



Annual Meeting

Board of Governors • June 13, 2026 • 10:00 AM

Auditorium, Lyme—Old Lyme Middle School, 53 Lyme Street, Old Lyme, CT

Agenda`



Pledge of Allegiance

Call to Order & Quorum Call: Meeting called to order at 10:09

Remembrances

The Year in Review *John Cunningham, President*

Engineering Update & Questions *Mike Nelson, Fuss & O'Neill*

The Year Ahead — Operations & Infrastructure *Paul Yellen / Jay Moynihan*

Budget & Mill Rate *Rob Cappellucci, Treasurer*

Nominations & Elections *Paul Yellen, Vice President*

Other Public Topics & Comments

Announcements

Motion to Adjourn: Motion to adjourn made by all board members at 1:41, seconded by all

Remembrances



- John William Baird
- Beverly McKinnon Curry
- John DeLutrie
- Arthur Roderick O'Connor
- Anthony Schiavone

The Year in Review I



- July 4th 2025 Mob at Flat Rocks
 - *Nipped in the bud with early police action at ~9pm*
- Snow & Storms
 - *Long cold winter with the most snow accumulation in many years*

The Year in Review II



- Bond Authorization in May 2025 & January 2026
- Bids Received in October 2025
- Notice of Award in January 2026
- Notices to Proceed & Contracts Signed April/May 2026
- CWF Funding Contracts Expected in Coming Weeks
- **After 15 Years, the Construction Phase Arrived**

Engineering Update



- Mike Nelson, Project Manager for our OLSBA internal project
- Project Scope
 - *Internal Gravity Sewer serves all OLS properties (CWF 645-D)*
 - *Shared Shoreline Trunk Sewer, Force Main, & Pump Station (CWF 720-D)*
 - *Stormwater Drainage & Road Reconstruction*
- Summary & Questions

Engineering Update continued...

Full overview by Mike Nelson

- Outlined his role/responsibilities
- Technical compliance
- Representative will be on-site everyday and will report to Mike
- Mike certifies bills are accurate
- Schedule from contractor is about 2 weeks out
- Every drainage system needs maintenance
- Systems are designed to work perfectly 80% of the time with maintenance

Resident Questions to Mike:

1. Will there be backflow preventers? Mike confirms likely not, it will be the homeowners Responsibility to install backflow protector/preventer.
2. Change Orders(2% contingency plan)
 - Change orders will be dealt with as they arise
 - If valid claim, presented to BOG

2. Change Order cont...

- Bid Item price does not change

3. Is it mandatory to hook up to sewer system?

Mike answers yes (we think), he will confirm and get back to us.

When do we connect? Mike confirms connection happens once everything is built, connected and tested...engineers will instruct us

4. How long will project run?

Mike states 1.5 years roughly of construction; 1.5-2 years to wrap everything up including Force Main work.

5. Are locations for laterals established?

Yes, this was established many years ago.

6. Is New London able to accept our sewage the way they are set up now or are

(6. cont...) improvements necessary/would we be charged for those improvements?
Mike will refer this question to Kurt Mailman. IMA describes exactly what our Responsibility is.

7. If sewer takes 1.5 or so years, when do we start paying the note to the state?
Mike states once contractor receives certificate of completion (completion means system is ready for use and we can connect) payment starts.
Once sewer is connected to homes, owners have to abandon septic tank which will need Be certified by the Board of Public Health.

8. Can residents change where the hook up is on individual properties?
Mike stated folks can meet with him after the meeting privately to discuss.

The Year Ahead: Operations



- Beach Staff & Security
 - *Guard and gate coverage; added security for July 4th and Labor Day*
- Beach Cleaning & Maintenance
 - *Seasonal cleaning contract (May–Sept); grounds, mowing, repairs*
- Recreation & Community Events
 - *July 4th celebration, summer recreation, movies and concerts*
- Roads, Grounds & Signage
 - *Snow plowing, drainage upkeep, new informational signs*

The Year Ahead: Infrastructure Project



- Pre-Construction Meeting: June 22, 2026
- Construction Meeting Scheduled Soon Thereafter
- Private Placement Note (6–12 week process)
- Financial Presentation Pending CWF Closure
- Ongoing Coordination Between BOG & WPCA

WPCA Update: Jay Moynihan

- Jay thanks the BOG, leadership and WPCA members for all their hard work and time
- Quick review of events from last 2 years
- 6/16/26 WPCA had meeting with F&O regarding Preconstruction Meeting
- WPCA is association Representative for the project; F&O is the Representative for WPCA
- 6/22/26 Preconstruction meeting with Baltazaar
- 20 year 2% loan
- Procedures are in place to deal with change orders
- Challenges include developing operational capacity to manage the project and cost Containment
- Once sewer line is done, we will have capacity for others to use providing a potential funding source
- Jay concludes with a thank you to the membership for the honor of his service

Treasurer's Report: Balance Sheet (LHS)



Old Lyme Shores Beach Association

Balance Sheet - Prior Year Comparison

As of May 31, 2026

	TOTAL	
	AS OF MAY 31, 2026	AS OF MAY 31, 2025 (PY)
ASSETS		
Current Assets		
Bank Accounts		
1005 Citizens Bank - Checking #8837	92,777	138,923
1006 Citizens Bank - Cert of Deposit	130,000	
1015 Capital One - Reserve Savings	0	32,985
Total Bank Accounts	\$222,777	\$171,908
Accounts Receivable		
1100 Accounts Receivable - Association Taxes	2,719	7,425
Total Accounts Receivable	\$2,719	\$7,425
Other Current Assets		
1800 Due from WPCA	3,805	2,876
Total Other Current Assets	\$3,805	\$2,876
Total Current Assets	\$229,301	\$182,209
Other Assets		
1895 Construction in Progress	1,250	
Total Other Assets	\$1,250	\$0
TOTAL ASSETS	\$230,551	\$182,209

Treasurer's Report: Balance Sheet (RHS)



LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

2000 Accounts Payable	29,083	8,981
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Total Accounts Payable	\$29,083	\$8,981
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Other Current Liabilities

2205 Deferred Revenue - Buy a Brick	1,951	1,951
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Total Other Current Liabilities	\$1,951	\$1,951
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Total Current Liabilities	\$31,034	\$10,932
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Total Liabilities	\$31,034	\$10,932
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Equity

3000 Net Position

3200 Unrestricted	102,666	92,472
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Total 3000 Net Position	102,666	92,472
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3300 Retained Earnings	0	0
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Net Income	96,851	78,805
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Total Equity	\$199,517	\$171,278
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TOTAL LIABILITIES AND EQUITY	\$230,551	\$182,209
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Treasurer's Report: Income Statement I



Old Lyme Shores Beach Association Statement of Operations - YTD Actual vs. Annual Budget July 2025 - May 2026

	TOTAL		
	ACTUAL	BUDGET	REMAINING
Income			
4000 General Revenues			
4010 Taxes - Members	201,755	201,299	(456)
4020 Interest Income	8	2,500	2,492
4025 Interest Income - Late Tax Payments	808		(808)
4030 Fines and Fees		0	0
Total 4000 General Revenues	202,571	203,799	1,228
4200 Program Revenue			
4210 Town Subsidy	10,735	10,546	(189)
Total 4200 Program Revenue	10,735	10,546	(189)
4300 Fundraising	586		(586)
Total Income	\$213,892	\$214,345	\$453
GROSS PROFIT	\$213,892	\$214,345	\$453

Treasurer's Report: Income Statement II



Expenses			
6000 Salary & Wages			
6010 Beach Attendants	21,583	25,500	3,917
Total 6000 Salary & Wages	21,583	25,500	3,917
6100 Payroll Taxes			
6110 Taxes	2,018	2,295	277
Total 6100 Payroll Taxes	2,018	2,295	277
6200 Outside Services			
6210 BOD Secretary Stipend	1,750	3,500	1,750
6220 Payroll Service Fee	445	500	55
Total 6200 Outside Services	2,195	4,000	1,805
6300 Beach			
6310 Cleaning Contract	13,800	20,400	6,600
6320 Repairs & Maintenance	13,786	12,000	(1,786)
Total 6300 Beach	27,586	32,400	4,814
6400 Grounds Maintenance			
6410 Mowing & Other	2,015	3,000	985
6420 Snow Plowing	9,421	5,500	(3,921)
6430 Repairs & Maintenance	745	4,000	3,255
Total 6400 Grounds Maintenance	12,181	12,500	319
6550 Recreation & Entertainment			
6560 Fourth of July	3,787	3,700	(87)
6565 Music	4,000	3,500	(500)
Total 6550 Recreation & Entertainment	7,787	7,200	(587)
6600 Utilities			
6610 Electricity	1,459	2,500	1,041
6620 Water	3,618	4,000	382
Total 6600 Utilities	5,077	6,500	1,423

Treasurer's Report: Income Statement III



	TOTAL		
	ACTUAL	BUDGET	REMAINING
6700 Administration			
6710 Information Technology	2,309	4,000	1,691
6720 Meeting Fees		250	250
6730 Bank Fees	80	100	20
6740 Office Supplies	698	1,000	302
6750 Postage	345		(345)
Total 6700 Administration	3,432	5,350	1,918
6800 Professional Services			
6810 Legal Fees	13,071	20,000	6,929
6820 Engineering	2,068	7,500	5,432
Total 6800 Professional Services	15,139	27,500	12,361
6900 Insurance	12,144	13,000	856
7100 Security	3,266	3,000	(266)
7200 Personal Property Taxes	39	100	61
7300 Miscellaneous		2,500	2,500
7310 Beach Federation Membership	192		(192)
Total 7300 Miscellaneous	192	2,500	2,308
7800 Capital Projects Expenditures	4,402	5,000	598
7900 Water Pollution Control Authority		55,000	55,000
Total Expenses	\$117,040	\$201,845	\$84,805
NET OPERATING INCOME	\$96,851	\$12,500	\$ (84,351)
Other Expenses			
8000 Annual Capital Project Funding		10,000	10,000
Total Other Expenses	\$0	\$10,000	\$10,000
NET OTHER INCOME	\$0	\$ (10,000)	\$ (10,000)
NET INCOME	\$96,851	\$2,500	\$ (94,351)

Treasurer's Report: FY26-27 Budget I



Old Lyme Shores Beach Association
Annual Budget Presentation
For the Fiscal Year Ending June 30, 2027
(The fiscal year of OLSBA is July 1, 2026 - June 30, 2027)
Proposed Mill Rate ----> 3.7

	Actual Results June 30, 2025	Actual Results April 30, 2026	Forecast June 30, 2026	Approved Budget June 30, 2025	Approved Budget June 30, 2026	Proposed Budget June 30, 2027
Revenues						
Member Taxes						
Member Taxes	\$ 205,891	\$ 201,755	\$ 201,755	\$ 216,005	\$ 201,299	\$ 389,570
Credit for Tax Overpayments	-	-	-	(32,080)	-	-
Interest - Late Tax Payments	948	808	808	-	-	300
Fines & Fees	75	-	-	-	-	-
Net Member Taxes	206,914	202,563	202,563	183,925	201,299	389,870
Town of Old Lyme Subsidy	10,124	10,735	10,735	10,124	10,546	12,510
Interest	2,407	8	1,650	3,500	2,500	4,000
Other Revenue	11,037	586	586	-	-	-
Total Revenue	230,483	213,892	215,534	197,549	214,345	406,380
Expenditures						
Payroll	24,457	21,583	25,000	26,100	25,500	26,000
Payroll Taxes	2,160	2,018	-	2,349	2,295	2,600
Outside Services	-	-	-	-	-	-
BOD Secretary Stipend	1,979	1,750	3,500	3,500	3,500	3,500
Payroll Service Fee	-	445	550	500	500	750
Recreation & Entertainment	-	-	-	-	-	-
Fourth of July Celebration	2,225	3,787	3,787	2,225	3,700	3,700
Music	1,275	4,000	4,000	1,275	3,500	3,500
Insurance	11,415	12,144	12,144	19,000	13,000	13,000
Beach	-	-	-	-	-	-
Cleaning Contract	14,800	13,800	20,400	14,000	20,400	21,780
Repairs & Maintenance	28,148	7,390	11,890	26,500	12,000	15,000
Roads & Grounds	-	-	-	-	-	-
Mowing & Other	2,734	2,015	2,715	2,500	3,000	3,000
Snow Plowing	5,150	9,421	9,421	2,000	5,500	10,000
Repairs & Maintenance	72	745	703	-	4,000	2,500
Miscellaneous	464	-	-	5,000	2,500	-
Beach Federation Membership	-	192	192	-	-	200
Postage	-	345	400	-	-	500

Treasurer's Report: FY26-27 Budget II



Old Lyme Shores Beach Association
 Annual Budget Presentation
 For the Fiscal Year Ending June 30, 2027
 (The fiscal year of OLSBA is July 1, 2026 - June 30, 2027)
 Proposed Mill Rate ----> 3.7

	Actual Results June 30, 2025	Actual Results April 30, 2026	Forecast June 30, 2026	Approved Budget June 30, 2025	Approved Budget June 30, 2026	Proposed Budget June 30, 2027
Utilities						
Electricity	1,588	1,341	1,746	2,500	2,500	2,000
Water	4,032	3,553	4,231	3,800	4,000	4,600
Administrative				700	-	-
Technology & Software	5,895	2,183	2,961	5,500	4,000	4,000
Meeting Fees	460	-	200	-	250	300
Merchant Services Fees	-	-	-	-	-	5,000
Bank Fees	53	80	80	-	100	100
Office Supplies	2,720	698	900	500	1,000	1,000
Property Taxes	59	39	39	100	100	50
Professional Fees				15,000		
Accounting	-	-	-	-	-	-
Engineering	9,980	2,068	2,068	-	5,000	10,000
Legal	12,188	13,071	16,000	-	20,000	15,000
Legal - Stormwater	-	-	-	-	-	50,000
Security	1,924	3,266	3,266	3,500	3,000	4,500
Capital Project Expenditures	20,811	4,402	4,402	15,000	7,500	7,500
Annual Capital Reserve	-	-	-	10,000	10,000	10,000
Water Pollution Control Authority (WPCA)	30,000	-	-	32,500	55,000	112,300
Interest Expense - Stormwater Project	-	-	-	-	-	70,000
Total Expenditures	184,589	110,336	130,595	194,049	211,845	402,380
Net Change in Fund Balances	\$ 45,894	\$ 103,556	\$ 84,939	\$ 3,500	\$ 2,500	\$ 4,000

Budget & Mill Rate: Discussion



- Address Member Feedback on Budget & Mill Rate
 - *Welcome concerns and invite participation*
 - *Issues: Cost Equity, Reconciliation Ledger & Funding Sources*
- Reference Materials Distributed to Members
 - *Draft FY2026–2027 Budget with Mill Rate Calculation*
 - *Memos: Interim Financing, Reconciliation Ledger, Cost Equity*

Charter Section 11



The Board of Governors shall prepare and submit to said Association, at each annual meeting, a budget and recommend a tax, for the purpose of and based upon such budget, of not more than ten mills on the dollar on the total value of real estate within the limits of said association as shown by the last-completed grand list of the town of Old Lyme, which budget and tax rate shall be posted on the signpost of said Association not less than ten days before such annual meeting.

Said Association shall have the power to decrease such budget and rate of taxation recommended by said Board of Governors, but in no case shall it have the power to increase the budget and rate of taxation. The rate of taxation so recommended by said Board of Governors shall be final unless decreased by the Association at such annual meeting.

Said Board shall appoint a tax collector to collect such taxes, and a rate book shall be made out and signed by the clerk of said board of governors on or before the second Saturday in July in each year and warrants may be issued for the collection of money due on the rate bills, pursuant to the provisions of section 168F of the 1941 Supplement to the general statutes.

Budget Discussion Ground Rules



- Member introduces a Motion for Adjustment or Recission
- Motion must be seconded by another member
- Debate the motion
 - *Each speaker will have 2 minutes*
 - *We will alternate from pro to con on the motion*
 - *Individual speakers limited to 2 turns (4 minutes total) per motion*
- Vote will be called at conclusion of debate

Questions/Discussion of Budget

- Dave French suggests Capital Reserve overage to be moved to use for operation costs for this year
- Norm Yester makes motion that instead of funding the surplus, allow excess funding of 55K to be applied to the WPCA budget in FY 2027; seconded by DeDe

Motion passes unanimously

- Julia Nixon makes motion to eliminate line item for 5K for credit card fees; seconded by another resident on the floor
- Rob notes he has had multiple requests for credit card payments and wants to update our systems efficiency and time commitment for future treasurers

Motion to eliminate the 5K line item passes 34 to 27.

- A resident on the floor makes a motion to rescind the 31K Clerk in the works line item; seconded by DeDe
- After a long discussion...

Motion to remove the 31K line item passes 34 to 32.

Budget discussion continued....

- Norm Yester notes that the treasurer/tax collector position was once a paid position due to the time commitment involved. Norm recommends this role should be outsourced in the future, too heavy of a lift for a volunteer
- A vote is called to approve the budget with the above cost reductions (the updated budget with the noted reductions will be posted to the website.

A majority vote passes the motion to approve the Budget(2 opposed)

- A vote is called to approve the revised (reduced) Mill Rate (Revised Mill Rate will be posted to the website)

A majority vote passes the motion to approve the revised Mill Rate (3 opposed)

Final budget and mill rate to be posted to the OLS Website

Nominations & Elections



- Report of the Nominating Committee
- Annual Election of Officers
 - *President, Vice President, Treasurer, Secretary*
- Governor Seats — Three-Year Terms (2 expiring 2026)
 - *Jack Thomas & Bob Palazzo*
- Nominations from the Floor
- Vote — One Vote per Property; Proxies Recognized

Nominations & Elections: Process



- Officer Elections
 - President, Vice President, Treasurer, & Secretary
 - In the past offered as a slate or as individual offices for consideration
- Board of Governors
 - 2 expiring terms, 4 candidates
 - Each candidate has opportunity to address membership (3 minutes each)

In absence of candidates, existing candidate terms continue by default

Nominations for Officers to continue in their role...no residents came forward to be a Candidate for any of the officer roles

- President-Motion for John Cunningham to continue in his role made by Jack Thomas, Seconded by MK Reynolds
- Vice President-Motion for Paul Yellen to continue in his role made by Jack Thomas, Seconded by MK
- Treasurer-Motion for Rob Cappellucci to continue in his role made by resident from the floor Janet, seconded by MK
- Secretary-Motion for Tracey Cappellucci to continue in her role made by resident from the Floor, seconded by resident from the floor

Nominations from the floor for President-None

Secretary casts one vote for John

Nominations from the floor for Vice President-None

Secretary casts one vote for Paul

Nominations from the floor for Treasurer-None

Secretary casts one vote for Paul

Nominations cont...

Nominations from the floor for Secretary-None

BOG Positions-3 candidates

- Bob Palazzo-Motion for Bob to remain in his role by Jack T, seconded by Martha
- Jack Thomas-Motion for Jack to remain in his role by Jay, seconded by Judeen
- Mike Vasile-interviewed by the nominating committee
- No nominations from the floor for BOG members

Paul and Judeen explain the voting process and residents were advised to cast their votes. After all votes were cast and counting started, it was discovered that 12 ballots were left on the entrance table and not placed in the voting box as directed, those folks left the meeting early.

The BOG decided Legal council is needed to determine how to proceed.

Closing Business



- Other Public Comments
 - *Open floor for members to raise questions or concerns*
- Announcements
 - *July 4th celebration & summer events*
 - *Newsletter, website & email updates at oldlymeshores.org*
- Motion to Adjourn
 - ***A motion made by several BOG members at once, seconded by several; and vote to close the Annual Meeting at 1:41pm***



Thank You

Old Lyme Shores Beach Association • Est. 1947

oldlymeshores.org