



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE REGULAR MEETING MINUTES

October 5, 2021 7:00 p.m.

This was a hybrid meeting

BOF Attendant Members

David LaMay, Chairman
Carol Rzasa, V. Chairwoman
Tom Stevenson
Paul Carver
Barry O'Neill
Rick Swan
Bruce Carlson

Absent Members

In Attendance

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

1. Chairman LaMay called the meeting to order at 7:01 p.m.

2. **Pledge of Allegiance:**

Chairman LaMay led the pledge.

3. **Roll Call:** All members present.

4. **Minutes**

A motion to approve the minutes of September 7, 2021 was made by Mr. Carver, seconded by Mr. Stevenson was so voted unanimously.

5. **Department of Police Services**

Due to illness and could not attend the meeting, Chief Spera emailed the following report and Chairman LaMay read it to the board as follows:

Good Afternoon -

Regrettably, I will not be able to attend the meeting tonight due to illness.

I know the Board Members are curious about the FEMA Public Assistance process.

Please let them know that:

All financial information has been forwarded to FEMA for all of the Declared Presidential Disasters that Old

Saybrook is part of. The process is slow, that's nothing new, but it's a process that we must trust. I fully expect that all eligible costs will be reimbursed to the town. (Vaccination Clinic costs at 100%)

Remember that every community in the United States is authorized for Public Assistance. This will take time.

The process is ever changing. Just yesterday I received information that a specific report required with each public assistance application had changed again. It will be the third change since January. The previous week FEMA's environmental team requested the diameter of a specific tree that fell during Storm Isis.

Eligible costs also have changed during the process. These policy shifts have had no negative impact on Old Saybrook.

We have received some funds from FEMA with the latest for our first COVID related assistance application arriving via wire within the past few days. Remember that we are a sub-grantee so all of our funding from the Federal Government passes through the State of Connecticut. Lee-Ann can provide the actual figures.

I remain vigilant and steadfast with my responsibilities associated with this process.

I will am willing to provide a briefing/presentation to the new board once seated in November.

Should there be questions about the Police Fleet Enhancement Program, Board of Finance Members should know:

I update the Police Commission on a monthly basis.

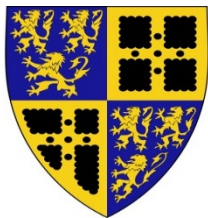
Nine (9) vehicles have come in, we are waiting on the tenth. There is no estimated arrival time for the tenth (10th) vehicle.

Two (2) will begin the up fitting process this week while we wait for the remaining equipment to arrive.

The Town is NOT paying for the financing of the current fleet. I was told there was confusion about that. The Town is paying for the financing of the new fleet as we have paid for the nine (9) vehicles, and all of the camera / video equipment. The Town owns the current fleet outright.

There have been COVID related impacts with respect to equipment cost, equipment availability, and possibly an impact on trade in values of the older, yet current fleet. When the time comes to discontinue and decommission vehicles in the current fleet I may choose, depending on current trade in values, to place some up for auction with minimum bids and forward the information to the Police Commission for action. At this point I do not know if these COVID related impacts will have any affect at all on the project's budget. I remain optimistic.

6. Treasurer Report



Monthly Treasurer's Report – September 2021

(Preliminary and Unaudited)

Background Sec. 7-80. Duties of treasurer. (a) The town treasurer shall receive all money belonging to the town, pay it out on the order of the proper authority and keep a record of all moneys received and when received and of all moneys paid out, when, for what and upon whose authority, which record shall always be open to the inspection of any taxpayer in such town and shall be presented to each annual town meeting, being first sworn to

by him and adjusted by the selectmen. The town treasurer shall be, ex officio, treasurer of the town trust funds and may appoint a deputy who shall, in the absence or disability of the town treasurer, perform all his duties.

Executive Summary as of September 30, 2021

REVENUES:	Budget	Received FYTD	% Received FY22	% Received FY21
Taxes	45,653,717	25,698,114	56.3%	55.8%
State of Connecticut	463,000	137,493	29.7%	32.9%
Local Revenues	1,071,000	493,350	46.1%	40.5%
TOTALS:	47,187,717	26,328,957	55.8%	55.3%

EXPENDITURES:	Budget	Expended FYTD	% Expended FY22	% Expended FY21
General Government	17,206,508	4,688,059	27.2%	28.1%
Board of Education	26,771,365	6,133,957	22.9%	23.5%
Bonded Indebtedness	3,209,844	2,794,751	87.1%	86.1%
TOTALS:	47,187,717	13,616,767	28.9%	29.4%

Authorized Investments per Investment Policy:

Authorized Investment	Balance	Rate as of 9/30/21
STIF	\$226,441	.09%
Liberty Bank	\$13,402,694	.14%
Webster Bank	\$24,361,168	.09%
Total	37,990,242	.11%


Pension Plans as of: September 30, 2021

Description	Town Pension Plan	Fire Department Pension Plan
Beginning Balance 6/30/21	28,974,597	1,801,010
Change in Value	-579,500	-34,566
Ending Balance	28,373,558	1,775,596
Return FYTD (net of fees)	-1.47%	-1.41%
Benchmark Return	-.74%	-.74%
Assumed Rate	7.00%	7.125%
Funded Ratio	84.5%	50.3%

Ms. Palladino noted that this report was all good news and that the State Shared Grants totaled \$130,000 dollars.

Chairman LaMay thanked Ms. Palladino.

7. Finance Director Report:



Finance Director's Report – September 2021

(Preliminary and Unaudited)

The Finance Director's report will address the present status of the Fiscal Year expenditure budget, Cash Flow trends, and status of the Town's long-term strategies.

Ms. Palladino noted that we are one quarter of the way into the new fiscal year.

Section I: Expenditure Budget for Fiscal Year 2022

Budget Fiscal Year 2021

The general government budget for Fiscal Year ("FY") 2022 presently stands at \$17,206,508, along with the Town's Debt Service budget of \$3,209,844, total General Government Expense equate to \$20,416,352. The Board of Education budget of \$26,771,365 brings the Town-wide budget to \$47,187,717. The budget was approved at the May 11, 2021 referendum.

Budget Appropriations –

- A \$25 thousand reimbursable grant USDA rural development grant with a \$17,000 in kind match of town services was approved at the August 3, 2021, BoF meeting. Further it was approved by Town meeting at the August 24, 2021, meeting.

Budget Transfers –

- An approximate \$80 thousand transfer will be made between the miscellaneous income line item to the roof repair fund, which will be determined by the sale price of two fire trucks, was approved at the September 7, 2021 BoF meeting. Further it was approved by Town meeting on September 27, 2021.

Municipal Reserve Fund Appropriations - During FY22 no appropriations against the municipal reserve fund ("MRF") have been made.

Fiscal Year 22 Budget Performance

Through September 30, 2021, 25% of the general government budget equates to \$4,301,626. Actual expenditures of \$4,688,059 are \$386 thousand above the straight-lined budget. Capital transfers, quarterly payment, and other one-time annual payments were made near the start of the fiscal year. Attached is the detail list of budget line items.

Section II: Cash Flow Summary

As of September 30, 2021, the Town's cash balance was as follows:

Fund	Total	Monthly Activity
General Fund	22,417,002	-2,945,822
Capital Funds	2,216,857	3,667
Reserve Funds	3,826,152	-37,895
Non-major Funds	3,966,771	-68,385
Total	32,426,782	-3,048,435

During the month of September, the Town's total cash decreased by \$3.1 million of which \$3 million was due to activities in the General Fund. The GF received \$500 thousand in revenues which were offset by \$3.6 million in expenditure.

State of Emergency COVID 19 Fund 2843 had a negative balance of \$596,834. Total funds expended to date equal \$1,000,833. Total funds received to date equal \$403,999. During the month of September 2021, \$150 was expended.

Section III. Long Term Strategies

1. Debt Service

Outstanding June 30, 2021:	\$25,515,000
Debt Service Payment FY22:	\$3,209,845
Debt Service Reserve:	\$431,927

2. Capital Outlays FY22

The Municipal Reserve Fund, which includes capital non-recurring, fire apparatus, public work/transfer station, and Board of Education sinking funds, totals \$2,114,631 as of September 30, 2021.

Municipal Reserve Fund	FY 2022 Transfers	Balance
Capital Non- Recurring Budget 3350	\$183,643	\$730,394
Fire Apparatus -3351	170,000	191,922
Public Works – 3353	75,000	192,315
Board of Education – 3354	0	1,000,000
Catastrophic Illness – 7219	70,000	151,589
Post-employment Payout – 7220	40,000	153,079
Revaluation – 7222	50,000	142,581
Contingency – 7224	30,000	57,107
Roof Repair - 3020	25,000	137,350
P&R Sinking Fund – 3053 450335	10,000	181,952
Signage (P&R and DPW) – 3029 450334	7,415	6,337
P&R Mini Golf Carpets – 3055	8,307	8,362
DPW Garage Boiler – 3034	26,500	26,500
DPW Commercial Lawn Mower - 490000	15,473	385
Library back door – 3051	23,000	23,000
Playground pieces – 3057	6,462	0
YFS Fire Panel - 490000	4,200	0
Total	745,000	3,002,873

Capital Expenditures FY 2022 budgeted amount as noted below. To date, 33% has been utilized.

Department	Amount Budgeted/Transferred	Amount Used
Fire Department (4203)	60,000	\$0
Police Department (4201)	99,804	\$89,804
IT – Town (4143)	13,500	\$11,562
Highway & Streets (4303)	400,000	\$92,875
Library Heat Pumps (4501)	15,000	\$0
Total	588,304	194,241

3. Pension Plan

Description	Town Pension Plan	Fire Department Pension Plan
Actuarial Defined Contribution (ADC) FY22:	\$813,814	\$171,642
Paid to date by the Town & BoE	\$368,324 (+ \$250k contribution)	\$180,000
ADC budget amount	\$468k (town) \$150 (BoE) = \$618k	\$180,000

Chairman LaMay thanked Ms. Palladino.

8. Selectman Report

Selectman Fortuna briefly discussed the following:

- Beginning the opening FY 2023;
- 2 unresolved union agreements; Dispatchers and Support Unions;
- Re: Finance Director Report: pg. 2 Catastrophic Illness; called this to the board's attention and briefly discussed this item;
- Fire Department roof repair; low bid was \$97k;
- DPW Boiler; due to covid not able to get boiler;
- Library back door will be done shortly;
- YFS Fire Panel;
- Beaver Dam Trail Stabilization;
- MIRA; trash to energy plant in Hartford scheduled to shut down; MIRA going to be seeking vendors to haul trash that will take us to 2027; we are currently getting prices for 49 municipalities; opt out provision; very little land fill capacity in New England. Currently Selectman Fortuna is on the MIRA board.

Chairman LaMay thanked Selectman Fortuna.

9. Public Comment: None

10. Comments from the Chair

Chairman LaMay thanked everyone and noted that Superintendent Perruccio invited the Board of Finance to a joint meeting to discuss their budget. They noted 2 dates to choose from. They are Thursday, October 21st or Monday, October 25th at 6:00 pm or 7:00 pm.

The board discussed and chose the joint meeting date of Thursday, October 21st at 6:00 p.m.

11. Adjournment:

A motion to adjourn was made by Mr. Carver, seconded by Ms. Rzasa at 8:07 p.m.

A video of this meeting in its entirety can be seen online in the Town of Old Saybrook's Video Library.

Submitted:

Gerri Lewis, Clerk