

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

MINUTES
Board of Finance Regular Meeting
Wednesday, December 15, 2021
7:30 PM
Virtual meeting via Zoom

Members present via Zoom

Wes Marsh, Chairman
Mark Bennison
Thora Perkins
Cheryl Reedy
Claudia Willard
Dave Coleman, Alternate
Chris D'Esposito, Alternate
Greg Williams, Alternate

Members not present via Zoom

Michael Cammarota

Other Town Officials Present via Zoom

Ed Sbordone, Finance Director
Olga Melnikov, Incoming Finance Director
Terry Friedman, Town Treasurer
Pat Del Monaco, First Selectman
Lori Bennison, Selectman
Khris Hall, Selectman
Dr. Rich Sanzo, BOE Director of Business and Operations
Dr. Pat Cosentino, Superintendent of Schools
Dominic Cipollone, BOE Chairman
Samantha Mannion, BOE member

Call To Order Chairman Wes Marsh called the meeting to order at 7:30pm.

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

Pledge of Allegiance

Appointments- Michael Cammarota was unable to attend the meeting and asked that Greg Williams serve in his absence.

Correspondence and Announcements

Appointment of BOF Chairman and Clerk

Wes Marsh announced that the BOS met on December 9th and formally appointed Wes Marsh as the Chairman and Michael Cammarota as the Clerk of the Board of Finance. This appointment was necessary due to the tie for both positions at the November 17th BOF meeting. Thora Perkins congratulated both Wes and Michael on these appointments.

Public Comment- None

Approval of Minutes

Greg Williams made a motion to approve the minutes of the November 17, 2021 regular meeting as presented. Mark Bennison seconded the motion.

Thora Perkins made a motion to amend the previous motion to add to the November 17, 2021 minutes that under "Future Agenda Items" that Thora asked for two months of the expenditure status report for the Board of Education similar to the Town status report. Mark Bennison seconded the motion.

Vote to amend motion: 6-0-0 (Motion approved)

Vote on motion as amended: 6-0-0 (Motion approved)

Budget Transfers- None

Vote on BOF Department budget for FY 2022/2023

Wes Marsh reviewed the BOF Department budget for 2022/2023. He noted that the figure of \$63,663 for the audit is an estimate. This figure represents a 2% increase over last year but that could change. The rest of the budget includes \$2,690 for salaries, \$3,000 for materials and supplies and \$15,000 for a contingency fee for a total budget of \$84,353.

Wes Marsh made a motion to approve the BOF departmental budget for fiscal year 2022/2023 in the amount of \$84,353. Thora Perkins seconded the motion. **Vote: 6-0-0 (Motion approved)**

Discussion of 2022/2023 Budget planning

Wes Marsh gave a brief summary of the main parts of the budget and noted that it is broken into five parts including- Payroll, non-payroll, capital and nonrecurring, medical and debt service. He noted that the total budget (expenditures) minus non-taxpayer revenue equals the total property taxes. The total property taxes divided by the taxable grand list equals the Mil Rate. The Mil Rate multiplied by property assessment equals the tax that the taxpayer will pay.

Bonding Expense (Debt Service)

Town Treasurer Terry Friedman gave an update on the status of the bonding project for the school projects. So far, \$33 million of the total \$80 million has been bonded. This \$33 million will take the project until the end of February. After that, \$35 million will be bonded over the next 12 months. An additional \$12 million will be bonded towards the end of the project. The estimates are reduced by the expected State reimbursement. It is expected that the State reimbursement will lag by approximately 3 or 4 months. It is expected that the interest rates will be approximately 2%. There is also a possibility of being able to defer the principal payments for later years. The most that can be spread out this way is \$450,000. The cost of bonding the \$35 million will be \$2 million next year which is broken down to \$1.3 million in principal and \$700,000 in interest. This will increase the Mil Rate by 1.21 or 3.84% budget increase. The deferment of principal from the previous bonding will increase the Mil Rate by .14 or .44%. This increase in the budget for next year due to the school project is 4.28%. It is expected that bonding will be done by the 1st day of March.

It was decided that Terry Friedman will update the 10 year projection with the latest information from the bonding. Rich Sanzo spoke of the paperwork regarding the State reimbursement.

Board member's information requests guidance

Wes Marsh spoke of the process for questions and requests from Board members. He asked that any information or questions be sent to him to be distributed to the correct person. He noted that the BOS meets with every department head via Zoom to discuss their individual budgets. BOF members are encouraged to attend these meetings. The BOE will hold workshops to discuss the budget and will invite the BOF members.

Thora Perkins spoke of her requests and noted that it would be advantageous for her to know the entire make up of the schools. It was decided that Finance Director Olga Melnikov will provide the BOF members will a copy of last year's budget book for their review. This will be sent electronically unless a member requests a hard copy.

Superintendent of Schools Dr. Cosentino invited any BOF members with questions to meet with her to go over the budget. She encouraged everyone to attend either the regular BOE meetings or the subcommittee meetings.

Budget directions for Board of Selectmen and Board of Education

Wes Marsh noted that both the BOS and BOE have encouraged department heads to come in with a 0% budget increase for 2022/2023. There was a discussion among the members of the BOF about getting the budget as close to zero as possible. There was a suggestion of the parameters for what a zero based budget

will look like and there was a consensus among the Board members that both the BOE and BOS should aim for a zero based budget.

Discussion of subcommittee membership

Wes Marsh gave a brief description of the role of the Audit subcommittee and the Medical subcommittee. Cheryl Reedy, Wes Marsh and Claudia Willard will serve on the Audit subcommittee. Thora Perkins, Chris D'Esposito and Greg Williams will serve on the Medical subcommittee.

Discussion of School Safety and Security Committee/Fire Department Liaison

It was decided that Mark Bennison will serve as the School Safety and Security Committee. Chris D'Esposito and Dave Coleman will serve in the event that he is not able to attend.

Michael Cammarota and Mark Bennison will serve as Fire Department Liaisons.

Discussion of Paramedic contract

Wes Marsh noted that the Paramedic contract will expire on June 30, 2022. There was a brief discussion of looking into other bids for a new vendor. Finance Director Olga Melnikov warned the Board that if they go out to bid, Nuvance is not required to abide by the 2% increase.

ONGOING UPDATES

Medical update- Wes Marsh explained that this report shows the status of the projected claims and the medical reserve.

Legal update- First Selectman Pat Del Monaco gave a brief description of the legal fees and specifically for contracts.

Year to date Expenses review- The Board reviewed the year-to-date expenses. Specific questions included the planning for the overlap of Finance Directors. It was noted that most of the business machines are owned and not leased.

Revenue update- The Board reviewed the revenue accounts and specifically noted that Town Clerk receipts and real estate conveyance revenue continues to go up.

Cap & Non update- There was a brief discussion of the Capital and Nonrecurring account. Cheryl Reedy asked about the possibility of sweeping certain projects. First Selectman Pat Del Monaco gave a brief description of these projects.

Public Comment- Selectman Lori Bennison asked about the possibility of putting in for grants to help supplement department needs. Cheryl Reedy noted that this is the purview of the Selectmen and that they often apply for grants.

Future Agenda items

- 2022-2023 Budget planning
- Paramedic contract
- BOE Expenditure status report and transfer reports for Aug, Oct. and Dec. 2021.

- Thora Perkins asked about for a presentation from the BOS and PBC to give a brief update of the school projects. First Selectman Del Monaco suggested that the BOF members attend the BOS and PBC meetings and ask questions.
- Cheryl Reedy spoke of the possibility of a long range plan budget and ways for the Town to maintain the AAA rating.

Board Member Comments

Greg Williams wished everyone “Happy Holidays”.

Chris D’Esposito noted that he is looking forward to budget process.

Mark Bennison wished everyone “Happy Holidays”.

Claudia Willard noted that this was an excellent meeting and “Happy Holidays”.

Thora Perkins thanked everyone for all their help with answering questions. She wished everyone “Happy Holidays”.

Cheryl thanked everyone for a great meeting and wished everyone “Happy Holidays”.

Wes Marsh noted that this is was an enjoyable meeting. He thanked outgoing Finance Director and Town Treasurer Ed Sbordone for all his hard work and wished him well in his retirement.

Ed Sbordone thanked everyone and noted that both Olga Melnikov and Terry Friedman are excellent choices for Finance Director and Town Treasurer respectively.

Adjournment

Greg Williams made a motion to adjourn the meeting at 9:55 pm. Mark Bennison seconded the motion.

Vote: 6-0-0 (Motion approved)

Received by email on 12/21/2021 @ 11:55 a.m.
by: Holly Z Smith, Asst. Town Clerk, New Fairfield