



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 19, 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  
Paul Carver  
Barry O'Neill  
Rick Swan  
Donna Nucci

**Absent Members**

**In Attendance**

Carl Fortuna, First Selectman  
Matt Pugliese, Selectman  
Lee Ann Palladino, Finance Director  
Bob Fish, Treasurer  
Chief Michael Spera, Department of Police Services  
Gerri Lewis, Clerk

**1. Call to order:**

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

**2. Pledge of Allegiance:**

Chairman LaMay led the pledge.

**3. Roll Call: Absent: None**

#### 4. Minutes:

A motion to approve the minutes of the meeting of May 5, 2020 was made by Mr. Stevenson, seconded by Mr. Swan and was so VOTED 7-0-0.

Chairman LaMay told the board that he had a request to move The Kate Project to follow the Finance Director Report. There was no objection.

#### 5. 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 the town's rating is AA2 with no impacts from the virus.

Mr. Stevenson inquired about surplus equipment to go to vehicle auction. He also asked about purchase orders. Selectman Fortuna asked if he meant the P-cards, which we've had in place for 2 years. He also noted that Chief Spera used the card to make mask purchases. Mr. Swan inquired about the use of credit cards. Ms. Palladino said that we are working with Webster Bank and by June 20<sup>th</sup> that should be in place.

Chairman LaMay thanked Ms. Palladino.

## **6. The Kate: Project**

Mr. Elliott, in a previous meeting had 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

Selectman Fortuna noted that the monies were coming out of the Capital non-recurring fund.

Mr. Stevenson had several questions. He asked if there was any alternative financing, such as a bank. Selectman Fortuna noted that the town's contribution is 15%. He also noted to Mr. Stevenson that this money would not affect this year's budget or next year's budget.

Mr. Stevenson felt that with all that is going on with Covid-19, we should not spend the money at this time.

A motion was made by Mr. Carver, seconded by Ms. Rzasa to appropriate \$20 thousand dollars from the capital non-recurring account 3350 for the purpose of

providing funds to the KHCAC for building upgrades. Said funds will be placed in a new fund entitled “KHCAC building upgrade” and further, the appropriation will be moved to the Board of Selectman for consideration pursuant to Governor Ned Lamont’s Executive Order 7S.

Discussion: Mr. Stevenson again noted that we should not be spending this money at this time. Motion passed: 6-0-1. Mr. Stevenson abstained.

## **7. Selectman Report**

Selectman Fortuna reported on the following:

- Town Hall will close on May 20<sup>th</sup>;
- Plexiglass will be installed at the Town Hall and at Park & Rec.;
- Purell Stations;
- Use of Credit Cards at the Transfer Station;
- Long Term Recovery Committee;
- Port O Potties at beaches are closed;
- Great Hammock Road Bridge and Back River Bridge slated to be done in 2021; This fall prep work will start.

Mr. Stevenson asked about paving. Selectman Fortuna reported that some of the side roads off of Schoolhouse Road that are less traveled will be chip sealed and later other roads with asphalt. So, the paving budget will be fully expended.

Chairman LaMay thanked Selectman Fortuna.

## **8. Public Comment**

None

## **9. Comments from the Chair**

Chairman LaMay thanked everyone. He called upon Ms. Nucci for an update.

Ms. Nucci reported the following:

- Seeing a slow decline in hospitalizations;

- Testing is still a challenge;
- We are a long way away from a vaccine;
- Slowly openings for elective procedures;
- Still wear masks; practice social distancing;

Ms. Nucci wished everyone to be safe. Chairman LaMay thanked Ms. Nucci.

#### **10. Adjournment**

A motion to adjourn at 7:56 p.m. was made by Chairman LaMay, seconded by Mr. Stevenson, and was so VOTED unanimously.

Submitted:

Gerri Lewis