



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE REGULAR MEETING MINUTES **AMENDED**

May 3, 2022 6:30 p.m.

This was a hybrid meeting

BOF Attendant Members

Paul Carver, Vice Chairman
Tom Stevenson
Brad Thorpe
Rick Swan
Bruce Carlson
Eric Dussault

Absent Members

John O'Brien

In Attendance

Carl Fortuna, First Selectman
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. O'Brien absent.

At this time, Mr. Carver introduced Eric Dussault who was appointed by the Board of Selectmen to replace board member Carol Rzasa.

4. **Minutes**

A motion by Mr. Thorpe was seconded by Mr. Carlson to approve the minutes of 4/5/2022. Discussion: Mr. Carlson noted a modification that his nomination of Mr. Thorpe for chairman, seconded by Mr. O'Brien was voted 2-3-0. In favor was Mr. Carlson and Mr. O'Brien. Opposed were Mr. Stevenson, Mr. Carver and Mr. Thorpe. Mr. Carlson noted that Mr. Thorpe's nomination of Mr. Carver as chairman was not unanimous. In favor were Mr. Stevenson, Mr. Thorpe and Mr. Carver. Opposed were Mr. Carlson and Mr. O'Brien. Motion to approve the minutes of 4/5/2022 with modifications passed unanimously.

5. **Public Comment** None

6. Parks and Recreation – Director Ray Allen

Mr. Allen passed out and reported on the Clark Community Park Strategic Plan including Phase 1 and 2 and a sketch of the Disc Golf Course.

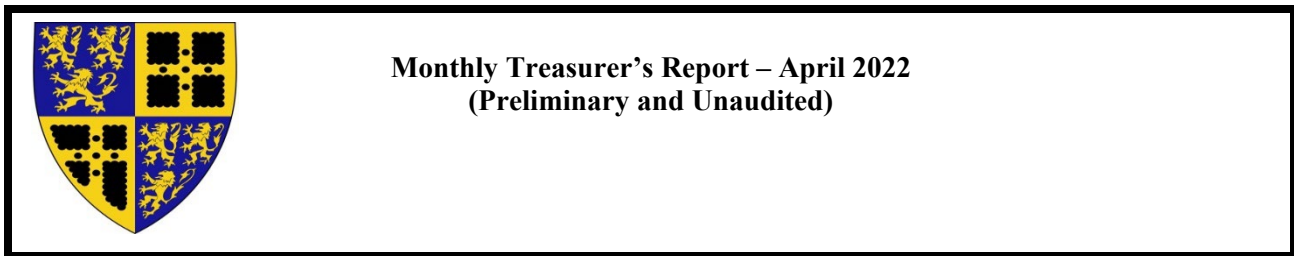
He also presented the budget for the course including site preparation, baskets; tees/bridge; site amenities; signage/features for a grand total of \$33,776.

After a Q & A and discussion of the quality of lumber and costs, Mr. Carver noted that his preference was to approve the entire budget at this time.

A motion to approve the entire amount of \$33,776, not to exceed a 10% contingency, was made by Mr. Swan, seconded by Mr. Thorpe and was so VOTED 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 April 30, 2022

REVENUES:	Budget	Received FYTD	% Received FY22	% Received FY21
Taxes	45,653,717	46,124,055	101.0%	100.0%
State of Connecticut	463,000	509,128	110.0%	122.5%
Local Revenues	1,071,000	1,145,358	106.9%	94.6%
TOTALS:	47,187,717	47,778,541	101.3%	100.2%

Authorized Investments per Investment Policy:

Authorized Investment	Balance	Rate as of 4/30/22
STIF	\$226,584	.43%
Liberty Bank	\$10,301,833	.20%
Webster Bank	\$9,980,180	.26%
Short Term Cash Management	\$8,000,000	.93%
ARPA Cash Management	\$1,200,000	.78%

Total	29,708,597	.47%
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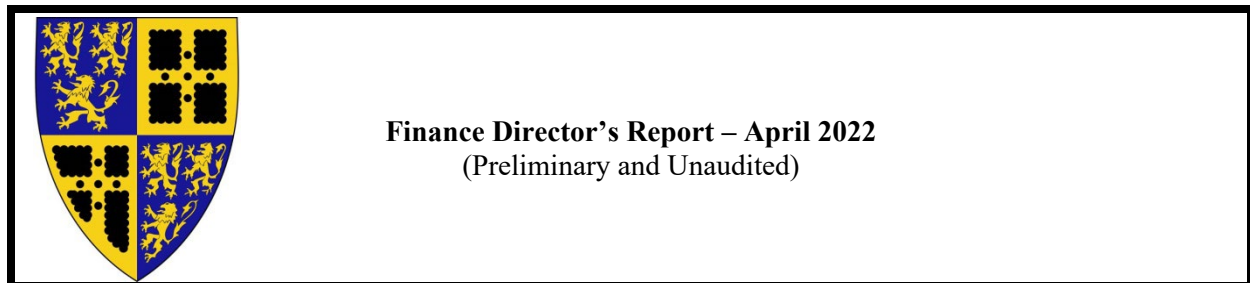
Pension Plans as of: April 30, 2022

Description	Town Pension Plan	Fire Department Pension Plan
Beginning Balance 6/30/21	28,974,597	1,801,010
Change in Value	-3,396,483	-194,459
Ending Balance	25,601,685	1,637,271
Return FYTD (net of fees)	-10.11%	-9.09%
Benchmark Return	-7.55%	-7.55%
Assumed Rate	6.75%	6.50%
Funded Ratio	85%	52.7%

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

EXPENDITURES:	Budget	Expended FYTD	% Expended FY22	% Expended FY21
General Government	17,261,508	13,527,711	78.4%	76.5%
Board of Education	26,771,365	20,768,160	77.6%	77.4%
Bonded Indebtedness	3,209,844	3,209,845	100.0%	100.0%
TOTALS:	47,242,717	37,505,716	79.4%	78.6%

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. During April 2022, a \$55 thousand engineering appropriation was approved bringing the adjusted town budget to \$47,242,717.

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 approved at the April 26, 2022 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 approved at the April 26, 2022 Town Meeting.

Fiscal Year 22 Budget Performance

Through April 2022, 83% of the general government budget equates to \$14,384,014. Actual expenditures of \$13,527,711 are \$856 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 April 30, 2022, the Town's cash balance was as follows:

Fund	Total	Monthly Activity
General Fund	11,829,206	-3,315,653
Capital Funds	2,501,265	299,996
Reserve Funds	3,502,121	-109,978
Non-major Funds	2,602,457	-225,175
Total	20,435,049	-3,350,810

During the month of March, the Town's total cash decreased by \$3.4 million of which \$3.3 million was due to activities in the General Fund. The GF received \$350 thousand in revenues which were offset by \$3.6 million in expenditure.

State of Emergency COVID 19 Fund 2843 had a positive balance of \$78,341. Total funds expended to date equal \$1,024,547. Total funds received to date equal \$1,102,889. During the month of April 2022, \$2,246 was expended and no funds 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 \$1,860,331 as of April 30, 2022.

Municipal Reserve Fund	FY 2022 Transfers	Balance
Capital Non- Recurring Budget 3350	\$183,643	\$731,723
Fire Apparatus -3351	170,000	8,978
Public Works – 3353	75,000	119,630
Board of Education – 3354	0	1,000,000
Catastrophic Illness – 7219	70,000	151,589
Post-employment Payout – 7220	40,000	69,091
Revaluation – 7222	50,000	142,581
Contingency – 7224	30,000	47,853
Roof Repair – 3020	25,000	13,255
P&R Sinking Fund – 3053 450335	10,000	208,541
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	0
Playground pieces – 3057	6,462	0
YFS Fire Panel – 490000	4,200	0
Total	745,000	2,531,841

Capital Expenditures FY 2022 budgeted amount as noted below. To date, 93% has been utilized.

Department	Amount Budgeted/Transferred	Amount Used
Fire Department (4203)	60,000	\$40,758
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
Total	588,304	549,008

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	\$690,900 (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:

- Retirements and Resignations;
- Fire Fighter Bill passes;
- Referendum 12:00 – 8:00 p.m. at the high school May 10th;
- An offer was made to position of Ass't. Town Clerk;
- Part time admin in Selectman's Office advertised;
- Will be interviewing Ass't. Tax Collector in a week;
- Sidewalks started;
- Funding pension from surplus;
- Motor Vehicle evaluations are higher;
- Carl attending CIRMA Conference in Pittsburgh;
- Mill Rate

Mr. Carver thanked Selectman Fortuna.

10. Liaison Reports

Mr. Thorpe passed out a Board of Education Administrative Report to the board on Operations, Facilities, and Finance to read at their leisure. It was noted in the report that a year-end balance primarily from transportation, salary accounts, unemployment insurance and supplies in general was anticipated.

Mr. Stevenson reported a new lawnmower for Public Works and requested Mr. Bonin to come in to the next meeting. Mr. Carlson commented on the money the town received from "Nips." Ms. Palladino noted that Selectman Fortuna suggested putting the money into an off budget account for the Transfer Station.

11. Comments from Board Members

None

12. Public Comment

None

13. Comments from the Chair

Mr. Carver thanked the board and welcomed Mr. Dussault.

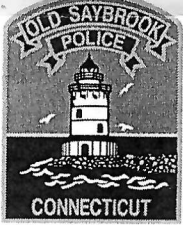
14. Adjournment

A motion to adjourn was made by Mr. Thorpe, seconded by Mr. O'Brien and was so voted unanimously at 8:05 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



TOWN OF OLD SAYBROOK DEPARTMENT OF POLICE SERVICES

36 Lynde Street • Old Saybrook, Connecticut 06475

Michael A. Spera
Chief of Police

Board of Selectmen
Board of Finance
302 Main Street
Old Saybrook, Connecticut 06475

April 5, 2022

Re: Conduct of Board of Finance Member Bruce Carlson

Members of the Board of Selectmen and Board of Finance:

Please accept this communication as my request as a municipal employee for relief from verbal and written abuse and harassment from Board of Finance Member Bruce Carlson.

At the March 15, 2022 meeting of the Board of Finance, Mr. Carlson made accusations that the Department of Police Services, its personnel, including me as the Chief of Police, are inherently racist. I must, on behalf of my hometown community, the Department, and specifically the Members of the Department who create our diversity, request a sincere public apology from Mr. Carlson. They do not deserve this horrible label. His comments insinuated that the Department along with decisions made by me as the Chief of Police and Director of Emergency Management to distribute personal protective equipment (PPE) at the Department were inherently racist; are simply not true. His statements, as an Agent of the Town of Old Saybrook, were designed to divide rather than unite and have demeaned the men and women of the Department of Police Services who comprise the most diverse municipal agency in the Town of Old Saybrook. We have worked tirelessly throughout the pandemic to provide all residents and neighboring community members with the very best response possible including providing communication, PPE, and vaccinations. Each task completed was done so without prejudice but rather with passion to help all community members. To insinuate otherwise is reckless, improper, and insulting to everyone who participated in the robust and unprecedented response to the COVID-19 Pandemic.

Both Boards should know that any racist tendencies and/or accusations of bias behavior exhibited by any of our employees would be taken very seriously by my Office. My actions to rectify such matters would be transparent to our community. Additionally, the Department has, and will continue to seek out those who violate the law based on race, creed, and culture, as that disgusting behavior is not tolerated in Old Saybrook.

Secondly, you have received the communications sent to me by Mr. Carlson. The tone of these communications from an Agent of the Town of Old Saybrook, individually to me as a municipal employee, are completely inappropriate and are unwelcomed. Even after I asked that all communication properly and professionally occur at public meetings, with the subject matter accurately placed on the public agenda, he still insists on contacting me directly. While he, like all public officials, have the right to make inquiries, to have opinions, and to participate in robust discussion, Mr. Carlson's conduct when interacting with municipal employees who possess property rights with respect to their public employment, must be professional and appropriate. Differences in funding levels are not new and are part of the annual budget process. Discussions and debates should always remain civil and professional and be in the public forum. My concern with his communications with me is not his difference of opinion, rather it is the demeaning way he presents his opinion.

Mr. Carlson needs to understand that he is a part of the whole with respect to his membership on the Board of Finance and a representative of the Town of Old Saybrook. Inappropriate interactions with municipal employees cause unnecessary liabilities for the Town of Old Saybrook.

Thank you for your attention to this important matter.

Sincerely,



Michael A. Spera
Chief of Police
Director of Emergency Management

DEPARTMENT OF POLICE SERVICES
TOWN OF OLD SAYBROOK

May 12, 2022

Board of Selectmen
Board of Finance
302 Main St.
Old Saybrook, CT 06475

Dear Members of the Board of Selectmen and Fellow Members of the Board of Finance,

You are in receipt of a letter from Chief Spera, which though dated April 5, 2022, was distributed at the May 3rd Board of Finance meeting. Unfortunately, Chief Spera's letter is fraught with inaccuracies that need to be rectified.

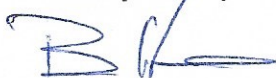
In his letter, Chief Spera contends that at our budget meeting on March 15th, I accused him and, through his efforts at conflation, the Department of Police Services as being inherently racist. That is not true. As you can see for yourself at the 45:45 mark in this linked video of the March 15th meeting, <https://www.youtube.com/watch?v=EmVyzwHZdbS&list=PLbEt7-HiGQ8IMpibIJf24SmyOtJ4ZwW2L&index=4&t=3401s>, I raised the issue of institutional racism in town government which was identified as a public health crisis in the October 27, 2020 Resolution of the Board of Selectmen on Racism as a Public Health Crisis. I suggested that we take steps to move from words to action through the incorporation of a line item for this purpose in the First Selectman's budget to support equity coaching in Old Saybrook.

When asked by a fellow Board Member to give an example of why equity coaching would be useful, the example I used was a situation that involved a decision by Emergency Management to distribute free masks for Old Saybrook residents at the Police Department. This was in contrast to the Towns of Westbrook and Clinton which chose to distribute their masks at Town Hall. I noted that there were some residents that were reluctant to go to the Police Station, so that having the distribution from Town Hall would have been a better choice for them. I will also note that at a previous Board of Finance meeting, I applauded the efforts of the Chief in diversifying the Department of Police Services.

Regarding my communication with the Chief following our March 29th meeting where the Chief stated that he "had to budget for being fully staffed", I was offering a strategy that the Chief could use going forward that would not require funding for full staff while still providing adequate funding for the Department. Having developed budgets for entities from the size of the State of Connecticut to a 5 employee not for profit over the last 45 years, I was offering the benefit of this experience. He has chosen to take it as an affront and considers it unwelcome. I am disheartened by that, but accept it. Any of my communications with the Chief have been in writing, therefore a public record, and I would be willing to share them with anyone who wishes to see them.

However, I object to the Chief's efforts to impugn my record through his unsubstantiated allegations. While I pledge to keep my interactions with the Chief to the minimum necessary, I will continue to contact him in writing if, and when, I need information that he possesses. I cannot and will not accept his position that I can only address him at a public meeting about an item that is on that meeting's agenda.

Thank you for your time!



Bruce Carlson