



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE
REGULAR MEETING MINUTES
JUNE 5, 2018 7:00 P.M.
FIRST FLOOR CONFERENCE ROOM

BOF Attendant Members

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

Absent Members

In Attendance

Carl Fortuna, First Selectman
Bob Fish, Treasurer
Lee Ann Palladino, Finance Director
Michael Spera, Chief of Police
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: All present

4. Minutes:

A motion to approve the May 15, 2018 minutes by Mr.O’Neill was seconded by Mr. Carver. Motion was so voted unanimously.

5. Tax Collector Suspense Report:

Mr. Maynard handed out the Grand List Year October 1, 2016; Fiscal year 7/1/2017 thru 6/30/2018. He noted the GL 2016 Collection; GL 2017 Collection and adjustments such as bad checks, refunds and transfers. He explained the back tax, interest, liens and fees.

Chairman LaMay thanked Mr. Maynard for his very well detailed report.

6. 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.

7. Finance Director Report:

Ms. Palladino reported the following:

Budget performance through May 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 \$1,075,342 as of May 31, 2018, please note that not all of the expenses associated with approved appropriations have been paid.

Municipal Reserve Fund	FY 2018 Transfers	Balance 5/31/2018
Capital Non- Recurring Budget 3350	\$154,800	\$456,609
Fire Apparatus -3351	159,200	443,733
Public Works - 3353	75,000	175,000
Catastrophic Illness – 7219	70,000	120,180
Post-employment Payout – 7220	40,000	138,282
Revaluation – 7222	50,000	98,939
Named Projects – 3014	145,200	82,477
Contingency – 7224	30,000	10,433
Contingency Collective Bargaining	52,000	0
Total	\$776,200	\$1,525,653

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
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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 May 31, 2018, eleven months or 91.7% of the budget equates to \$14,914,764. Actual expenditures of \$13,370,007 which are running at 82.2% are below expectations by \$1,544,757. 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 eleven months of the year, the FY18 budget is performing better than last year at 82.2% expended vs 85.2% expended at the same time last year.

Budget for Fiscal Year 2019

Budget Fiscal Year 2019

The general government budget for Fiscal Year (“FY”) 2019 presently stands at \$16,339,829, which was approved at the May 2018 budget referendum.

Budget Appropriations - No budget appropriation have been made

Unassigned Surplus Fund Appropriations - During FY19 no appropriations against the unassigned surplus fund have been made.

Municipal Reserve Fund Appropriations - During FY19 no appropriations against the municipal reserve fund (“MRF”) have been made.

Budgeted Capital Outlays FY19

The capital outlay to the MRF, which includes Fire Department apparatus, Public Works equipment and Capital non-recurring transfer for FY19 totals \$465,458.

Municipal Reserve Fund	FY 2019 Transfers	Balance 5/31/2018
Capital Non- Recurring Budget 3350	\$227,390	\$456,609
Fire Apparatus -3351	163,068	443,733
Public Works - 3353	75,000	175,000
Catastrophic Illness – 7219	70,000	120,180
Post-employment Payout – 7220	40,000	138,282
Revaluation – 7222	50,000	98,939
Named Projects – 3014	72,610	82,477
Contingency – 7224	30,000	10,433
Contingency Collective Bargaining	11,040	
Total	\$739,108	\$1,525,653

Capital Expenditures FY 2019 budgeted amount as noted below.

Department Used	Amount Budgeted/Transferred	Amount
Fire Department (4203)	\$60,318	\$0
Police Department (4201)	\$99,804	\$0
IT – Town (4143)	\$25,000	\$0
Highway & Streets (4303)	\$375,000	\$0
Land Use (415101)	\$ 7,000	\$0

Total	\$567,122	\$0
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Authorized Transfers – None

Fiscal Year 19 Budget Performance

Fiscal Year 2019 vs. Fiscal Year 2018

The general government budget for FY18 was \$16,264,737, or \$75,092 less than FY19.

Chairman LaMay thanked Ms. Palladino.

8. AS PER THE RECOMMENDATION OF THE BOARD OF SELECTMEN, DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO TOWN MEETING AN APPROPRIATION IN THE AMOUNT OF \$35,000 FOR THE INGHAM HILL ROAD TRAILHEAD PARKING, SAID FUNDS TO BE PAID FOR FROM THE “185 BOKUM ROAD SALE” OFF BUDGET ACCOUNT.

A motion was made by Mr. O’Neill to recommend to town meeting an appropriation of \$35,000 for the Ingham Hill Road Trailhead Parking, seconded by Mr. O’Brien. Discussion: The funds will be taken from the sale of Bokum Road. Motion passed unanimously.

9. AS PER THE RECOMMENDATION OF THE BOARD OF SELECTMEN, DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO TOWN MEETING AN APPROPRIATION IN THE AMOUNT OF \$24,900 FOR THE INGHAM HILL TURNAROUND, SAID FUNDS TO BE PAID FOR FROM THE “185 BOKUM ROAD SALE” OFF BUDGET ACCOUNTA

A motion by Mr. Carver to recommend to town meeting an appropriation of \$24,900 for an engineering study of the Ingham Hill Turnaround was seconded by Ms. Rzasa. Discussion: These funds to be taken from the sale of Bokum Road. The motion passed unanimously.

10. AS PER THE RECOMMENDATION OF THE BOARD OF SELECTMEN, DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO TOWN MEETING AN APPROPRIATION IN THE AMOUNT OF \$99,000 FOR A SIDEWALK IMPROVEMENT PROJECT, SAID FUNDS TO BE AN ADDITIONAL 2018 APPROPRIATION to budget line item 490000 Capital Outlay, which will be transferred to an off budget Fund called “sidewalk construction”.

There was no action on number 10.

11. AS PER THE RECOMMENDATION OF THE BOARD OF SELECTMEN, DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO TOWN MEETING AN APPROPRIATION IN THE AMOUNT OF \$25,000 TO THE BUDGET LINE ITEM 490000 CAPITAL OUTLAY WHICH WILL THEN BE TRANSFERRED TO A NEW OFF BUDGET FUND ENTITLED “NATURAL HAZARD MITIGATION PLAN”; SAID FUNDS TO BE DERIVED FROM THE TOWN’S CAPITAL NON-RECURRING ACCOUNT.

After a presentation by Christine Nelson, Town Planner, the following motion was made:

A motion by Mr. O’Brien to appropriate \$25,000 to the budget line item 490000 Capital outlay was second by Mr. O’Neill: Discussion: This will then be transferred to a new off budget fund entitled “Natural Hazard Mitigation Plan” and will be derived from the town’s capital non-recurring account. Motion passed unanimously.

A motion to add the following agenda item was made by Mr. Carver and seconded by Mr. LaMay. Motion voted unanimously.

AS PER THE RECOMMENDATION OF THE BOARD OF SELECTMEN, DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO TOWN MEETING THE APPROPRIATION OF \$260k IN FUNDS PRESENTLY RESIDING IN Fund 7400 “Public Works Paving Exchange Fund” for the purpose of paving bokum road; said funds were received from the cwc as part of the bokum road water line extension CONSTRUCTION PROJECT.

A motion by Mr. O’Neill to move to town meeting an appropriation of \$260K from funds presently residing in “Public Works Paving Exchange Fund” (#7400) for the purpose of paving Bokum Road; seconded by Mr. O’Brien. Discussion: These funds were received from the CWC as part of the Bokum Road water line extension project. Motion passed unanimously.

Selectman Report:

Selectman Fortuna noted the following:

- New furniture in conference room;
- IRS notice to municipalities;

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.

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Liaison Reports:

Liaisons gave their reports.

Public Comment:

None

A motion to adjourn at 8:40.

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