



TOWN OF OLD SAYBROOK  
Board of Finance

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302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE VIRTUAL MEETING MINUTES

**MAY 5, 2020**

**Dial In Access Number: 646-307-1479 Guest Passcode: 807700**

**Mobile Quick Dial: : tel://16463071479,\*,,807700#**

**Virtual Meeting FAQ: <https://www.oldsaybrookct.gov/information-technology/pages/globalmeeting-hintssuggestions>**

BOF Attendant Members

David LaMay, Chairman  
Carol Rzasa, V. Chairwoman  
Tom Stevenson  
Barry O’Neill  
Rick Swan  
Donna Nucci

Absent Members

Paul Carver

In Attendance

Carl Fortuna, First Selectman  
Matt Pugliese, Selectman  
Lee Ann Palladino, Finance Director  
Bob Fish, Treasurer  
Chief Michael Spera, Department of Police Services  
Jan Perruccio, Superintendent of Schools  
Julie Pendleton, Director of Finance & Operations  
Gerri Lewis, Clerk

**1. Call to order:**

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

**2. Pledge of Allegiance:**

Chairman LaMay led the pledge.

**3. Roll Call:** Absent: Mr. Carver

**4. Minutes:**

A motion to approve the minutes of the meeting of April 21, 2020 was made by Ms. Rzasa, seconded by Chairman LaMay and was so VOTED 6-0-0.

**5. The Kate: Project Discussion**

Selectman Fortuna explained that this was just a discussion and that on May 19, 2020, this item will be brought back to the Board of Finance for authorization to the Board of Selectmen. He noted that funds would be coming out of the Capital non-recurring fund.

Mr. Elliott noted that the total project cost is estimated to be \$85,000 - \$100,000.

Mr. O'Neill asked how much of the projected costs were had now and when would the work start. Mr. Elliott reported that they have most of the money now and the work would start end of May or beginning of June in phases.

Mr. Stevenson inquired about the lease on the building. Selectman Fortuna thought perhaps 99 or 120 year lease.

Mr. Elliott asked for support of the board for the permanent modifications to the town owned building in the amount of \$17,072.54. This included the following:

- Sprinkler pipe relocation, modifications;
- HVAC relocation, modifications;
- Crown molding section recreation; and
- Galaxy Fire Rated Powered Scissor Attic Stair

Mr. Elliott reported that The Kate organization intended to secure the remainder of the funds from other sources to cover general contractor work.

Chairman LaMay thanked Mr. Elliott.

## **6. Board of Education Report**

Ms. Perruccio and Ms. Pendleton reported the following:

- Schools are closed thru the academic year;
- Planning for multiple versions of summer school;
- Saved money on health insurance;
- Kept students in Old Saybrook that might have been outplaced;
- No money was spent on staff travel;
- Still in negotiations with bus company;
- Anticipate reimbursement from FEMA in the FY20-21 year;
- Possible shifts for classes in the Fall;
- Technology continues to play a big part of the budget;

Ms. Perruccio noted that there are many unknowns and it was hard to predict anything.

Chairman LaMay thanked Ms. Perruccio and Ms. Pendleton.

At this time, Treasurer Fish gave his report. He noted that last year the town received \$430K for Special Education. This year he expects \$180K. Ms. Pendleton noted that money is for students and would have been used for out placement. Treasurer Fish noted that this does not impact this budget. Mr. O'Neill asked if we have been reimbursed all of the money to which Ms. Perruccio said yes. She also noted that small grants can be carried over. Mr. Stevenson inquired about the insurance. Would there be an adjustment because there are no students in the buildings. Ms. Pendleton noted that liability suits still have to be considered, so there are no adjustments. Ms. Perruccio noted that the school grounds are not closed.

Treasurer Fish noted that expenses haven't changed much for the last year. He went on to say that as of April 30, 2020 we got \$421,000 from the State. Selectman Fortuna noted that there may be another \$60-\$65,000 coming from the State.

Chairman LaMay thanked Treasurer Fish.

## **7. Finance Director Report**

Ms. Palladino reported the following:

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

#### Budget Fiscal Year 2020

**The general government budget for Fiscal Year ("FY") 2020 presently stands at \$16,766,338, along with the Town's Debt Service budget of \$3,238,104, total General Government Expense equate to \$20,004,442, which includes an appropriation of \$5,000. The Board of Education budget of \$26,520,747 brings the Town-wide budget to \$46,525,189. The budget was approved at the May 2019 budget referendum.**

***Budget Appropriations - During FY20 the following budget appropriation have been made.***

- An appropriation in the amount of \$5,000 for the purpose of reseeding 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 from the Fire Department Reserve account 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. The funds have been moved to an off budget account entitled "P&R Strategic Plan".
- An appropriation in an amount \$380,000 for the purpose of purchasing a municipal dump truck, a mason dump truck with plow and a roll off truck was approved at the February 25, 2020 Special Board of Finance meeting and further moved to a Town meeting. The motion included the ability

to borrow an amount not to exceed \$380,000 over a term not to exceed five years; said loan would be paid from the department of public works reserve fund 3353. Given the Governor's executive orders, this will go to vote on May 12, 2020 at the Board of Selectmen meeting.

#### 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 \$1,693,739 as of April 30, 2020.**

Municipal Reserve Fund	FY 2020 Transfers	Balance 4/30/20
<b>Capital Non- Recurring Budget 3350</b>	<b>\$192,533</b>	<b>\$520,645</b>
<b>Fire Apparatus -3351</b>	<b>169,591</b>	<b>528,583</b>
<b>Public Works – 3353</b>		<b>144,511</b>
<b>Board of Education – 3354</b>	<b>75,000</b>	<b>500,000</b>
<b>Catastrophic Illness – 7219</b>	<b>70,000</b>	<b>164,515</b>
<b>Post-employment Payout – 7220</b>	<b>40,000</b>	<b>152,225</b>
<b>Revaluation – 7222</b>	<b>50,000</b>	<b>9,640</b>
<b>Contingency – 7224</b>	<b>30,000</b>	<b>51,906</b>
<b>Roof Repair - 3020</b>	<b>25,000</b>	<b>27,185</b>
<b>Old Post Road Culvert Replacement (3050)</b>	<b>49,100</b>	<b>\$1,010</b>
<b>Leap Year (490000)</b>	<b>24,667</b>	<b>\$0</b>
<b>Fire Panel (490000)</b>	<b>8,700</b>	<b>\$0</b>
<b>Total</b>	<b>734,591</b>	<b>\$2,100,220</b>

Capital Expenditures FY 2020 **budgeted amount as noted below. To date, 85% has been utilized.**

Department	Amount Budgeted/Transferred	Amount Used
<b>Fire Department (4203)</b>	<b>\$60,000</b>	<b>\$56,387</b>
<b>Police Department (4201)</b>	<b>\$99,804</b>	<b>\$89,804</b>
<b>IT – Town (4143)</b>	<b>\$25,000</b>	<b>\$9,395</b>
<b>Highway &amp; Streets (4303)</b>	<b>\$375,000</b>	<b>\$318,222</b>
<b>Library Heat Pumps (4501)</b>	<b>\$15,000</b>	<b>\$13,476</b>
<b>Park &amp; Recreation (450301)</b>	<b>\$10,000</b>	<b>\$9,835</b>
<b>Total</b>	<b>\$584,804</b>	<b>\$497,119</b>

#### 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 April 30, 2020, 10 months or 83% of the general government budget equates to \$13,966,359. Actual expenditures of \$12,711,465 are \$1.2 million below 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.**

April 30, 2020 - General Fund Budget Overview

SUB DEPT	Department	Budget	Year to Date expense	YTD/ Budget	Comments
450503	Saybrook point	11,000	12,475	113.4%	Purchased a humidifier
421500	Animal control	25,000	25,000	100.0%	Appropriation transferred during July 2020
441900	Youth services - YFS	406,728	406,728	100.0%	Appropriation transferred during July 2020
490000	Capital outlay	739,591	739,553	100.0%	Appropriation transferred during July 2020
413300	Assessment Appeals	11,553	59,177	99.8%	Appeals take place in March
450505	Other parks	59,280	11,314	97.9%	Seasonal
417700	Political sub divisions	181,103	170,573	94.2%	Most requests for funds are made in July 2020
451100	The KHCAC	64,500	60,677	94.1%	Repairs on emergency lights
415700	Property insurance	388,000	361,990	93.3%	Fourth quarter payment has been made

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 78.4 expended vs. 78.5% compared to the same this period last year.

Ms. Palladino reported that nothing has changed. The capital budgeted remains flat. She noted that we will have a surplus on the spending side.

She reported that time was being spent on the Webster Bank transition. Town will be using credit cards by end of year. There will be automation of payments on the town website.

Chairman LaMay thanked Ms. Palladino.

## 8. Selectman Report

Selectman Fortuna reported that the beaches were crowded last weekend. He noted that this weekend the town beach will not have street parking on Rte. 154 and Harvey's beach will have ½ parking lot allowed. Park & Rec will have to hire the Police Department to control access to the beaches.

He reported that they are in negotiations with Police union and Supervisors union.

Selectman Fortuna also reported that Chris Costa, Zoning Enforcement Officer and Chairman Bob Friedman are looking at creative options for outside seating for restaurants.

He reported that he attends Public Safety Leadership meetings weekly. Also weekly meetings with CRAHD.

Selectman Fortuna noted that the next committee that will form is the Long Term Recovery Committee.

He noted that the Kavanaugh Tennis Courts were nearly completed. Mr. Stevenson inquired about a photo op for the Tennis Courts and then it could be put in the Town Newsletter.

Mr. O'Neill inquired about beach passes. Selectman Fortuna noted that you can call Park & Rec or go online.

Mr. Swan asked if there was extra money for Snow & Ice and could that money be used for paving. Selectman Fortuna said there was money in the paving budget and also snow and ice. He noted that he wanted to look at it more closely with Larry Bonin.

Chairman LaMay inquired about the beach passes. They are for the year 2020. He inquired about the portable lavatories.

Chief Spera noted that all showers and bathrooms must be closed per executive orders. He noted that there will be a letter accompanying the mask pick-up noting the beach facilities.

Chairman LaMay thanked Selectman Fortuna and Chief Spera.

**9. Public Comment**

None

**10. Comments from the Chair**

Chairman LaMay thanked everyone.

**11. Adjournment**

A motion to adjourn was made by Mr. Stevenson, seconded by Mr. O'Neill and was so VOTED unanimously.

Submitted:

Gerri Lewis