

Town of New Fairfield
4 Brush Hill Road
New Fairfield, CT 06812

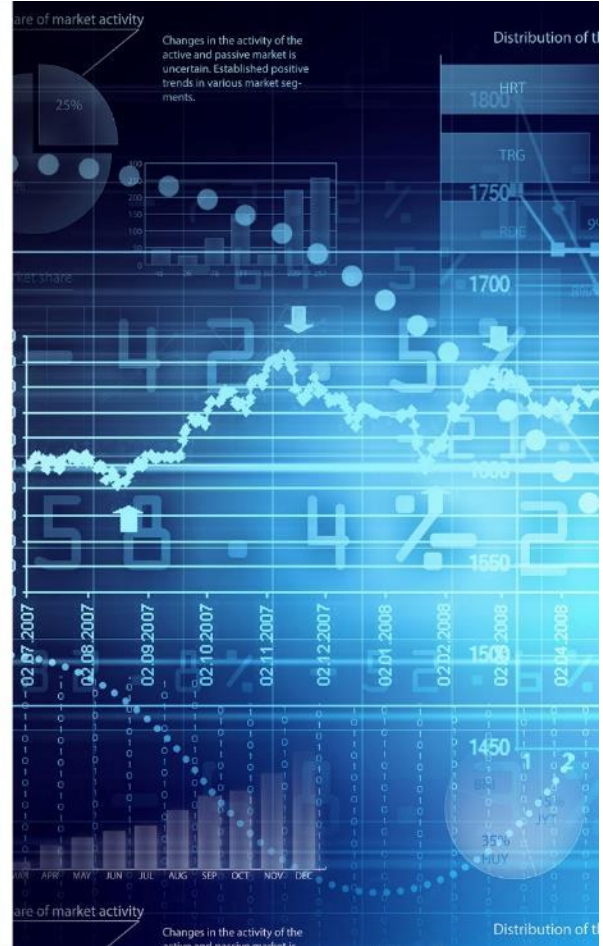
AGENDA
BOARD OF FINANCE
REGULAR MEETING
WEDNESDAY, March 10, 2021
7:30 PM

VIRTUAL MEETING VIA ZOOM
<https://zoom.us/j/97454007037>

Meeting Code:
Or dial in phone (929) 205-60909

1. Call to order
2. Pledge of Allegiance
3. Appointments
4. Correspondence/Announcements
5. Public Comment
6. Approval of Minutes – February 17, 2021 regular meeting, February 22, 2021 special meeting, and March 6, 2021 regular meeting
7. Presentation/Discussion - Medical Plan for 2021/22 budget - Tom Kowalchik, SVP, USI
8. Update - Pension Commission
9. Update - Audit Subcommittee meeting with Auditor
10. Discussion - BOS and BOE requested FY2021/22 budgets
11. Public Comment
12. Future Agenda items
13. Board Member Comments
14. Adjournment

Received by email on 3/8/2021 @ 4:51 p.m.
By: Holly Z Smith, Asst. Town Clerk, New Fairfield



JULY 2021

GROUP BENEFITS INITIAL RENEWAL ANALYSIS

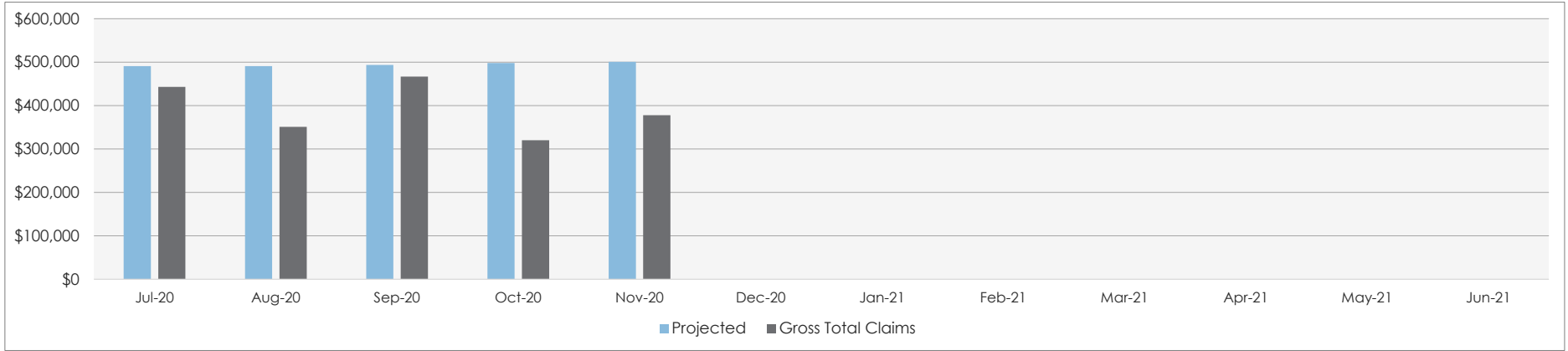
New Fairfield Town & BOE

Thomas Kowalchik | Moira Shigo | Alisa Sullivan
www.usi.com





Town of New Fairfield & New Fairfield BOE
 Medical / Rx / Dental Plan - Anthem
 Current Plan Year Cost Summary
 July 2020 to June 2021



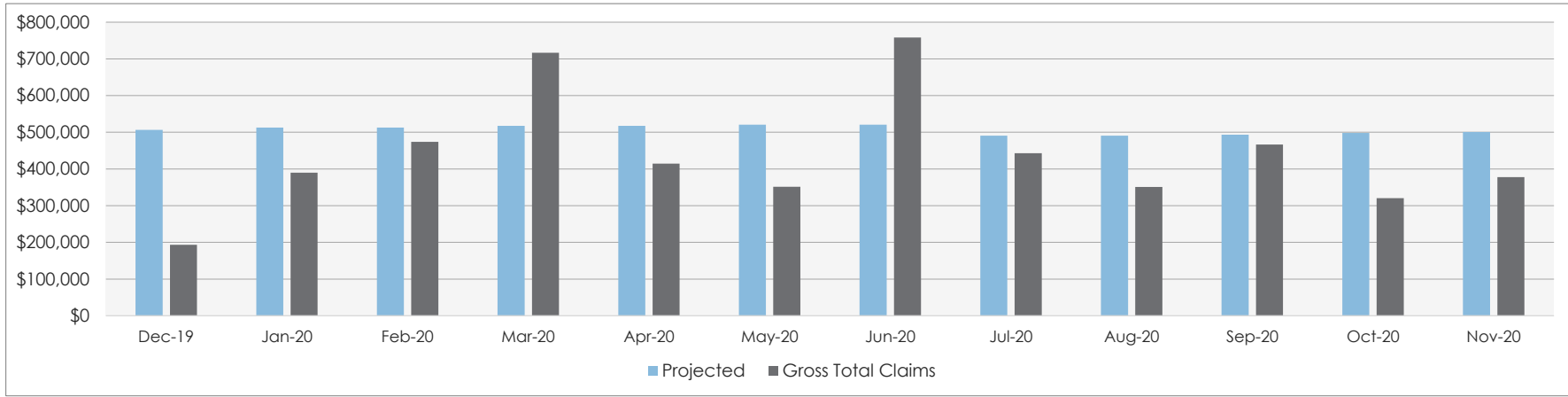
	Enrollment		Fixed Costs			Forecasted Claims	Paid Claims					Total Plan Costs			Position
	Medical/Rx Ees	Dental Ees	Admin Fees	Stop Loss Premium	Total	Projected	Medical Claims	Rx Claims	Dental Claims	Gross Total Claims	Claims / Ee	Budget Cost	Actual Gross Cost	Budget vs. Actual	Gross Claims / Projected
Jul-20	330	354	\$27,183	\$39,722	\$66,905	\$490,665	\$373,717	\$42,685	\$26,572	\$442,974	\$1,336.89	\$524,693	\$509,879	\$14,814	90.3%
Aug-20	330	354	\$27,183	\$39,722	\$66,905	\$490,665	\$254,861	\$73,901	\$22,327	\$351,089	\$1,059.32	\$524,693	\$417,994	\$106,699	71.6%
Sep-20	332	354	\$27,339	\$39,963	\$67,301	\$493,507	\$390,239	\$65,210	\$11,189	\$466,638	\$1,403.44	\$524,693	\$533,939	(\$9,246)	94.6%
Oct-20	335	355	\$27,576	\$40,324	\$67,900	\$497,831	\$231,852	\$72,751	\$15,621	\$320,224	\$953.26	\$524,693	\$388,124	\$136,570	64.3%
Nov-20	337	356	\$27,736	\$40,565	\$68,301	\$500,734	\$283,873	\$82,304	\$11,532	\$377,709	\$1,118.97	\$524,693	\$446,009	\$78,684	75.4%
Dec-20															
Jan-21															
Feb-21															
Mar-21															
Apr-21															
May-21															
Jun-21															
Totals	1,664	1,773	\$137,017	\$200,296	\$337,312	\$2,473,401	\$1,534,541	\$336,851	\$87,241	\$1,958,633	\$1,173.84	\$2,623,466	\$2,295,945	\$327,521	79.2%
							Claims Over SSL			\$0				\$0	
							Total Net Claims			\$1,958,633	\$1,173.84	\$2,623,466	\$2,295,945	\$327,521	79.2%

Notes

1. Specific Stop Loss is \$150,000.



**Town of New Fairfield & New Fairfield BOE
 Medical / Rx / Dental Plan - Anthem
 Current Rolling 12 Months Cost Summary
 December 2019 to November 2020**



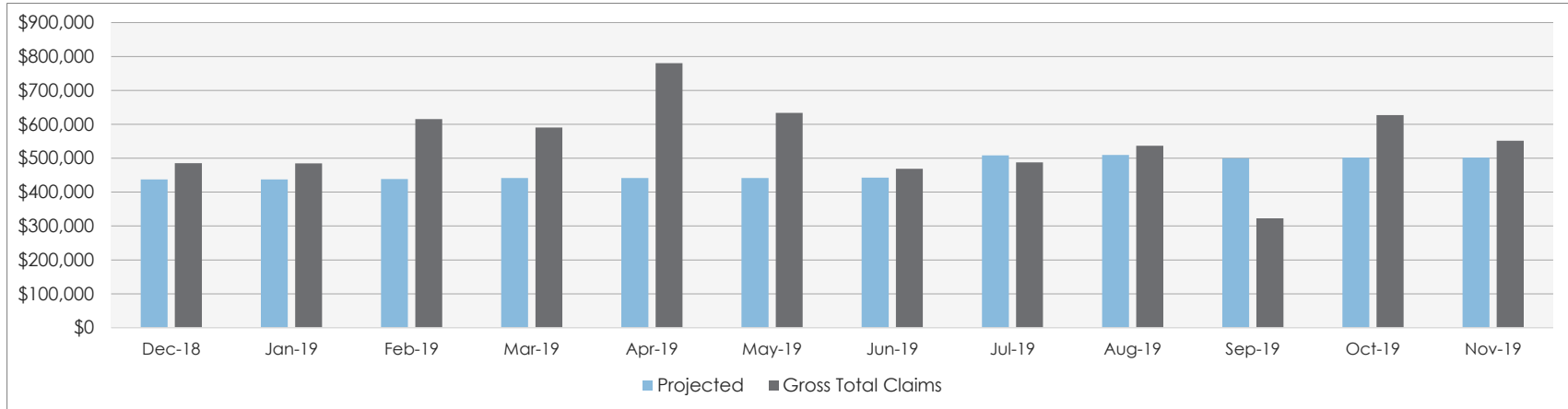
	Enrollment		Fixed Costs			Forecasted Claims	Paid Claims					Total Plan Costs	Position
	Medical/Rx Ees	Dental Ees	Admin Fees	Stop Loss Premium	Total	Projected	Medical Claims	Rx Claims	Dental Claims	Gross Total Claims	Claims / Ee	Actual Gross Cost	Gross Claims / Projected
Dec-19	325	348	\$27,071	\$25,997	\$53,068	\$506,694	\$63,856	\$105,835	\$23,785	\$193,475	\$590.47	\$246,543	38.2%
Jan-20	329	351	\$27,399	\$26,317	\$53,716	\$512,837	\$283,537	\$80,180	\$25,960	\$389,677	\$1,179.48	\$443,393	76.0%
Feb-20	329	351	\$27,399	\$26,317	\$53,716	\$512,837	\$335,329	\$116,134	\$22,613	\$474,077	\$1,436.66	\$527,793	92.4%
Mar-20	332	354	\$27,648	\$26,557	\$54,205	\$517,499	\$548,021	\$150,737	\$17,974	\$716,732	\$2,155.47	\$770,936	138.5%
Apr-20	332	355	\$27,652	\$26,557	\$54,209	\$517,572	\$297,355	\$113,293	\$4,069	\$414,717	\$1,248.35	\$468,926	80.1%
May-20	334	357	\$27,818	\$26,717	\$54,535	\$520,680	\$191,005	\$156,831	\$3,506	\$351,342	\$1,051.25	\$405,877	67.5%
Jun-20	334	357	\$27,818	\$26,717	\$54,535	\$520,680	\$565,895	\$163,945	\$28,570	\$758,410	\$2,265.18	\$812,945	145.7%
Jul-20	330	354	\$27,183	\$39,722	\$66,905	\$490,665	\$373,717	\$42,685	\$26,572	\$442,974	\$1,336.89	\$509,879	90.3%
Aug-20	330	354	\$27,183	\$39,722	\$66,905	\$490,665	\$254,861	\$73,901	\$22,327	\$351,089	\$1,059.32	\$417,994	71.6%
Sep-20	332	354	\$27,339	\$39,963	\$67,301	\$493,507	\$390,239	\$65,210	\$11,189	\$466,638	\$1,403.44	\$533,939	94.6%
Oct-20	335	355	\$27,576	\$40,324	\$67,900	\$497,831	\$231,852	\$72,751	\$15,621	\$320,224	\$953.26	\$388,124	64.3%
Nov-20	337	356	\$27,736	\$40,565	\$68,301	\$500,734	\$283,873	\$82,304	\$11,532	\$377,709	\$1,118.97	\$446,009	75.4%
Totals	3,979	4,246	\$329,822	\$385,473	\$715,295	\$6,082,201	\$3,819,539	\$1,223,807	\$213,718	\$5,257,064	\$1,317.82	\$5,972,358	86.4%
										(\$117,542)		(\$117,542)	
										\$5,139,522	\$1,288.28	\$5,854,816	84.5%

Notes

1. Specific Stop Loss reflects \$150,000.



Town of New Fairfield & New Fairfield BOE
 Medical / Rx / Dental Plan - Anthem
 Prior Rolling 12 Months Cost Summary
 December 2018 to November 2019



	Enrollment		Fixed Costs			Forecasted Claims	Paid Claims					Total Plan Costs	Position
	Total Ees	Dental Ees	Admin Fees	Stop Loss Premium	Total	Projected	Medical Claims	Rx Claims	Dental Claims	Gross Total Claims	Claims / Ee	Actual Gross Cost	Gross Claims / Projected
Dec-18	324	347	\$27,889	\$47,417	\$75,306	\$437,431	\$358,798	\$105,366	\$20,865	\$485,028	\$1,492.73	\$560,335	110.9%
Jan-19	324	345	\$27,881	\$47,417	\$75,298	\$437,303	\$338,776	\$121,419	\$24,465	\$484,660	\$1,491.27	\$559,958	110.8%
Feb-19	325	346	\$27,967	\$47,564	\$75,530	\$438,648	\$501,567	\$94,847	\$18,894	\$615,309	\$1,889.73	\$690,839	140.3%
Mar-19	327	349	\$28,142	\$47,856	\$75,999	\$441,404	\$373,497	\$189,239	\$27,655	\$590,391	\$1,800.15	\$666,390	133.8%
Apr-19	327	350	\$28,146	\$47,856	\$76,003	\$441,468	\$650,442	\$112,141	\$17,615	\$780,198	\$2,382.39	\$856,201	176.7%
May-19	327	351	\$28,150	\$47,856	\$76,007	\$441,532	\$457,521	\$154,722	\$21,525	\$633,768	\$1,933.63	\$709,775	143.5%
Jun-19	328	351	\$28,232	\$48,003	\$76,235	\$442,813	\$341,870	\$108,909	\$17,898	\$468,676	\$1,425.32	\$544,911	105.8%
Jul-19	326	346	\$27,142	\$26,077	\$53,218	\$508,030	\$396,844	\$74,854	\$15,782	\$487,480	\$1,492.54	\$540,698	96.0%
Aug-19	327	347	\$27,225	\$26,157	\$53,381	\$509,584	\$489,552	\$24,129	\$22,947	\$536,627	\$1,637.02	\$590,009	105.3%
Sep-19	321	342	\$26,731	\$25,677	\$52,408	\$500,333	\$197,432	\$107,196	\$18,145	\$322,774	\$1,002.06	\$375,181	64.5%
Oct-19	322	344	\$26,818	\$25,757	\$52,575	\$501,960	\$526,550	\$81,757	\$18,820	\$627,127	\$1,943.86	\$679,702	124.9%
Nov-19	322	344	\$26,818	\$25,757	\$52,575	\$501,960	\$447,532	\$74,298	\$29,569	\$551,398	\$1,706.54	\$603,973	109.8%
Totals	3,900	4,162	\$331,140	\$463,395	\$794,534	\$5,602,466	\$5,080,381	\$1,248,877	\$254,180	\$6,583,438	\$1,683.96	\$7,377,972	117.5%
										(\$276,717)		(\$276,717)	
										\$6,306,721	\$1,613.01	\$7,101,256	112.6%

Notes

1. Specific Stop Loss reflects \$150,000.



**Town of New Fairfield & New Fairfield BOE
Estimated Renewal Projection
July 1, 2021 Renewal Date**

Time Periods	
Renewal Period	July 1, 2021 to June 30, 2022
Experience Period	December 1, 2019 to November 30, 2020

Estimated Renewal Projection		Medical	Drug	Total Med/Rx	Dental	Total Med/Rx/Dental
Actual Paid Claims		\$3,819,539	\$1,223,807	\$5,043,346	\$213,718	\$5,257,064
- Remove Entire Claim Amount		(\$417,542)	\$0	(\$417,542)	\$0	(\$417,542)
COVID Adjustment		\$177,877	\$0	\$177,877	\$33,653	\$211,530
Net Paid Claims		\$3,579,874	\$1,223,807	\$4,803,681	\$247,371	\$5,051,051
Adjusted for Benefit Change	0.00%	\$0	\$0	\$0	\$0	\$0
Annual Trend		5.0%	5.0%		3.5%	
Midpoint Months		19	19		19	
Applied Trend		8.0%	8.0%		5.6%	
Trended Net Claims		\$3,867,385	\$1,322,095	\$5,189,480	\$261,219	\$5,450,699
Add back in claims to \$150,000 Specific Stop Loss (1 x \$150,000)		\$150,000		\$150,000	\$0	\$150,000
Trended Adjusted Net Claims		\$4,017,385	\$1,322,095	\$5,339,480	\$261,219	\$5,600,699
Average Employees in the Experience Period		332	332	332	354	
Projected Renewal Claims Per Employee Per Month		\$1,009.65	\$332.27	\$1,341.92	\$61.52	
Current Expected Claims Per Employee Per Month		\$1,107.64	\$313.08	\$1,420.72	\$61.66	
Percentage Change from Current		-8.8%	6.1%	-5.5%	-0.2%	

Notes

1. Combined Medical/Rx case specific Trend is -20.4%. This does not include Dental.



**Town of New Fairfield & New Fairfield BOE
Medical/Rx Plan - Renewal Projection
July 1, 2021 Renewal Date**

Stop Loss Outline		Current	Renewal
TPA / Network Name		Anthem	Anthem
Stop Loss Carrier		Anthem	Anthem
Specific Stop Loss (SSL)		\$150,000	\$150,000
Contract Basis		Paid	Paid
Coverages Included		Medical & Rx	Medical & Rx
Aggregate Stop Loss (ASL)		120%	120%
Fixed Costs			
Administration			
Medical/Rx Admin Fee & Managed Benefit Fee	337	\$27.69	\$28.24
Monthly Rolling Cap	337	\$0.48	\$0.49
Medical/Rx Broker Fee	337	\$9.07	\$9.07
Discount Share	337	\$40.14	\$20.19
PCORI Fee	337	\$0.49	\$0.53
Dental Administration Fee	356	\$4.08	\$4.16
Dental Broker Fee	356	\$0.22	\$0.22
Monthly Total Fees		\$27,773	\$21,281
Annual Total		\$333,276	\$255,377
Dollar Change			(\$77,899)
Percentage Change			-23.4%
Specific Premium	337	\$109.59	\$116.17
Aggregate Premium	337	\$10.78	\$11.21
Annual Total		\$486,776	\$515,125
Dollar Change			\$28,348
Percentage Change			5.8%
Annual Total Fixed Costs		\$820,052	\$770,501
Dollar Change			(\$49,551)
Percentage Change			-6.0%
Expected Claims Liability			
Total Medical/Rx PEPM	337	\$1,420.72	\$1,341.92
Monthly Total Medical Claim Liability		\$478,783	\$452,225
Annual Total Medical Claim Liability		\$5,745,392	\$5,426,705
Dollar Change			(\$318,687)
Percentage Change			-5.5%
Total Dental PEPM	356	\$61.66	\$61.52
Monthly Total Dental Claim Liability		\$21,951	\$21,902
Annual Total Dental Claim Liability		\$263,412	\$262,818
Dollar Change			(\$593)
Percentage Change			-0.2%
Total Cost			
Annual Total Expected Costs		\$6,828,855	\$6,460,024
Dollar Change from Current			(\$368,831)
Percentage Change			-5.4%



**Town of New Fairfield & New Fairfield BOE
Total Cost Summary
2021-2022 Budget Projection**

	Current Town Only 2020-2021	Current BOE Only 2020-2021	Current Total Budget 2020-2021	Renewal Town Only 2021-2022	Renewal BOE Only 2021-2022	Renewal Total Budget 2021-2022
Projected Expenditures						
Anthem Medical & Dental Paid Claims	\$475,485	\$5,614,382	\$6,089,867	\$444,227	\$5,245,296	\$5,689,523
Discount Share Fee	\$12,524	\$147,875	\$160,399	\$6,376	\$75,284	\$81,660
HSA Cash Payments	\$50,751	\$599,249	\$650,000	\$50,751	\$599,249	\$650,000
Anthem Administration Fees	\$13,165	\$155,449	\$168,614	\$13,396	\$158,171	\$171,567
Anthem Stop-Loss Premium @ \$150k ISL	\$40,613	\$479,546	\$520,159	\$40,220	\$474,905	\$515,125
ACA Fees	\$151	\$1,786	\$1,937	\$168	\$1,981	\$2,149
Teamster Costs	\$424,782	\$0	\$424,782	\$424,782	\$0	\$424,782
Hartford Ancillary Costs	\$12,217	\$144,257	\$156,474	\$12,217	\$144,257	\$156,474
Employee Assistance Program	\$499	\$5,897	\$6,396	\$499	\$5,897	\$6,396
Other	<u>\$859</u>	<u>\$10,141</u>	<u>\$11,000</u>	<u>\$859</u>	<u>\$10,141</u>	<u>\$11,000</u>
TOTAL PROJECTED EXPENDITURES	\$1,031,046	\$7,158,582	\$8,189,628	\$993,494	\$6,715,182	\$7,708,676
Projected Revenues						
Employee Contributions*	\$105,977	\$1,194,023	\$1,300,000	\$99,753	\$1,123,901	\$1,223,655
Other Revenue	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL PROJECTED REVENUES	\$105,977	\$1,194,023	\$1,300,000	\$99,753	\$1,123,901	\$1,223,655
Net Costs	\$925,069	\$5,964,559	\$6,889,628	\$893,741	\$5,591,280	\$6,485,021
\$ Change				(\$31,328)	(\$373,280)	(\$404,608)
% Change				-3.4%	-6.3%	-5.9%
Current New Fairfield Monthly Budget						\$510,758
Needed New Fairfield Monthly Budget						\$540,418
Percent Change						5.8%
Dollar Change						\$29,660

*2021-2022 employee contributions assume the same total contribution percentage as well as the same percentage split between the Town and BOE populations as in 2020-2021.

Some New Fairfield Demographic Information - 03/2021

Political Party Affiliation	Active Registered Voters	Inactive Registered Voters	Total Registered Voters
Democrat	2,425	495	2,920
Republican	3,155	611	3,766
Unaffiliated	4,471	951	5,422
Other - Indep./Green/Lib.	233	30	263
Total	10,284	2,087	12,371

Referendums / Elections	Number of voters	% Active Registered Voters
2018/19 budget referendum	1,409	13.7
2019/20 budget referendum	1,401	13.6
2019/20 town offices election	4,379	42.6
2019 School construction referendum	4,040	39.3
2020 Presidential election	8,683	84.4

Median tax assessment for residential properties is \$220,800

- **median** house value is \$315,429 (70% of \$315,429 = \$220,800)
- (5,350 housing units + 880 vacant lots)

Property tax at current mill rate of 30.58 = \$6,752. ($\$220,800 \times 0.03058$)

Median is determined by ranking the data from largest to smallest, and then identifying the middle so that there are an equal number of data values larger and smaller than it is. Since property values and incomes are not evenly distributed, **median** gives a **better** representation of central tendency than **average**.

2019 **Median** household income of ages 25 - 64 is \$135,000 (70% of households)

2019 **Median** household income of ages 65 + older \$ 70,263 (30% of households)

December 2020 Unemployment rate - New Fairfield 5.6% / Connecticut 7.5%

Continued Claims - 390 (Jan. 2021), 379 (Feb. 2021) claims trending down

Percentage of taxable grand list that is Commercial = 3.033% (Brookfield = 11.79%)

New Fairfield taxable grand list = \$1.656 Billion. (Brookfield's > \$2 Billion)

Number of participants in the town's Elderly Tax Relief Program - 272 (Max benefit is \$1,760.)

Number of participants in the food pantry / fuel bank / rent / mortgage assist. - difficult to determine due to CT/Fed. programs available in addition to town's.

- people can apply on their own without notifying town social services for assistance, however, it is felt that assistance has increased in the past 12 months.

Town of New Fairfield
4 Brush Hill Road
New Fairfield, CT 06812

MINUTES
Pension Commission
Monday, March 1, 2021
2:00 PM
Via Zoom

Pension Commission members

Pat Del Monaco, First Selectman
Ed Sbordone, Finance Director and Treasurer

Other Officials Present:

Dr. Rich Sanzo, BOE Director of Business and Operations
Mark Werner, BOF Alternate member
Chris Rowllins, DiMeo Schneider and Associates

Call To Order Pat Del Monaco called the meeting to order at 2:00pm

Dr. Rich Sanzo gave a brief overview of the rules and procedures for having a virtual meeting.

Review of Plans

Chris Rowllins from DiMeo Schneider and Associates gave an overview of the 2020 Investment report for the 4th quarter for the Town and BOE pension portfolios and OPEB (Other Post Employment Benefits). He compared the Town plan with the BOE plan and spoke of the actuarial value of assets as of July 1, 2019 and July 1, 2018. He spoke of discount rates for both plans and total accrued liability and asset allocation analysis. Dr. Rich Sanzo asked about discount rates and contributions for the BOE plan. There was a discussion of the time line for decisions for the plans.

Mark Werner asked about the budget and affordability of the plans.

Vote on plan asset allocations and discount rates

Ed Sbordone noted that no action should be done at this time but it will be reviewed on a quarterly basis. The next meeting will be scheduled for either on or around June 1st to review the 2021 First quarter performance.

Public Comment

Mark Werner noted that the Pension Commission is off to a great start and asked that in the future the commission review the Fire Department's LOSAP plan and the 457B plan.

Adjournment

Ed Sbordone made a motion to adjourn the meeting at 2:30 pm. Pat Del Monaco seconded the motion. **Vote: 2-0-0 (Motion approved)**

Received by Email on 3/5/2021 @ 11:02 am
by Pamela J. Dohan, Town Clerk, New Fairfield