



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE REGULAR MEETING MINUTES

March 15, 2022 6:30 p.m.

This was a hybrid meeting

BOF Attendant Members

Carol Rzasa, Chairwoman
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
Michael Spera, Chief of Police
Jan Perruccio, Superintendent of Schools
Julie Pendleton, Director of Finance and Operations
Bob Murphy, Chairman Harbor Management Commission
Mark Caldarella, Chairman Republican Town Committee
Gerri Lewis, Clerk

1. Ms. Rzasa called the meeting to order at 6:30 p.m.
2. **Pledge of Allegiance:**
Ms. Rzasa led the pledge.
3. **Roll Call:** All members present.
4. **Minutes**

A motion to approve the minutes of February 15, 2022 was made by Mr. Thorpe, seconded by Mr. Carver and was so voted unanimously.

A motion to approve the minutes of March 1, 2022 Public Hearing was made by Mr. Carlson, seconded by Mr. Thorpe and was so voted unanimously.

5. Budget FY23 Discussions

Mr. Carlson talked about the pursuit of Equity Coaching from Sustainable CT to help the Town identify projects that would assist in implementing the Racism as a Public Health Crisis resolution.

He also noted that funding is available through the Capital non-recurring account to fund a Personnel and Staffing Study of the Department of Police Services if the Police Commission chooses to pursue such a study. Mr. Fortuna noted that although the funding may be available, that there was a process that needed to be followed for the Study to come to fruition.

Mr. Carlson suggested to decrease the debt service reserve transfer by \$25,000 and make a transfer to the General Fund budget in the amount of \$25,000 from the off budget Police Administration account.

Mr. Carlson suggested to eliminate the \$100,000 debt service reserve transfer and reduce the Police Services budget by \$100,000.

It was noted that the wording of the Budget FY23 Discussions on the agenda, didn't ask for "action requested." It was agreed by the board that there would be a special meeting for just this agenda item on March 29, 2022.

6. Engineering Budget Request 2022

Selectman Fortuna and the Board of Selectmen **recommended to the Board of Finance to make** a budget appropriation in the amount of \$55,000 to the General Fund Engineering budget line item 430500.

He noted that the Town budgeted \$80,000 for engineering for Fiscal Year ("FY") 22. As of February 2022, we have utilized the full engineering budget

He reported that there is still engineering work to do on two large town infrastructure projects that were not entirely foreseeable. The first is to repair the culvert at Beaver Dam Trail. This culvert, which was likely more than 50 years old, failed in storm Ida. Unfortunately, there is no FEMA funding available for this project in Middlesex County, although federal emergencies were declared in New London County, New Haven County and one or two other counties.

Secondly, he noted that engineering work is needed for Chalkers Millpond Dam, where to date we have spent \$8,675 in FY 22. Much more work is still needed on this project. Chalkers Millpond Dam is a Hazard Classification B dam meaning should the dam fail, significant hazards such as possible loss of life, damage to structures or roadways, economic loss, etc. may occur. CTDEEP Dam Safety issued a *Request for Engineering and Maintenance Work* letter, dated October 30, 2020, to the town which requires repairs and maintenance work be conducted. These repair/maintenance items fall within the

CTDEEP Dam Safety General Permits GP-016 filing category requiring professional engineer oversight. This can be quite expensive as construction documents need to be developed, the project publicly advertised for bids, and ultimately construction costs. Similar projects in scope generally cost \$200-300K to cover engineering and construction costs. Unfortunately, dam owners (municipal and private) carry the burden to cover these costs, and according to CTDEEP Dam Safety funding opportunities do not appear to exist. Selectman Fortuna said, “We anticipate another \$25,000 in engineering costs, at least, on this project this fiscal year. As for construction, which will likely be in 2023 or 2024, I would look to the Capital Non-Recurring account.”

After a short Q&A, the following motion was made:

A motion was made by Ms. Rzasz, seconded by Mr. Thorpe to appropriate \$55,000 to the General Fund Engineering budget line item 430500 and to move this recommendation to Town Meeting was so VOTED unanimously.

7. Harbor Management Budget Discussion

Mr. Murphy, Chair of the Harbor Management Commission made the following presentation regarding the work done since they came before the board in 2018:

- a. Renovated Sheffield Street Town Dock - \$120K
 - i. Obtained Permits
 - ii. Raised the grade of the dock area
 - iii. Installed new floating docks and gangways
 - iv. Constructed new dinghy and kayak racks
- b. Completed Ferry Road Dock Replacement - \$136K
 - i. Obtained permits
 - ii. Demolished existing fixed dock
 - iii. Constructed a new fixed dock

Additional Floating Docks to the Ferry Road Dock (50% Complete)
- c. Obtained Permits
- d. Fabricated floating docks and gangways
- a. Contracted for the installation of the floating docks

There was also work at the Clothesline Marina.

A recommendation to increase the Harbor Management budget by \$50K was requested.

A motion to accept the recommendation for an increase in the Harbor Management Commission budget by \$50K was made by Ms. Rzasz, seconded by Mr. Thorpe and was so VOTED unanimously.

Mr. Rzasz thanked Mr. Murphy.

8. Treasurer Report

Ms. Labriola emailed the Treasurer Report which was read into the record by Ms. Rzasz as follows:

We have collected 99% of our budgeted revenue as of February 28, 2022, with majority of income received still coming from property taxes.

Markets have been very volatile and the Pension Plans are down as of February 28, Town pension -4.28% fiscal year to date and Fire -3.83% FYTD .

The Pension board met in February and reviewed and agreed to reduce its Assumption rate and we will discuss further at our April meeting.

The investment board, myself, Carl and Lee Ann met again with Morgan Stanley and we have invested our 8 million and our 1.2 million ARPA funds with Morgan Stanley just earlier this month and I will report to you on this in April as well. Morgan Stanley was able to buy in at a higher yield price than we expected.

To Note an email from the Finance Director as follows:

- There have been no material changes since the last report, no appropriations or transfers.
- The Budget is performing in line with expectations.
- One budget line item, Other Parks, has exceeded its budget and is over by ~ \$3k. (Budget \$65,280 vs. actual \$68,925). More charges will likely be added in the last couple of months of the FY, but at this point it doesn't appear that it will exceed its budget by \$25k
- One budget line item, Vicky Duffy Park, is close to hitting its budget (\$12.3k budget vs. \$11.5k actual), and will likely slightly exceed budget by the end of the FY.
- Cash flows are up \$10.4 million in January due to Tax collections
- There were no unusual draw down of reserve funds. Total reserves are strong at \$2.7 mm of which \$2 mm are in the municipal reserve fund.

9. Selectman's Report

Selectman Fortuna touched on the following issues:

- Compostable Toilets;
- Support Union agreement;
- School Funding HVAC; cost \$41K; Possible Grant: \$30K
- Testified: Town owned beaches;
- Car tax mill rate;
- EV charging stations;

Ms. Rzasz Thanked Selectman Fortuna.

At this time Selectman Fortuna noted that this was Ms. Rzasz's last meeting and thanked Ms. Rzasz for her time on the Board of Finance. He announced that she was chosen to replace Mr. Maynard, Tax Collector for the town.

10. Comments from the Board

None.

11. Public Comment

Mr. Caldarella commended the board for their hard work and dedication. He thanked them for their diligence and many additional meetings regarding the FY23 budget.

Chief Spera praised the board as well for their thoughtful dedication while discussing the FY23 budget.

12. Comments from the Chair

Ms. Rzaszka thanked the board, Carl and the Board of Selectmen, Chief Spera, Jan Peruccio, Julie Pendleton, and the department directors that came before the board. She said she would miss her time on the Board of Finance but is ready for the next challenge and confidence shown to her.

13. Adjournment

A motion to adjourn was made by Mr. Thorpe, seconded by Mr. O'Brien and was so voted unanimously at 8:32 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