



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE REGULAR MEETING MINUTES

November 16, 2021 7:00 p.m.

This was a hybrid meeting

BOF Attendant Members

Carol Rzasa, Chairman
Paul Carver, Vice Chairman
Tom Stevenson
Rick Swan
Brad Thorpe
Bruce Carlson
John O'Brien

Absent Members

In Attendance

Carl Fortuna, First Selectman
Lee Ann Palladino, Finance Director
Barbara Thompson Labriola, Treasurer
Gerri Lewis, Clerk

1. Vice Chair Rzasa called the meeting to order at 7:00 p.m.
2. **Pledge of Allegiance:**

Vice Chair Rzasa led the pledge.

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

4. **Election of Officers**

Mr. Carver nominated Mr. Thorpe for Chairman, seconded by Mr. Thorpe. In favor: Mr. Carver; Mr. Thorpe; Opposed: Mr. Stevenson, Mr. Swan, Ms. Rzasa. Abstained: Mr. Carlson; Mr. O'Brien. Motion did not pass.

Mr. Stevenson nominated Ms. Rzasa for Chairman, seconded by Mr. Swan. In favor: Mr. Stevenson, Mr. Swan, Mr. Carver, Mr. Thorpe; Ms. Rzasa. Opposed: None; Abstained: Mr. Carlson, Mr. O'Brien. Motion passed.

Mr. Thorpe nominated Mr. Carver for Vice Chairman, seconded by Mr. Swan. In favor: Ms. Rzasa, Mr. Stevenson, Mr. Swan, Mr. Thorpe, Mr. Carver; Opposed: None; Abstained: Mr. Carlson, Mr. O'Brien. Motion passed.

Seated officers: Ms. Rzasa, Chairman; Mr. Carver, Vice Chairman

5. **Calendar of Meetings**

At this time, Ms. Rzasa amended the agenda to address the Calendar of Meetings. The board voted unanimously to accept the Calendar of Meetings.

A motion by Mr. Thorpe to change the start time of the Board of Finance meeting to 6:30 p.m. beginning January, 2022, was seconded by Mr. Carver. Discussion: Mr. Carlson noted that he was not in favor of the time change nor was Mr. O'Brien. Motion passed and voted as follows: In favor: Mr. Thorpe, Ms. Rzasa, Mr. Swan, Mr. Carver, Mr. Stevenson; Opposed: Mr. Carlson, Mr. O'Brien; Abstentions: None

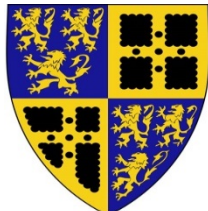
At this time, Chairman Rzasa noted that she wanted to add to every agenda, "Comments from Board of Finance Members" beginning with this agenda.

6. Minutes

A motion to approve the minutes of October 19, 2021 was made by Mr. Carver, seconded by Mr. Swan and was so voted as follows: In favor: Mr. Carver, Mr. Swan, Ms. Rzasa, Mr. Stevenson, Mr. Carlson; Opposed: None; Abstain: Mr. Thorpe, Mr. O'Brien.

7. Treasurer Report

Chairman Rzasa welcomed Ms. Labriola and asked the board to introduce themselves. Ms. Labriola introduced herself and gave the following report:



Monthly Treasurer's Report – October 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 October 31, 2021

REVENUES:	Budget	Received FYTD	% Received FY22	% Received FY21
Taxes	45,653,717	25,970,268	56.9%	56.2%
State of Connecticut	463,000	210,152	45.4%	42.0%
Local Revenues	1,071,000	590,982	55.2%	44.7%
TOTALS:	47,187,717	26,771,402	56.7%	55.8%

EXPENDITURES:	Budget	Expended FYTD	% Expended FY22	% Expended FY21
General Government	17,206,508	6,483,407	37.7%	35.5%
Board of Education	26,771,365	8,161,048	30.5%	30.9%
Bonded Indebtedness	3,209,844	2,794,751	87.1%	86.1%
TOTALS:	47,187,717	17,439,206	37.0%	36.3%

Authorized Investments per Investment Policy:

Authorized Investment	Balance	Rate as of 10/31/21
STIF	\$226,458	.09%

Liberty Bank	\$15,026,482	.14%
Webster Bank	\$14,758,941	.09%
Total	30,011,881	.12%

Pension Plans as of: October 31, 2021

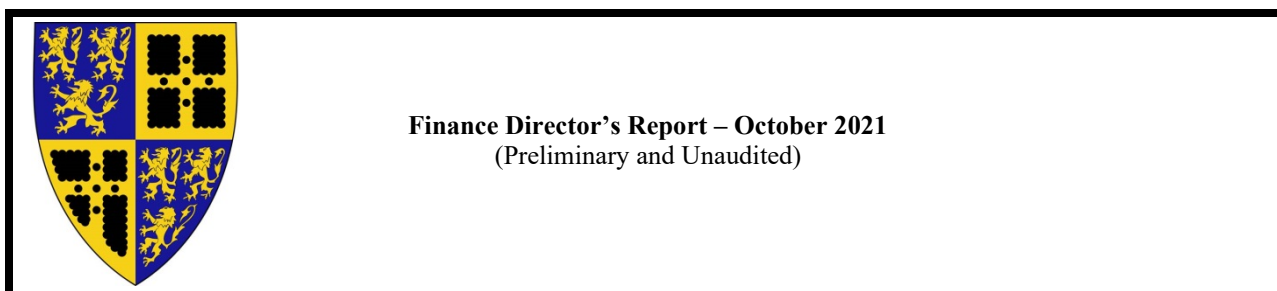
Description	Town Pension Plan	Fire Department Pension Plan
Beginning Balance 6/30/21	28,974,597	1,801,010
Change in Value	160,621	7,855
Ending Balance	29,160,030	1,775,596
Return FYTD (net of fees)	1.26%	1.10%
Benchmark Return	2.17%	2.17%
Assumed Rate	7.00%	7.125%
Funded Ratio	84.5%	50.3%

A Q&A by the board followed.

Chairman Rzasa thanked Ms. Labriola.

8. Finance Director Report

Ms. Palladino gave the finance report as follows:



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

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 \$80 thousand transfer was 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 October 31, 2021, 33% of the general government budget equates to \$5,734,929. Actual expenditures of \$6,483,407 are \$748 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 October 31, 2021, the Town’s cash balance was as follows:

Fund	Total	Monthly Activity
General Fund	18,822,975	-3,430,220
Capital Funds	2,199,141	102,232
Reserve Funds	3,756,563	-70,000
Non-major Funds	3,654,758	-437,658
Total	28,433,437	-3,835,646

During the month of October, the Town’s total cash decreased by \$3.8 million of which \$3.4 million was due to activities in the General Fund. The GF received \$400 thousand in revenues which were offset by \$3.8 million in expenditure.

State of Emergency COVID 19 Fund 2843 had a negative balance of \$538,901. Total funds expended to date equal \$1,000,983. Total funds received to date equal \$462,082. During the month of October 2021, \$58,083.25 was received.

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 \$2,114,974 as of October 31, 2021.

Municipal Reserve Fund	FY 2022 Transfers	Balance
Capital Non- Recurring Budget 3350	\$183,643	\$730,737
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	148,879
Revaluation – 7222	50,000	142,581
Contingency – 7224	30,000	53,707
Roof Repair - 3020	25,000	105,775

Municipal Reserve Fund	FY 2022 Transfers	Balance
P&R Sinking Fund – 3053 450335	10,000	211,906
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	2,993,995

Capital Expenditures FY 2022 budgeted amount as noted below. To date, 84% 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	\$392,696
Library Heat Pumps (4501)	15,000	\$0
Total	588,304	494,062

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	\$431,654 (+ \$250k contribution)	\$180,000
ADC budget amount	\$468k (town) \$150 (BoE) = \$618k	\$180,000

Mr. Stevenson inquired about the capital planning committee that was discussed at a previous meeting. He inquired about the form that was discussed and wondered if that could be brought forward to the board.

After a brief Q & A, Chairman Rzasz thanked Ms. Palladino.

9. Comments From The Chair

Ms. Rzasz thanked the board and asked them to think about which commissions/departments they would be interested in reporting on at the meetings. Going forward “Lisison Reports” will be on the agenda.

10. Comments from Board Members

Mr. Carlson wanted to see a full accounting of the Covid numbers.

Ms. Rzasz asked Ms. Lewis to contact Chief Spera to attend a meeting.

11. Selectman Report

Selectman Fortuna congratulated the board.

He briefly discussed the following:

- Covid shots: 5 – 11 group;
- Flu Shots;
- RFQ for AARPA Consultant (create an ad-hoc committee to work with consultant);
- Ms. Beckman applying for a matching grant with DECD; can be used for façade improvements on Main Street;
- Union negotiations: an agreement with Dispatchers;
- Continue to negotiate with Support Union;
- CCM Convention: 11/30 -12/1; CIRMA
- Car Taxes;
- MIRA; pricing for 49 towns; deleting opt out provision.

Ms. Rzasa thanked Mr. Fortuna.

12. Public Comment: None

13. Adjournment:

A motion to adjourn was made by Mr. Thorpe, seconded by Mr. Swan at 8:16 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