



TOWN OF OLD SAYBROOK  
Board of Finance

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302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE REGULAR MEETING MINUTES

**April 5, 2022 6:30 p.m.**

**This was a hybrid meeting**

BOF Attendant Members

Paul Carver, Vice Chairman  
Tom Stevenson  
Brad Thorpe  
Bruce Carlson  
John O'Brien

Absent Members

Rick Swan

In Attendance

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

1. Mr. Carver called the meeting to order at 6:30 p.m.

2. **Pledge of Allegiance:**

Mr. Carver led the pledge.

3. **Roll Call:** Mr. Swan absent.

4. **Election of Chairman**

Mr. Thorpe nominated Paul Carver for Chairman, seconded by Mr. Stevenson. Discussion: Mr. O'Brien noted that according to Roberts Rules, Paul Carver as Vice Chair would automatically assume the position of Chair. There were mixed opinions on this. At this time, Mr. Carlson nominated Mr. Thorpe for Chairman, seconded by Mr. O'Brien. Motion did not pass.

Mr. Thorpe's nomination of Paul Carver for Chairman was so voted unanimously.

5. **Election of Vice Chairman**

Mr. Carver nominated Brad Thorpe for Vice Chairman, seconded by Mr. Stevenson and was so voted unanimously.

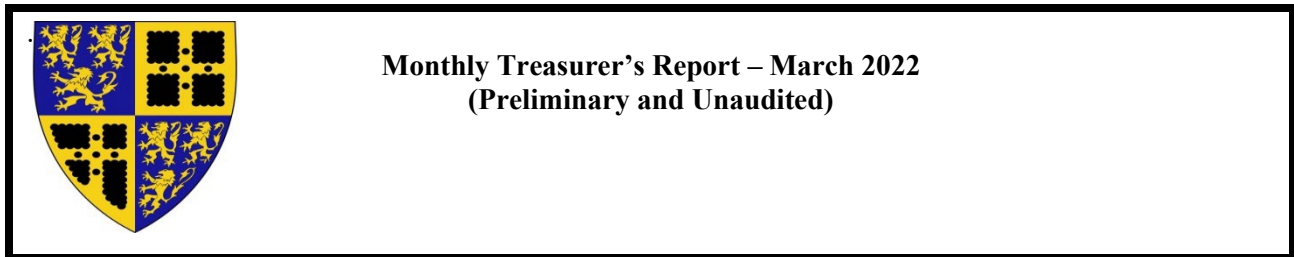
## 6. Minutes

A motion by Mr. Thorpe, seconded by Mr. Carlson to approve the minutes of 3/15/2022, passed unanimously.

A motion by Mr. Thorpe, seconded by Mr. Carlson to approve the minutes of 3/29/2022, passed unanimously.

## 7. Treasurer Report

Treasurer Labriola noted the duties of the treasurer and gave her report as follows:



**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 March 31, 2022

REVENUES:	Budget	Received FYTD	% Received FY22	% Received FY21
Taxes	45,653,717	46,045,401	100.9%	99.7%
State of Connecticut	463,000	376,722	81.4%	91.4%
Local Revenues	1,071,000	1,067,840	99.7%	83.0%
<b>TOTALS:</b>	<b>47,187,717</b>	<b>47,489,963</b>	<b>101%</b>	<b>99.5%</b>

### Authorized Investments per Investment Policy:

Authorized Investment	Balance	Rate as of 3/31/22
STIF	\$226,584	.26%
Liberty Bank	\$10,303,086	.13%
Webster Bank	\$12,938,229	.10%
Short Term Cash Management	\$8,000,000	.93%
ARPA Cash Management	\$1,200,000	.78%
<b>Total</b>	<b>32,667,899</b>	<b>.34%</b>

### Pension Plans as of: March 31, 2022

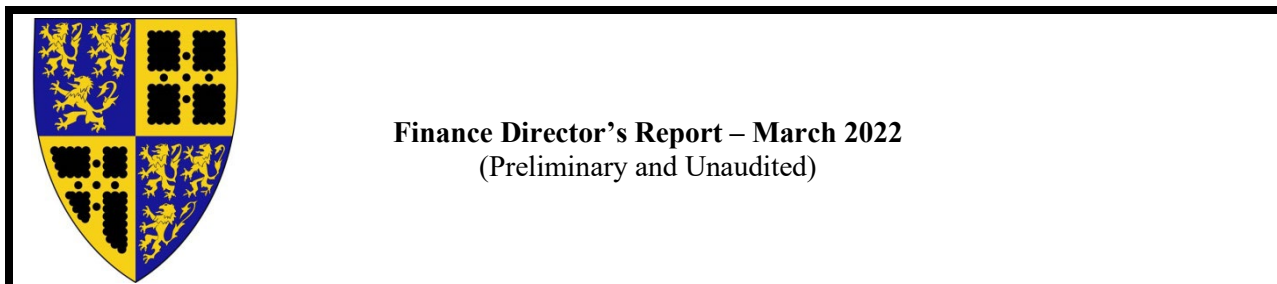
Description	Town Pension Plan	Fire Department Pension Plan
Beginning Balance 6/30/21	28,974,597	1,801,010
Change in Value	-1,740,257	-97,490
Ending Balance	27,300,501	1,730,632

<b>Return FYTD (net of fees)</b>	<b>-4.50%</b>	<b>-3.91%</b>
<b>Benchmark Return</b>	<b>-1.92%</b>	<b>-1.92%</b>
<b>Assumed Rate</b>	<b>6.75%</b>	<b>6.50%</b>
<b>Funded Ratio</b>	<b>85%</b>	<b>52.7%</b>

Mr. Carver thanked Ms. Labriola.

## 8. Finance Director Report

Ms. Palladino gave her 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

<b>EXPENDITURES:</b>	<b>Budget</b>	<b>Expended FYTD</b>	<b>% Expended FY22</b>	<b>% Expended FY21</b>
General Government	17,206,508	11,983,815	69.6%	69.3%
Board of Education	26,771,365	18,678,741	69.8%	70.1%
Bonded Indebtedness	3,209,844	3,209,844	100.0%	100.0%
<b>TOTALS:</b>	<b>47,187,717</b>	<b>33,872,400</b>	<b>71.8%</b>	<b>71.8%</b>

### Budget Fiscal Year 2022

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.
- A \$55 thousand appropriation to the General Fund Engineering line item 430500 was approved at the March 15, 2022, Board of Finance meeting. Further it was moved to Town 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.

**Capital Non-Recurring Appropriations** - During FY22 the following appropriations have been made:

- A \$1,650 appropriation from the Capital Non-Recurring account for the purpose of acquiring a permanent easement at 685 Boston Post Road was approved at the March 29, 2022 special Board of Finance meeting. Further it was moved to Town Meeting.

### **Fiscal Year 22 Budget Performance**

Through March 2022, 75% of the general government budget equates to \$12,904,881. Actual expenditures of \$11,983,815 are \$921 thousand below 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 March 31, 2022, the Town's cash balance was as follows:

<b>Fund</b>	<b>Total</b>	<b>Monthly Activity</b>
General Fund	15,230,897	-10,176,190
Capital Funds	2,224,469	-196,075
Reserve Funds	3,611,875	0
Non-major Funds	2,754,580	-212,747
Total	23,821,821	-10,585,012

During the month of March, the Town's total cash decreased by \$10.6 million of which \$10.2 million was due to activities in the General Fund. The GF received \$600 thousand in revenues which were offset by \$2.8 million in expenditure. Further, \$8 million was transferred to a short term cash fund to earn a higher rate of return.

State of Emergency COVID 19 Fund 2843 had a positive balance of \$80,587. Total funds expended to date equal \$1,022,301. Total funds received to date equal \$1,102,889. During the month of March 2022, funds in the amount of \$510,370 were 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 \$1,970,108 as of March 31, 2022.

<b>Municipal Reserve Fund</b>	<b>FY 2022 Transfers</b>	<b>Balance</b>
Capital Non- Recurring Budget 3350	\$183,643	\$731,522
Fire Apparatus -3351	170,000	46,271

<b>Municipal Reserve Fund</b>	<b>FY 2022 Transfers</b>	<b>Balance</b>
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	68,311
Revaluation – 7222	50,000	142,581
Contingency – 7224	30,000	49,552
Roof Repair – 3020	25,000	35,255
P&R Sinking Fund – 3053 450335	10,000	209,171
Signage (P&R and DPW) – 3029 450334	7,415	3,353
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
<b>Total</b>	<b>745,000</b>	<b>2,688,167</b>

**Capital Expenditures FY 2022** budgeted amount as noted below. To date, 90% has been utilized.

<b>Department</b>	<b>Amount Budgeted/Transferred</b>	<b>Amount Used</b>
Fire Department (4203)	60,000	\$19,242
Police Department (4201)	99,804	\$89,804
IT – Town (4143)	13,500	\$15,858
Highway & Streets (4303)	400,000	\$402,588
Library Heat Pumps (4501)	15,000	\$0
<b>Total</b>	<b>588,304</b>	<b>527,492</b>

### **3. Pension Plan**

<b>Description</b>	<b>Town Pension Plan</b>	<b>Fire Department Pension Plan</b>
Actuarial Defined Contribution (ADC) FY22:	\$813,814	\$171,642
Paid to date by the Town & BoE	\$631,080 (including \$250k contribution)	\$180,000
ADC budget amount	\$468k (town) \$150 (BoE) = \$618k	\$180,000

Mr. Carver thanked Ms. Palladino.

### **9. Selectman Report**

Selectman Fortuna touched briefly on the following:

- The Kate audiences;
- Electric Vehicle Chargers;
- Phase II: Park behind Pickleball Court; needs site work;
- Re Pickleball Court: Senator Formica informed Selectman Fortuna of bond \$ available \$500K;
- Fire fighters: Carcinogens – Cancer – concern to municipalities.

Mr. Carver thanked Selectman Fortuna.

#### **10. Liaison Reports**

Mr. Stevenson reported meeting with Larry Bonin re Transfer Station. Mr. Carver reported on the Police Commission and they are writing by-laws.

#### **11. Comments from Board Members**

None

#### **12. Public Comment**

None

#### **13. Comments from the Chair**

Mr. Carver thanked the board and suggested that he would like to see Public Comment at the beginning and end of the agenda. The board agreed.

#### **14. Adjournment**

A motion to adjourn was made by Mr. Thorpe, seconded by Mr. O'Brien and was so voted unanimously at 7:45 p.m.

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

Respectfully submitted:

Gerri Lewis, Clerk