



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE
REGULAR MEETING MINUTES
MAY 1, 2018 7:00 P.M.
FIRST FLOOR CONFERENCE ROOM

BOF Attendant Members

David LaMay, Chairman
Tom Stevenson
Paul Carver
John O'Brien
Donna Nucci

Absent Members

Carol Rzasa, V. Chairwoman
Barry O'Neill

In Attendance

Carl Fortuna, First Selectman
Bob Fish, Treasurer
Lee Ann Palladino, Finance Director
Michael Spera, Chief of Police
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 to approve the April 3, 2018 minutes by Mr. Carver was seconded by Mr. LaMay. Discussion: Mr. Stevenson noted that the BOE report on the oil tank was referring to the High School. Motion was so voted unanimously.

Treasurer Report:

Treasurer Fish discussed his monthly report, going over the revenues. He briefly went over the general fund revenues. He noted that the things are looking excellent. He noted that the town got an additional ECS payment of \$50K.

Chairman LaMay thanked Treasurer Fish.

Finance Director Report:

Ms. Palladino reported the following:

Budget performance through April 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 \$1,085,646 as of April 30, 2018, please note that not all of the expenses associated with approved appropriations have been paid.

Municipal Reserve Fund	FY 2018 Transfers	Balance 4/30/2018
Capital Non- Recurring Budget		
3350	\$154,800	\$456,318
Fire Apparatus -3351	159,200	454,328
Public Works - 3353	75,000	175,000
Catastrophic Illness – 7219	70,000	125,135
Post-employment Payout – 7220	40,000	138,282
Revaluation – 7222	50,000	101,714
Named Projects – 3014	145,200	89,205
Contingency – 7224	30,000	10,433
Contingency Collective Bargaining	52,000	0
Total	\$776,200	\$1,550,415

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 Used/Encumbered	Amount Budgeted/Transferred	Amount
Fire Department (4203)	\$60,000	\$0
Police Department (4201)	\$89,804	\$89,804
IT – Town (4143)	\$25,000	\$12,871
Highway & Streets (4303)	\$442,571	\$372,649
Total	\$617,375	\$475,324

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 April 30, 2018, ten months or 83.3% of the budget equates to \$13,553,948. Actual expenditures of \$12,404,241 which are running at 76.3%, are below expectations by \$1,149,707. Capital transfers, quarterly payment, and other one-time annual payments were made near the start of the fiscal year. In addition, pension contributions of \$513 thousand were made fiscal year to date. The pension contribution remaining budget of about \$110 thousand will be made during June 2018. 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 ten months of the year, the FY18 budget is performing slightly better than last year at 76.3% expended vs 79.4% expended at the same time last year.

Ms. Palladino noted that there was nothing new in the budget and that things are going well. She was now getting ready to address the audit. Ms. Palladino noted \$11,360 income from the P-card purchases.

Ms. Palladino thanked the Board of Finance for working ahead and thanked them for the purchase of the Sungard Accounting System.

Chairman LaMay thanked Ms. Palladino.

Selectman Report:

Selectman Fortuna touched on the following:

- RFP for Pension Board Actuary; cost is presently \$50K annually;
- Health Insurance broker;
- Dispatcher negotiations re fees;
- Finance Director looking at software for time and attendance;
- RFP out now for Chamber Building;
- Repairs for The Kate \$51K; The Kate working on a matching grant; for columns and cement pedestals;
- Town Meeting May 6th;
- Referendum May 15th; 12 noon to 8:00; Following referendum BOF will meet to set mill rate;

Mr. Stevenson would like to invite the Chamber to a BOF meeting. Also mentioned was invitation to Economic Development Director perhaps at that

same meeting. Mr. Stevenson also inquired about the lights which Mr. Fortuna noted are all set now.

Board will have Tom Hennick, Freedom of Information, at their June 19th meeting.

Selectman Fortuna suggested having Bret Elliot, Executive Director The Kate; also Joe Comerford of 9 Town Transit and Stan Mingione, Executive Director of the Estuary Council of Seniors.

Chairman LaMay thanked Selectman Fortuna.

Comments from the Chair: Mr. LaMay noted that he didn't have any comments. He thanked the board for their participation.

At this time, Ms. Nucci asked the clerk to look back in the April 3rd meeting. She thought Ms. McNeil of Y&FS gave data with regard to her budget.

Liaison Reports:

Mr. Stevenson reported that he and Ms. Rzasa toured high school and middle school. He noted that the middle school gym floor is twenty-five plus years old and that a good job is being done maintaining the floor. He also noted minor paving projects.

Mr. LaMay thanked Mr. Stevenson.

Public Comment:

Ms. Susan LaPlace commented that she felt the board should stay within the budget. She mentioned the car requested by the fire marshall. She felt that the board of finance had little consideration for the taxpayer.

Mr. LaMay thanked Ms. LaPlace.

A motion to adjourn at 7:44 was passed unanimously. 7-0-0.

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

Submitted:
Gerri Lewis, Clerk