



TOWN OF OLD SAYBROOK
Board of Finance

302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE VIRTUAL REGULAR
MEETING MINUTES

March 16, 2021 7:00 p.m.

BOF Attendant Members

David LaMay, Chairman
Carol Rzasa, V. Chairwoman
Tom Stevenson
Barry O’Nell
Rick Swan
Paul Carver
Bruce Carlson

Absent Members

In Attendance

Carl Fortuna, First Selectman
Scott Giegerich, Selectman
Matt Pugliese, Selectman
Lee Ann Palladino, Finance Director; Treasurer
Michael Spera, Chief of Police
Jan Perruccio, Superintendent of Schools
Julie Pendleton, Director of Finance and Operations
Gerri Lewis, Clerk

Chairman LaMay called the meeting to order at 7:00 p.m.

2. Pledge of Allegiance:

Chairman LaMay led the pledge. Following the pledge, he read a letter from Ms. LaPlace.

3. Roll Call: All members present

4. Minutes

A motion to approve the minutes of February 16, 2021 was made by Ms. Rzasa, seconded by Mr. Carlson: Discussion: Mr. Carlson noted that the count on the approval of the motion should be 6-0-1. Motion was VOTED unanimously.

A motion to approve the minutes of the Public Hearing on 3/5/2021 was made by Mr. Carlson, seconded by Mr. Swan and was so VOTED unanimously.

5. Comments from the Public

At this time, Chairman LaMay asked Mr. Hayden, the IT administrator of the zoom meeting to identify the public with a show of hands so that they could comment.

There were several members of the public who supported the Town Government, Board of Education and Police Budgets.

6. Katherine Hepburn Cultural Arts Center Gutter Project:

After a brief discussion, the following motion was made:

To approve an appropriation from the capital non-recurring account in the amount of \$135 thousand 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”. Further to move this appropriation to Town meeting or moved to the Board of Selectman for consideration pursuant to Governor Ned Lamont’s Executive Order 7S, whichever is in effect.

7. Treasurer Report

The Treasurer reviewed Revenues for the month of February and noted that \$46,161,694 of the \$47,020,426 budget, or 98.2% had been received to date. Revenue projections through the end of the fiscal year, project a small surplus at this point. The Treasurer then reviewed each category of revenue and commented on the period receipts.

8. Finance Director Report:

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 capital non-recurring account (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.

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.

Budgeted 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 \$1,925,987 as of February 28, 2021.

| Municipal Reserve Fund | FY 2021 Transfers | Balance |
|----------------------------------------------|-------------------|--------------------|
| Capital Non- Recurring Budget 3350 | \$184,425 | \$596,793 |
| Fire Apparatus -3351 | 170,000 | 140,872 |
| Public Works – 3353 | 75,000 | 188,322 |
| Board of Education – 3354 | | 1,000,000 |
| Catastrophic Illness – 7219 | 70,000 | 116,589 |
| Post-employment Payout – 7220 | 40,000 | 183,648 |
| Revaluation – 7222 | 50,000 | 92,622 |
| Debt Service Stabilization Fund - 4005 | | 431,755 |
| Contingency – 7224 | 30,000 | 48,774 |
| Roof Repair - 3020 | 25,000 | 42,759 |
| P&R Sinking Fund – 3053 450335 | 10,000 | 10,000 |
| 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 | \$2,871,395 |

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 |

Fiscal Year 21 Budget Performance

Through February 28, 2021, 66.6% of the general government budget equates to \$11,389,738. Actual expenditures of \$10,600,653 are \$789 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.

9. Selectman Report:

Selectman Fortuna noted that at the state level, he was watching tax proposals, land use proposals and mansion tax.

Mr. Swan inquired about the Y&FS action plan. Selectman Fortuna commented that he would email Director Allen.

10. Budget Discussion:

At this time the following motions were made:

A motion to approve the general government budget in the amount of \$20,416,352 was made by Chairman LaMay, seconded by Ms. Rzasa. Discussion followed:

A motion to transfer \$12,000 from Public Works budget to the Tree Warden budget to consolidate the tree pruning was made by Ms. Rzasa and seconded by Mr. Swan. Discussion: Ms. Rzasa felt that this should be in the tree warden's budget because of the Tree Warden's professional expertise on the health of trees. Mr. O'Neill asked who was responsible for authorizing the tree pruning to which Selectman Fortuna said that he was. The motion carried.

A motion was made to decrease the named projects in the capital budget by \$135,000 reflecting the removal of the the KHCAC gutter project; as well as to increase the named projects by \$8,500 to reflect the winning bid for the DPW boiler, and to increase the capital non-recurring budget by \$126,500 for a net \$0 increase in the overall capital budget. The motion was passed unanimously.

Chairman LaMay called the VOTE on the modified General Government budget in the amount of \$20,416,352 for the Fiscal Year 2021-2022 and it was so VOTED unanimously and voted to the annual town budget meeting which will adjourn to referendum.

A motion to approve the Board of Education budget in the amount of \$26,771,365 was made by Mr. LaMay, seconded by Mr. O'Neill. Discussion followed:

Ms. Rzasa made a motion to reduce the BoE's budget into the General Government budget in the amount of \$10,500 seconded by Mr. Swan. Discussion ensued clarifying that the BoF could only reduce the overall size of the BoE budget and not target a particular line item. The Chairman took the vote on this motion. Approved: Mr. Stevenson; Mr. Swan and Ms. Rzasa. Denied: Mr. Carlson; Mr. Carver; Mr. O'Neill and Chairman LaMay. Motion did not pass.

Ms. Rzasa made a motion to reduce the BoE budget by \$6,500 as she believed there was a mathematical error in the calculation of the capital improvements line item. Motion seconded by Mr. O'Neill. Discussion: Ms. Listorti noted and Ms. Pendleton agreed that capital allocations

appeared in three different sections and demonstrated that there was not a mathematical error. Ms. Rzasa withdrew her motion.

Mr. Carlson inquired about the furtherance of a police study. Selectman Fortuna commented that the Board of Finance is an appropriations board not a policy board.

There were no further motions on the BOE budget and Chairman LaMay called the VOTE on the Board of Education budget as presented in the amount of \$26,771,365 for the Fiscal Year 2021-2022 and it was voted to the annual town budget meeting which will adjourn to referendum.

Chairman LaMay commented on the thoroughness of the budget process and thanked the Board of Finance for their review of the Fiscal Year 22 budget and their participation in the many workshops. He also thanked the First Selectman, Department of Police Services, and the Superintendent and their staff for their efforts this budget season.

Selectman Fortuna thanked the Board of Finance.

11. Adjournment

A motion to adjourn was made by Ms. Rzasa, seconded by Mr. O'Neill and was so VOTED unanimously.

Submitted:
Gerri Lewis, Clerk
Board of Finance

