

First Selectman

From: Joseph Leone
Sent: Wednesday, May 24, 2023 6:18 PM
To: Andrea Migliaccio
Cc: First Selectman; Tyler Molcan; Steve Sharpe; Tim Angell; Mary Williamson
Subject: RE: Memo: Overage on Salt Budget for FY 22-23

Andrea,

There are mistakes in the memo I sent earlier. I made an incorrect assumption about how the encumbrance process works. I revised the numbers based off of the purchase order. I also wanted to include additional information that came from further discussion with my staff.

Please retract the original memo, and use the revised Memo below:

Attn: Andrea Migliaccio, Board of Finance

Andrea,

I am writing this memo to provide an explanation to the overage seen in the FY 22-23 Budget for 13204 42333 – “Sand, Salt, Gravel”. Most of the overage shown on the 4.30.23 expenditures report is due to non-liquidated encumbrance, a specific amount that the Finance Department can speak to upon request.

The PO for the Salt (PO 238030) allowed for \$188,100 (1742.47 Tons of Salt) the amount spent on salt was \$204,284.34 (1892.44 Tons of Salt). The overspend amount was \$16,189 or (150 TN). This quantity of salt is typical to what has been budgeted for other years. The additional amount purchased was due to a 600 TN material deficit left in the 21-22 budget year. Salt was purchased in fall of 22 (FY 22-23) to make up for our empty salt sheds.

The standard practice of the Public Works Department is to purchase the salt for the upcoming snow season, “fill the sheds”, in the spring. This had not been done in the 21-22 budget year creating our deficit of material. Had this not been the case, and given the mild weather this winter, we would have used 450TN less salt this year resulting in a \$48,581 budget excess.

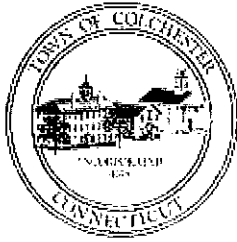
The overspend occurred before my start date, but it will not occur in the future. The spending procedures the Town has in place are functional. I will work with the Finance Department to ensure that my staff are provided with the information they need about the remaining available budget so they are alerted when we can no longer spend.

Should you require any additional information or clarification, please let me know.

Thank you,

Joe

Joseph Leone, EIT, M.Ed
Director of Public Works
127 Norwich Ave, Colchester CT, 06415
Direct: (860) 537-7286



From: Joseph Leone

Sent: Wednesday, May 24, 2023 3:22 PM

To: Andrea Migliaccio <BOFChair@colchesterct.gov>

Cc: First Selectman <selectman@colchesterct.gov>; Tyler Molcan <tmolcan@ColchesterCT.gov>; Steve Sharpe <fleet@colchesterct.gov>; Tim Angell <tangell@colchesterct.gov>; Mary Williamson <mwilliamson@ColchesterCT.gov>

Subject: Memo: Overage on Salt Budget for FY 22-23

Attn: Andrea Migliaccio, Board of Finance

Andrea,

I am writing this memo to provide an explanation to the overage seen in the FY 22-23 Budget for 13204 42333 – “Sand, Salt, Gravel”. The majority of the overage shown is due to non-liquidated encumbrance by the previous finance department. This totals approximately \$45,956.47 of the \$57,381.53 overage. Please see the attached account detail for the above mentioned account.

The standard practice of the Public Works department is to purchase as much salt as allowed by remaining the budget in advance of the upcoming snow season. This typically occurs at the end of the budgeting year, this had not been done in the FY 21-22 budget year. The remaining overage of \$11,425.06 is a result of the increase in material cost as well as the purchase of the additional material required to make up for the FY 21-22 material shortfall. Should you require any additional information or clarification, please let me know.

Thank you,

Joe

Joseph Leone, EIT, M.Ed

Director of Public Works

127 Norwich Ave, Colchester CT, 06415

Direct: (860) 537-7286

