

Monthly Finance Director's Report – May 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.
- An appropriation of \$9,800 from the CNR was approved by the Board of Finance at its May 18, 2021 meeting for the purpose of modernizing the broadband high-speed connection between Town Hall and the YFS building and moved to Town meeting, which was approved on June 8, 2021.

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.

Funding Mechanism – At the Board of Finance meeting held on May 18, 2021 it was voted to approve the allocation of the \$7 mini-golf tickets to have \$5 allocated to the general fund and \$2 allocated to the off budget P&R sinking fund account for the purpose of setting funds aside for Park & Recreation capital purchases.

Fiscal Year 21 Budget Performance

Through May 31, 2021, 91.6% of the general government budget equates to \$15,676,565. Actual expenditures of \$\$14,217,922 are \$1.5 million 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 May 31, 2021, the Town’s cash balance was as follows:

Fund	Total	Monthly Activity
General Fund	15,762,567	(3,021,198)
Capital Funds	1,999,659	(73,125)
Reserve Funds	3,330,373	(11,096)
Non-major Funds	2,036,446	(344,301)
Total	23,129,045	(3,449,720)

During the month of March, the Town’s total cash decreased by \$3.5 million of which \$3.0 million was due to activities in the General Fund. The GF received \$230 thousand in revenues which were offset by \$3.3 million in expenditure.

State of Emergency COVID 19 Fund 2843 had a negative balance of \$509,708. Total funds expended to date equal \$913,706. Total funds received to date equal \$403,999. During the month of June 2021 \$107,719 was expended and no reimbursements were received.

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 \$1,709,377 as of May 31, 2021.

Municipal Reserve Fund	FY 2021 Transfers	Balance
Capital Non- Recurring Budget 3350	\$184,425	\$462,245
Fire Apparatus -3351	170,000	129,817
Public Works – 3353	75,000	117,315
Board of Education – 3354		1,000,000
Catastrophic Illness – 7219	70,000	116,589
Post-employment Payout – 7220	40,000	113,079

Municipal Reserve Fund	FY 2021 Transfers	Balance
Revaluation – 7222	50,000	90,781
Contingency – 7224	30,000	38,767
Roof Repair - 3020	25,000	42,350
P&R Sinking Fund – 3053 450335	10,000	0
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	0
NEA Grant Live in Old Saybrook – 2915 417327	10,000	10,000
Total	718,850	2,130,123

Capital Expenditures FY 2021 budgeted amount as noted below. To date, 79% has been utilized.

Department	Amount Budgeted/Transferred	Amount Used
Fire Department (4203)	60,000	\$59,962
Police Department (4201)	99,804	\$97,067
IT – Town (4143)	25,000	\$11,855
Highway & Streets (4303)	390,000	\$282,792
Library Heat Pumps (4501)	15,000	\$14,071
Total	\$589,804	\$465,747

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	\$720,000 (~\$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.

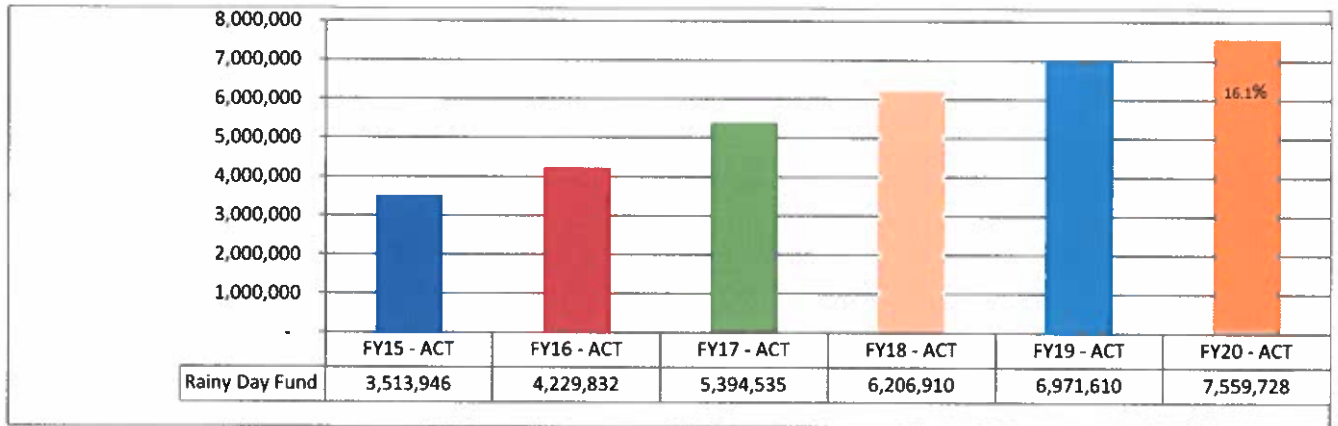
In the event that a fiscal year ends with surplus funds projected to be in excess of the 15% policy target, the Board of Selectmen shall make a recommendation to the Board of Finance for use of excess funds. As of June 30, 2020, the GF unassigned balance was 16.1% of FY21 budgetary expenditures.

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	30,793	352,220	87.4%	404,978	102.9%	(52,758)
411700	BOARD OF FINANCE	62,417	1,140	57,529	92.2%	50,886	82.3%	6,643
412300	ACCOUNTING	311,671	20,745	257,292	82.6%	268,712	89.7%	(11,420)
412500	ETHICS	950	-	-	0.0%	266	28.0%	(266)
413100	ASSESSOR	169,736	8,722	124,565	73.4%	117,835	70.9%	6,730
413300	ASSESSMENT APPEALS	6,697	-	3,931	58.7%	11,434	99.0%	(7,503)
413500	TAX COLLECTOR	217,916	19,682	186,701	85.7%	179,748	84.0%	6,953
413700	TREASURER	8,647	667	7,834	90.6%	7,979	92.4%	(145)
413900	LEGAL SERVICES	105,000	2,073	95,882	91.3%	88,187	84.0%	7,695
414200	RETIREE HEALTH INS	261,000	20,121	221,526	84.9%	236,564	85.4%	(15,039)
414300	INFORMATION TECHNOLOGY	197,908	12,538	170,557	86.2%	156,660	81.6%	13,897
414701	TOWN CLERK	260,842	18,442	228,949	87.8%	218,569	85.3%	10,380
414702	VITAL STATISTICS	1,350	-	217	16.1%	295	21.9%	(78)
414900	REGISTRAR OF VOTERS	72,686	5,909	73,320	100.9%	41,442	59.3%	31,877
415101	LAND USE	449,540	25,616	324,303	72.1%	382,011	86.1%	(57,708)
415102	ARCH REVIEW BD	3,678	194	2,445	66.5%	372	10.4%	2,073
415300	PLANNING COMMISSION	15,319	358	2,734	17.8%	400	2.6%	2,333
415501	ZONING COMMISSION	34,843	1,149	18,070	51.9%	16,268	46.8%	1,801
415502	ZBA	13,472	433	5,443	40.4%	6,288	46.8%	(846)
415700	INSURANCE	366,000	2,781	364,543	99.6%	361,990	93.3%	2,553
415900	HISTORIC DISTRICT	5,383	108	3,117	57.9%	1,611	30.1%	1,506
416300	INLAND/WETLANDS	8,683	43	10,622	122.3%	6,623	76.8%	3,998
416500	HARBOR MGMT COMMISSION	20,917	1,698	18,804	89.9%	15,505	75.3%	3,299
417100	CONSERVATION COMMISSION	4,496	179	1,205	26.8%	1,203	32.3%	1
417300	ECONOMIC DEVELOPMENT	65,191	6,230	56,032	86.0%	54,253	88.6%	1,779
417700	POLITICAL SUB DIVISIONS	182,223	4,022	173,005	94.9%	170,573	94.2%	2,431
419900	TOWN HALL	493,184	38,015	405,799	82.3%	416,125	88.9%	(10,325)
420101	PD - FIELD SERVICE	3,572,888	294,592	3,036,281	85.0%	2,793,278	80.1%	243,003
420102	PD - SUPPORT SERVICE	1,084,097	66,134	908,273	83.8%	875,434	85.8%	32,839
420103	PD GENERAL EXPENDITURES	541,287	44,069	432,432	79.9%	487,839	90.7%	(55,407)
420300	FIRE DEPT.	601,419	31,969	526,058	87.5%	514,047	85.8%	12,011
421100	TREE WARDEN	43,074	9,075	33,776	78.4%	24,858	59.2%	8,919
421300	BUILDING	142,858	10,241	121,015	84.7%	125,973	92.6%	(4,959)
421500	ANIMAL CONTROL	25,000	-	25,000	100.0%	25,000	100.0%	-
421700	MARINE PATROL	59,890	(46)	18,506	30.9%	30,744	52.0%	(12,238)
421900	FIRE MARSHAL	143,128	8,998	114,641	80.1%	107,091	78.2%	7,550
422300	EMERGENCY MANGEMENT	203,762	8,180	158,510	77.8%	104,671	51.4%	53,839
430100	PW ADMIN	1,077,653	78,242	957,413	88.8%	940,405	88.9%	17,007
430300	PW HIGHWAY AND STREET	576,300	14,630	378,663	65.7%	459,593	81.9%	(80,930)
430500	ENGINEERING	80,000	-	62,255	77.8%	75,517	94.4%	(13,262)
430700	PW SNOW AND ICE	71,000	374	77,970	109.8%	8,656	12.2%	69,314
431100	STREET LIGHTING	152,000	6,846	74,924	49.3%	137,327	89.2%	(62,403)
431300	PW VEHICLE/EQUIP MAINT	81,000	6,147	66,675	82.3%	41,625	51.4%	25,050
431700	WASTE COLLECTION	24,990	-	26,480	106.0%	23,928	95.7%	2,552
432900	WATER HYDRANT	635,000	52,075	417,826	65.8%	378,475	63.2%	39,351
440100	ENVIRONMENTAL HEALTH	162,000	5,440	135,460	83.6%	140,871	87.0%	(5,411)
441100	NURSING	44,021	10,960	20,381	46.3%	24,093	56.5%	(3,711)
441900	YFS	408,517	-	408,615	100.0%	406,728	100.0%	1,887
442700	SOCIAL SRVS	121,799	9,450	93,393	76.7%	99,555	85.9%	(6,163)
450100	LIBRARY-ACTON	1,013,985	68,697	816,559	80.5%	839,618	83.4%	(23,060)
450301	RECREATION	590,315	49,576	448,785	76.0%	489,460	84.8%	(40,676)
450302	RECREATION MINI GOLF	70,457	10,191	53,018	75.2%	46,240	70.6%	6,778
450503	PARKS VICKY DUFFY PAV	12,000	931	10,257	85.5%	13,837	125.8%	(3,580)
450505	PARKS - OTHER	63,280	3,612	66,237	104.7%	61,708	104.1%	4,529
451100	THE KATE	69,500	4,663	52,817	76.0%	69,362	107.5%	(16,545)
490000	CAPITAL OUTLAY	718,850	(659)	718,191	99.9%	739,553	100.0%	(21,362)

821100 WPCA ADMIN	275,831	14,940	233,372	84.6%	202,989	73.3%	30,383
840100 TRANSFER STATION OPERATI	352,139	46,073	331,304	94.1%	295,695	92.4%	35,610
840300 TS WASTE TRANSPORT/ DISPO	340,900	21,911	226,193	66.4%	223,999	66.7%	2,195
General Fund Budget - Total	17,101,708	1,098,971	14,217,922	83.1%	14,024,948	83.6%	192,974

:: 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	2,248,471	22,925,625	85.8%	22,657,773	85.4%	267,852
Board of Education - Total		26,706,023	2,248,471	22,925,625	85.8%	22,657,773	85.4%	
Overall - Total		47,020,426	3,347,442	40,356,242	85.8%	39,920,825	85.8%	435,416