



TOWN OF OLD SAYBROOK  
Board of Finance

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302 Main Street • Old Saybrook, Connecticut 06475-1741

BOARD OF FINANCE MEETING MINUTES  
December 17, 2019 7:00 P.M.  
FIRST FLOOR CONFERENCE ROOM

BOF Attendant Members

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

Absent Members

In Attendance

Carl Fortuna, First Selectman  
Bob Fish, Treasurer  
Lee Ann Palladino, Finance Director  
Larry Bonin, Director Public Works  
Ray Allen, Director Parks and Recreation

**1. Call to order:**

Chairman LaMay called the meeting to order at 7:00 P.M.

**2. Pledge of Allegiance:**

Selectman Fortuna introduced Matt Pugliese, Selectman. Chairman LaMay led the pledge. Selectman Fortuna spoke about the Honors program at The Kate for the Viet Nam Veterans. He also noted the World War I memorial placque.

**3. Roll Call:** All present.

**4. Minutes**

A motion to approve the minutes of the October 15, 2019 meeting was made by Mr. Carver, seconded by Mr.O’Nell and was so VOTED unanimously.

A motion to approve the minutes of the November 19<sup>th</sup> 2019 meeting was made by Mr. Carver, seconded by Chairman LaMay and was so VOTED unanimously.

### **5. Waste Zero**

Kristin Brown introduced SMART and noted that DEEP has identified the SMART program as one of the most effective means of achieving significant statewide increases in recycling and increases in waste disposal. She discussed the current trash situation both globally and within Old Saybrook. Ms. Brown then introduced SMART (Save Money and Reduce Trash) and discussed what it is and how it would work, including examples from other similarly situated communities. The goal of the program is to manage materials locally through a bag purchase initiative and education, which in turn would reduce overall trash. The State of Connecticut is facing a trash crisis in the coming years as landfills are reaching capacity and using this program will help with that issue as well as provide a financially feasible program for Old Saybrook residents. Finally she discussed how Old Saybrook could implement the program should it decide to go the SMART route.

Chairman LaMay thanked Ms. Brown.

### **6. Harbor Management – Bob Murphy**

Mr. Murphy discussed the HMC's recommendation that a contract for land based work and installation of floating docks and a gangway for the Town's Sheffield Street Town Dock in the amount of \$38,900 dollars be awarded to Connecticut River Dock & Dredge, Inc. He noted that there were four proposals in answer to the RFQ. Work is expected to be complete before March 15, 2020. The HMC's Capital Budget is \$100,000. Mr. Murphy noted that considering the capital expenditures and commitments to date, the HMC believes the project can be accomplished within the established budget. After a discussion the following motion was made:

A motion to award \$38,900 to Connecticut River Dock & Dredge was made by Mr. Swan, seconded by Mr. Carver was so VOTED unanimously.

Chairman LaMay thanked Mr. Murphy.

### **7. Shellfish Presentation – Larry Bonin**

Mr. Bonin made a presentation on behalf of the Shellfish Commission to request \$5,000 to begin the process of reseeding oyster beds in the Oyster River.

A motion to approve an appropriation of \$5,000 for the purpose of relaunching the oyster industry in Old Saybrook was made and seconded. The funds will be appropriated to the capital account 490000 in the General Fund and then transferred to the Shellfish off budget fund 2801. After a brief discussion, it was decided to table this agenda item.

#### **8. Parks and Recreation Presentation**

Mr. Allen and Ms. Esty discussed their Strategic Plan and request for an appropriation for \$49,000 to hire a firm to get professional guidance for their Strategic Plan. They handed out a presentation on the steps they would follow including benefits to the community, community survey observations and what other communities are doing, RFP Development and Process, and the firm of Fitzgerald & Halliday. They also handed out an updated Strategic Plan for Parks & Recreation Facilities and Programs.

A motion by Ms. Rzasa, seconded by Ms. Nucci to approve an appropriation of \$49,000 from the capital and non-recurring fund 3350 for the purpose of hiring a consultant for the Park & Recreation Commission to create Phase I of the Park & Recreation long term strategic plan. Those funds will then be transferred to a new off budget fund entitled "Park and Recreation Strategic Plan." Further to move this item to town meeting. After a brief discussion: motion and second was withdrawn and it was decided that the Board of Selectmen would meet to discuss this appropriation and forward to the board of finance.

Chairman LaMay thanked Director Allen and Ms. Esty.

#### **9. MahoneySabol Presentation**

A proposal was presented to the board to continue to provide professional auditing services the theTown of Old Saybrook for the years ending June 30, 2020, 2021 and 2022. The fees are as follows: 2020: \$47,000; 2021: \$48,100; 2022: \$49,300. These fees include nonaudit services consisting of assisting in the preparation of the Town's financial state4ments; schedules of federal awads and state financial assistance, and related notes.

A motion by Ms. Rzasa, seconded by Mr. Stevenson to continue with MahoneySabol for 2020, 2021 and 2022 as the Old Saybrook Town Auditors was approved and was so VOTED unanimously.

Chairman LaMay thanked MahoneySabol.

#### **10. Treasurer Report**

It was reported that the Fire Department loan on the Scuba apparatus was 2.38% interest.

## 11. Finance Director Report

Budget for Fiscal Year 2020

### Budget Fiscal Year 2020

The general government budget for Fiscal Year (“FY”) 2020 presently stands at \$16,761,338, along with the Town’s Debt Service budget of \$3,238,104, total General Government Expense equate to \$19,999,442. The Board of Education budget of \$26,520,747 brings the Town-wide budget to \$46,520,189. The budget was approved at the May 2019 budget referendum.

Budget Appropriations – None.

Unassigned Surplus Fund Appropriations - During FY20 no appropriations against the unassigned surplus fund have been made.

Municipal Reserve Fund Appropriations - During FY20 the following appropriations against the municipal reserve fund (“MRF”) have been made.

- An appropriation for \$111,870 from the capital non-recurring account (CNR) was approved by the Board of Finance (BoF) on September 17, 2019 and moved to Town meeting to be held on October 1, 2019. The funds will be moved to an off budget account “Kavanagh Park Tennis Court Repair”
- An appropriation for \$30,025 from the CNR was approved by the BoF on September 17, 2019 and moved to Town meeting to be held on October 1, 2019. The funds will be moved to an off budget account entitled “Town Hall Roof Repairs”.
- An appropriation of \$478,187 for the purchase of SCBA for the Fire Department was approved by the Board of Finance on November 19, 2019 with a caveat that not more than \$450 thousand would be financed.

### Budgeted Capital Outlays FY20

The Municipal Reserve Fund, which includes capital non-recurring, fire apparatus, public work/transfer station, and Board of Education sinking funds, totals \$1,872,827 as of November 30, 2019.

Municipal Reserve Fund	FY 2020 Transfers	Balance 11/30/2019
Capital Non- Recurring Budget 3350	\$192,533	\$567,109
Fire Apparatus -3351	169,591	661,207

Municipal Reserve Fund	FY 2020 Transfers	Balance 11/30/2019
Public Works – 3353	75,000	144,511
Board of Education – 3354		500,000
Catastrophic Illness – 7219	70,000	164,515
Post-employment Payout – 7220	40,000	179,027
Revaluation – 7222	50,000	23,931
Contingency – 7224	30,000	54,540
Roof Repair - 3020	25,000	36,263
Old Post Road Culvert Replacement (3050)	49,100	\$1,010
Leap Year (490000)	24,667	\$24,667
Fire Panel (490000)	8,700	\$0
Total	734,591	\$2,356,780

Capital Expenditures FY 2020 budgeted amount as noted below. To date, 66.9% has been utilized.

Department	Amount Budgeted/Transferred	Amount Used
Fire Department (4203)	\$60,000	\$35,119
Police Department (4201)	\$99,804	\$89,804
IT – Town (4143)	\$25,000	\$691
Highway & Streets (4303)	\$375,000	\$282,204
Library Heat Pumps (4501)	\$15,000	\$13,476
Park & Recreation (450301)	\$10,000	\$7,836
Total	\$584,804	\$429,130

Authorized Transfers –

- A transfer in the amount of \$183,845 was approved by the BoF on November 19, 2019 to cover the increased debt service for FY20 as a result of the debt refunding of October 2019. Funds in the amount of \$115,955 will come from the WPCA debt service fund 3004 and funds in the amount of \$67,890 will come from the WPCA debt service fund 3005

Fiscal Year 20 Budget Performance

Through November 30, 2019, 5 months or 41.7% of the general government budget equates to \$6,989,478. Actual expenditures of \$7,433,460 are \$444 thousand above straight level budget expectations. Capital transfers, quarterly payment, and other one-time annual payments were made near the start of the fiscal year. The budget lines that are running ahead of budget are below, there are no unusual or unexpected expenses at this time.

SUB DEPARTMENT	-----TITLE----- -	BUDGET	YEAR TO DATE EXP	YTD/ Budget	Comments
421500	Animal control	25,000	25,000	100.0 %	Appropriated in July
441900	Youth Services-YFS	406,728	406,728	100.0 %	Appropriated in July
490000	Capital outlay	734,591	709,886	96.6%	Appropriated in July
417700	Political subdivisions	181,103	161,877	89.4%	Budgets requested at beginning of FY
430300	Highway and street	561,300	363,242	64.7%	Paving budget 75% expended
450505	Other parks	59,280	36,540	61.6%	seasonal
450503	Saybrook point	11,000	6,698	60.9%	seasonal
451100	The KHCAC	64,500	37,859	58.7%	Replace emergency lighting batteries
431100	Street lighting	154,000	89,815	58.3%	Debt payment made in July
450302	Mini-golf	65,514	37,570	57.3%	seasonal
420300	Fire	598,896	339,938	56.8%	Annual pension contribution
420103	PD general expenditures	537,878	256,432	47.7%	Debt payment made in July

#### Fiscal Year 2020 vs. Fiscal Year 2019

The general government budget for FY19 was \$16,339,829 or \$412,509 less than FY20. The Town's General Government budget was 44.3% expended vs. 41.4% compared to the same this period last year.

Chairman LaMay thanked Ms. Palladino.

#### **12. Adjournment**

A motion by Mr. O'Neil, seconded by Mr. LaMay to adjourn at 8:42 p.m. was so VOTED unanimously.

This meeting is recorded on the town's video website.

Submitted:

Gerri Lewis, Clerk