



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE
REGULAR MEETING MINUTES
JUNE 19, 2018 7:00 P.M.
FIRST FLOOR CONFERENCE ROOM

BOF Attendant Members

David LaMay, Chairman
Carol Rzasa, V. Chairwoman
Tom Stevenson
Paul Carver
Donna Nucci

Absent Members

Barry O'Neill
John O'Brien

In Attendance

Carl Fortuna, First Selectman
Bob Fish, Treasurer
Lee Ann Palladino, Finance Director
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: Mr. O'Brien and Mr. O'Neill absent.

4. Minutes:

A motion to approve the June 5, 2018 minutes by Mr. Carver was seconded by Ms. Rzasa. Motion was so voted unanimously.

5. FOI Presentation

Tom Hennick gave his FOIA presentation. He discussed meetings; access to public meetings, access to public records and timelines. He presented the board with informational handouts.

Chairman LaMay thanked Mr. Hennick.

6. 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
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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

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

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.

7. Request for appropriation for repair and replacement of the Chamber of Commerce Roof and Cupola:

On June 8th, six sealed bids were opened and the lowest bid was submitted by Macri Roofing in the amount of \$89,905.

Selectman Fortuna explained to the board the request for an appropriation from the Capital Non-Recurring (“CNR”) Fund in the amount of \$60,000 to be placed in the “Chamber Repair Fund” for the purpose of repairing the roof and the cupola on the Chamber building. The total cost of repairing the Chamber of Commerce (“Chamber”) roof is \$100,000 which is comprised of the bid price of \$88,905, and a contingency of 12.5% or \$11,095. The funding for this project will be sourced as follows: \$60,000 from CNR, \$9,831 from CIRMA, and \$30,169 from the “Gateway Rent Fund”.

Selectman Fortuna noted that the “Chamber Repair Fund” was set up when the Town received an insurance check in the amount \$9,831 from our insurer CIRMA for the leak damage to the Chamber roof. The “Gateway Rent Fund”, of which \$30 thousand will be used for this project, receives rent money from the Chamber to maintain and repair this property, and as of May 31, 2018 the Fund had a balance of \$37,387.

A motion by Ms. Nucci to appropriate \$60 thousand from the Capital Non-Recurring (“CNR”) Fund (3350) and move said funds to the Chamber Repair Fund (3015); to transfer \$30,169 from the “Gateway Rent Fund” (6009) to the “Chamber Repair Fund” (3015) both for the purpose of repairing the Chamber roof and cupola, and to approve moving the appropriation of \$60 thousand from the CNR to Town

Meeting for a vote, was seconded by Mr. Carver and so voted unanimously.

8. Selectman Report:

At this time there was a motion to add “Sidewalk Project” to the agenda by Ms. Rzasa, seconded by Mr. Carver and was so voted unanimously.

First Selectman Fortuna reviewed the funding process for the sidewalk project. He stated that the Town would receive more funds than budgeted from the State of Connecticut during Fiscal Year 2018. He noted that given this development, the Board of Selectman voted to appropriate the sidewalk funds during June of 2018 for Fiscal Year 2018. Once appropriated, the funds will be moved to an off budget account.

Ms. Rzasa moved to appropriate \$150K to the capital account to transfer those monies to a new off budget account for sidewalks, seconded by Mr. Carver. Discussion: This is part of the FY18 budget. The motion was so voted unanimously.

Chairman LaMay thanked Selectman Fortuna.

Comments from the Chair: Chairman LaMay thanked the board for their participation.

Public Comment:

None

A motion to adjourn at 8:49 was so voted unanimously.

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

Submitted:

Gerri Lewis, Clerk