 2019

The general government budget for FY19 was \$16,339,829 or \$412,509 less than FY20. The Town's General Government budget was 50.9% expended vs. 47.5% compared to the same this period last year.

V. Chairman Rzasa thanked Ms. Palladino.

**8. Adjournment**

A motion to adjourn was made by Ms. Rzasa, seconded by Mr. Stevenson and was so VOTED unanimously at 8:44 p.m.

Submitted:

Gerri Lewis, Clerk