

Monthly Finance Director's Report – March 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.

Section I: Expenditure Budget for Fiscal Year 2021

Budget Fiscal Year 2021

The general government budget for Fiscal Year ("FY") 2021 presently stands at \$17,101,708, along with the Town's Debt Service budget of \$3,212,695, total General Government Expense equate to \$20,314,403. The Board of Education budget of \$26,706,023 brings the Town-wide budget to \$47,020,426. The budget was approved at the March 31, 2020 Board of Finance meeting in compliance with Governor Lamont's Executive Orders 7c and 7i, which allowed the Board of Finance to vote on the budget and set the mill rate.

Budget Appropriations - During FY21 no budget appropriation have been made.

Municipal Reserve Fund Appropriations - During FY21 the following appropriations against the municipal reserve fund ("MRF") have been made.

- An appropriation for \$200,000 from the capital non-recurring account (CNR) was approved by the Board of Selectmen on August 25, 2020 pursuant to Governor Ned Lamont's Executive Order 7S. The funds were moved to an off-budget account "Town Pension Plan" to be used toward the Actuarial Determined Contribution for FY21.
- An appropriation for \$17,895 from the CNR was approved by the Board of Selectmen on November 24, 2020 pursuant to Governor Ned Lamont's Executive Order 7S. The funds were moved to an off-budget account "P&R Restroom Project" to supplement the Small Town Economic Assistance Program grant in the amount of \$128,205 for the purpose of placing two pre-fabricated bathrooms at Park and Recreation Locations.
- An appropriation for \$135 thousand from the CNR was approved by the Board of Selectmen on March 23, 2021 for the purpose of replacing and repairing the gutters at the KHCAC and to place these monies in an off-budget account entitled "KHCAC gutter replacement".
- An appropriation of \$37,292 was made from the Fire Department Apparatus fund for the purpose of replacing the jaws of life equipment at the Fire Department. Since purchases from this fund are pre-authorized no additional approvals were necessary.

Off Budget Fund Appropriations – During FY21 the following appropriations against off budget funds were made:

- An appropriation of \$38 thousand from the from the "Bokum Road Property Sale" Fund 2800 for the purpose of paving and landscaping the turnaround on Ingham Hill Road was approved at the December 15, 2020 Board of Finance meeting. Further this appropriation was approved by the Board of Selectman pursuant to Governor Ned Lamont's Executive Order 7S, at its December 22, 2020 meeting.

Fiscal Year 21 Budget Performance

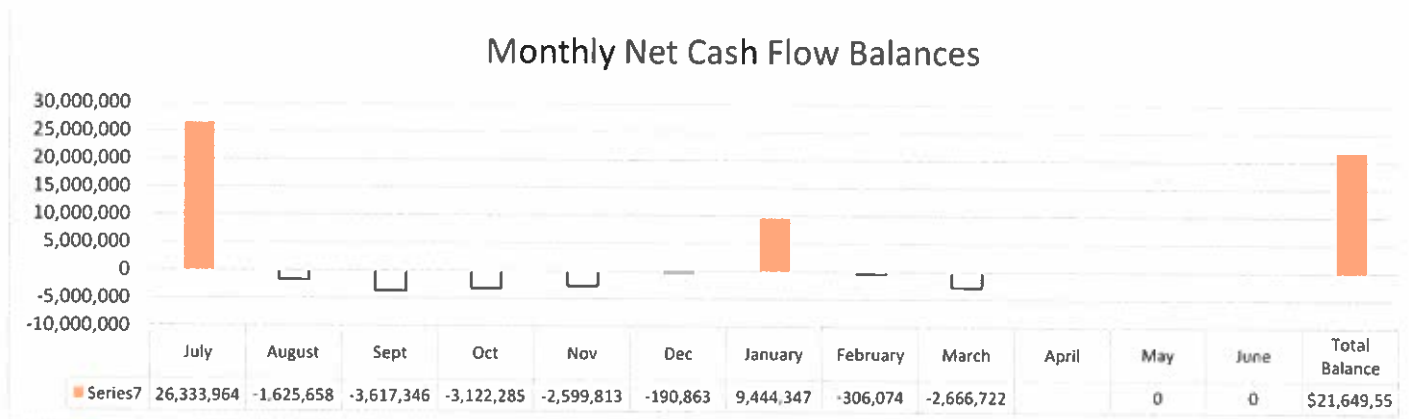
Through March 31, 2021, 75%% of the general government budget equates to \$12,826,281. Actual expenditures of \$11,874,857 are \$951 thousand below the straight-lined budget. Capital transfers, quarterly payment, and other one-time annual payments were made near the start of the fiscal year. Attached is the detail list of budget line items.

Section II: Cash Flow Summary

As of March 31, 2021, the Town's cash balance was as follows:

Fund	Total	Monthly Activity
General Fund	21,649,551	(2,666,722)
Capital Funds	1,936,613	32,978
Reserve Funds	\$3,549,115	(56,503)
Non-major Funds	2,455,564	(256,855)
Total	29,590,843	(2,947,102)

During the month of March, the Town's total cash decreased by \$2.9 million of which \$2.66 million was due to activities in the General Fund. The GF received \$573 thousand in revenues which were offset by \$3.2 million in expenditure.



Section III. Long Term Strategies

1. Debt Service

Outstanding June 30, 2020:	\$27,990,000
Debt Service Payment FY21:	\$3,212,695
Debt Service Payment FY22:	\$3,209,845
Debt Service Reserve:	\$431,927

2. Capital Outlays FY21

The Municipal Reserve Fund, which includes capital non-recurring, fire apparatus, public work/transfer station, and Board of Education sinking funds, totals \$1,926,325 as of March 31, 2021.

Municipal Reserve Fund	FY 2021 Transfers	Balance
Capital Non- Recurring Budget 3350	\$184,425	\$597,028
Fire Apparatus -3351	170,000	140,872

Municipal Reserve Fund	FY 2021 Transfers	Balance
Public Works – 3353	75,000	188,425
Board of Education – 3354		1,000,000
Catastrophic Illness – 7219	70,000	116,589
Post-employment Payout – 7220	40,000	147,750
Revaluation – 7222	50,000	91,722
Contingency – 7224	30,000	48,774
Roof Repair - 3020	25,000	42,759
P&R Sinking Fund – 3053 450335	10,000	7,018
Stonework EDC 3028 417326	4,000	4,000
Signage (P&R and DPW) – 3029 450334	29,000	4,511
P&R Mini Golf Carpets – 3030 450331	6,800	0
P&R Pavilion Carpet - 3031 450333	9,025	669
Gutter Guards (Library) – 3032 450130	5,600	81
NEA Grant Live in Old Saybrook – 2915 417327	10,000	10,000
Total	718,850	2,832,125

Capital Expenditures FY 2021 budgeted amount as noted below. To date, 67% 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)	25,000	\$10,078
Highway & Streets (4303)	390,000	\$282,792
Library Heat Pumps (4501)	15,000	\$14,071
Total	\$589,804	\$396,745

3. **Pension Plan**

Description	Town Pension Plan	Fire Department Pension Plan
Actuarial Defined Contribution (ADC) FY21:	\$789,169	\$169,368
Paid to date by the Town & BoE	\$659,426 (~\$750k projected)	\$183,957
ADC FY22	\$813,814	\$171,642
ADC budget amount	\$468k (town) \$150 (BoE) = \$618k	\$180,000

4. **Fund Balance Performance vs. Policy**

- Unassigned General Fund Target Balance: 15% of approved GF annual expenditures
- Range of 12% to 15%: Deemed healthy – no action required.
- Less than 12%: Board of Finance shall be notified.
- Less than 5%: First Selectman develops plan to rebuild fund balance.

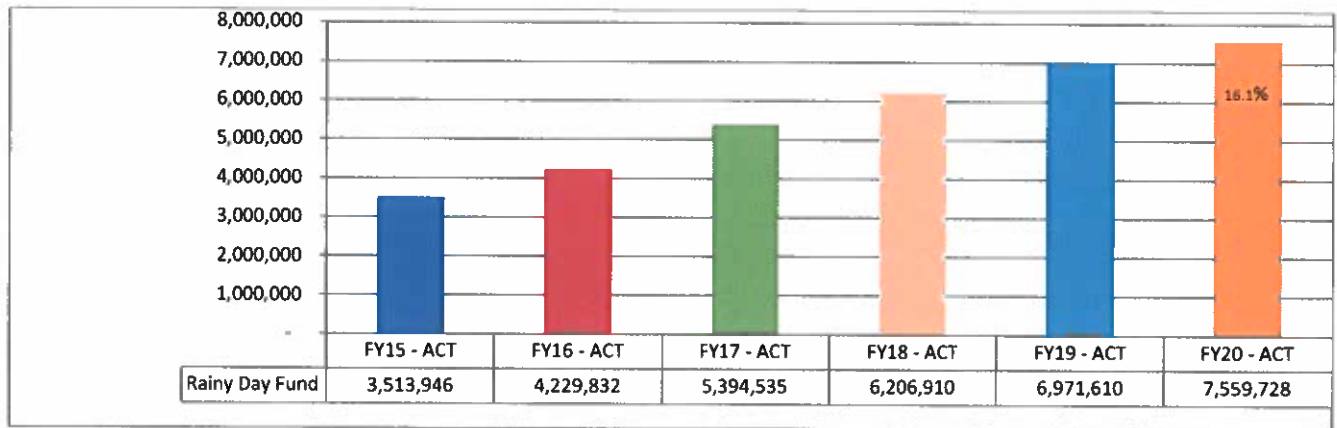
In the event that a fiscal year ends with surplus funds projected to be in excess of the 15% policy target, the Board of Selectmen shall make a recommendation to the Board of Finance for use of excess funds. As of June 30, 2020, the GF unassigned balance was 16.1% of FY21 budgetary expenditures.

Town of Old Saybrook Fund Balances for the Period Ending June 30, 2020

Fund	Non-spendable	Restricted	Committed	Unassigned	Total
General Fund	0	143,100	421,027	7,559,728	8,123,855
Capital Funds			1,356,467		1,356,467
Reserve Funds			3,929,247		3,929,247
Non-major Funds	5,000	224,974	1,427,861	(255,402)	1,402,433
Total	5,000	368,074	7,134,602	7,304,326	14,812,002

** Restricted (\$143,100 performance bonds GF) (\$224,974 restricted by grant program)

General Fund Balance Trend: Fiscal Years 2015 - 2020



Operating Budget Report: Expenses

General Fund: 1005

:: General Fund Budget

Dept. #	Department	FY21 Budget	FY21 Period Expense	FY21 YTD Expenses	Current FY% of Budget	FY20 YTD Expense	Prior FY % of Budget	YOY Change
411100	SELECTMEN	403,019	44,504	291,226	72.3%	329,762	83.8%	(38,536)
411700	BOARD OF FINANCE	62,417	68	56,389	90.3%	38,403	62.1%	17,986
412300	ACCOUNTING	311,671	28,402	217,520	69.8%	207,212	69.2%	10,308
412500	ETHICS	950	-	-	0.0%	-	0.0%	-
413100	ASSESSOR	169,736	14,361	106,488	62.7%	95,622	57.5%	10,866
413300	ASSESSMENT APPEALS	6,697	1,971	2,002	29.9%	8,643	74.8%	(6,641)
413500	TAX COLLECTOR	217,916	20,491	153,577	70.5%	145,981	68.3%	7,596
413700	TREASURER	8,647	1,004	6,498	75.1%	6,281	72.8%	216
413900	LEGAL SERVICES	105,000	5,178	83,092	79.1%	71,021	67.6%	12,071
414200	RETIREE HEALTH INS	261,000	21,734	181,406	69.5%	197,303	71.2%	(15,897)
414300	INFORMATION TECHNOLOGY	197,908	18,695	144,329	72.9%	127,298	66.3%	17,031
414701	TOWN CLERK	260,842	27,595	190,709	73.1%	171,889	67.1%	18,820
414702	VITAL STATISTICS	1,350	-	217	16.1%	295	21.9%	(78)
414900	REGISTRAR OF VOTERS	72,686	2,995	62,412	85.9%	36,682	52.5%	25,730
415101	LAND USE	449,540	34,624	276,208	61.4%	304,567	68.6%	(28,359)
415102	ARCH REVIEW BD	3,678	335	2,137	58.1%	372	10.4%	1,765
415300	PLANNING COMMISSION	15,319	539	2,222	14.5%	400	2.6%	1,822
415501	ZONING COMMISSION	34,843	2,713	14,478	41.6%	13,712	39.4%	767
415502	ZBA	13,472	370	3,846	28.5%	5,744	42.8%	(1,898)
415700	INSURANCE	366,000	88,859	361,588	98.8%	348,981	89.9%	12,608
415900	HISTORIC DISTRICT	5,383	135	3,009	55.9%	1,168	21.8%	1,841
416300	INLAND/WETLANDS	8,683	903	10,531	121.3%	6,046	70.1%	4,485
416500	HARBOR MGMT COMMISSION	20,917	2,357	15,609	74.6%	12,147	59.0%	3,462
417100	CONSERVATION COMMISSION	4,496	81	948	21.1%	1,106	29.7%	(158)
417300	ECONOMIC DEVELOPMENT	65,191	5,285	40,771	62.5%	45,703	74.7%	(4,932)
417700	POLITICAL SUB DIVISIONS	182,223	-	168,147	92.3%	170,573	94.2%	(2,426)
419900	TOWN HALL	493,184	45,339	333,944	67.7%	322,242	68.9%	11,702
420101	PD - FIELD SERVICE	3,572,888	246,414	2,369,571	66.3%	2,211,216	63.4%	158,354
420102	PD - SUPPORT SERVICE	1,084,097	74,434	738,195	68.1%	680,117	66.7%	58,078
420103	PD GENERAL EXPENDITURES	541,287	42,376	351,681	65.0%	398,564	74.1%	(46,883)
420300	FIRE DEPT.	601,419	19,879	413,316	68.7%	469,348	78.4%	(56,031)
421100	TREE WARDEN	43,074	-	24,701	57.3%	12,658	30.2%	12,044
421300	BUILDING	142,858	15,061	100,695	70.5%	101,413	74.5%	(718)
421500	ANIMAL CONTROL	25,000	-	25,000	100.0%	25,000	100.0%	-
421700	MARINE PATROL	59,890	-	16,422	27.4%	28,911	48.9%	(12,489)
421900	FIRE MARSHAL	143,128	21,460	97,972	68.5%	85,531	62.4%	12,441
422300	EMERGENCY MANGEMENT	203,762	26,771	129,213	63.4%	90,537	44.5%	38,676
430100	PW ADMIN	1,077,653	111,176	804,775	74.7%	747,210	70.6%	57,566
430300	PW HIGHWAY AND STREET	576,300	1,929	355,680	61.7%	439,174	78.2%	(83,495)
430500	ENGINEERING	80,000	3,561	46,906	58.6%	52,338	65.4%	(5,431)
430700	PW SNOW AND ICE	71,000	26,952	62,785	88.4%	8,656	12.2%	54,129
431100	STREET LIGHTING	152,000	5,648	63,603	41.8%	114,505	74.4%	(50,902)
431300	PW VEHICLE/EQUIP MAINT	81,000	7,931	47,618	58.8%	38,091	47.0%	9,527
431700	WASTE COLLECTION	24,990	2,823	21,235	85.0%	19,142	76.6%	2,092
432900	WATER HYDRANT	635,000	52,898	313,940	49.4%	276,671	46.2%	37,269
440100	ENVIRONMENTAL HEALTH	162,000	-	130,020	80.3%	130,831	80.8%	(811)
441100	NURSING	44,021	264	9,359	21.3%	18,655	43.7%	(9,296)
441900	YFS	408,517	-	408,545	100.0%	406,728	100.0%	1,817
442700	SOCIAL SRVS	121,799	11,029	73,832	60.6%	80,476	69.5%	(6,644)
450100	LIBRARY-ACTON	1,013,985	90,236	667,481	65.8%	688,867	68.4%	(21,386)
450301	RECREATION	590,315	45,938	362,600	61.4%	410,218	71.1%	(47,618)
450302	RECREATION MINI GOLF	70,457	160	43,290	61.4%	39,846	60.8%	3,443
450503	PARKS VICKY DUFFY PAV	12,000	483	8,310	69.3%	11,661	106.0%	(3,350)
450505	PARKS - OTHER	63,280	1,703	61,134	96.6%	58,179	98.1%	2,955
451100	THE KATE	69,500	3,212	39,600	57.0%	58,820	91.2%	(19,220)
490000	CAPITAL OUTLAY	718,850	-	718,850	100.0%	739,553	100.0%	(20,703)
821100	WPCA ADMIN	275,831	26,142	199,304	72.3%	164,251	59.3%	35,053

840100 TRANSFER STATION OPERATI	352,139	39,482	258,767	73.5%	234,988	73.4%	23,779
840300 TS WASTE TRANSPORT/ DISPO	340,900	16,638	181,153	53.1%	179,890	53.6%	1,263
General Fund Budget - Total	17,101,708	1,262,937	11,874,857	69.4%	11,691,200	69.7%	183,657

:: Debt Service

Dept. #	Department	FY21 Budget	FY21 Period Expense	FY21 YTD Expenses	Current FY% of Budget	FY20 YTD Expense	Prior FY % of Budget	YOY Change
480100	DEBT SERVICE GG	3,212,695	-	3,212,695	100.0%	3,238,104	100.0%	(25,410)
Debt Service - Total		3,212,695	-	3,212,695	100.0%	3,238,104	100.0%	

:: Board of Education

Dept. #	Department	FY21 Budget	FY21 Period Expense	FY21 YTD Expenses	Current FY% of Budget	FY20 YTD Expense	Prior FY % of Budget	YOY Change
470000	BOARD OF EDUCATION	26,706,023	1,946,763	18,719,363	70.1%	18,769,910	70.8%	(50,547)
Board of Education - Total		26,706,023	1,946,763	18,719,363	70.1%	18,769,910	70.8%	
Overall - Total		47,020,426	3,209,700	33,806,914	71.9%	33,699,214	72.4%	107,700