

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

**MINUTES**  
**Board of Finance Regular Meeting**  
**Wednesday, February 16, 2022**  
**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***

Olga Melnikov, Finance Director  
Terry Friedman, Town Treasurer  
Pat Del Monaco, First Selectman  
Khris Hall, Selectman  
Dr. Rich Sanzo, BOE Director of Business and Operations  
Ed Sbordone, BOE member

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

Paul Gouveia gave a brief overview of the rules and procedures for having a virtual meeting.

**Pledge of Allegiance**

**Appointments**

Wes Marsh noted that Michael Cammarota will not be available for tonight's meeting and has appointed Greg Williams in his place.

**Addition to the agenda**

Wes Marsh made a motion to add agenda item #9A1 "Pension Committee meeting update" to the agenda. Mark Bennison seconded the motion. **Vote: 6-0-0 (Motion approved)**

**Correspondence and Announcements**

Wes Marsh noted that the BOF has received some letters regarding the proposed budgets. The first was from a group of 3<sup>rd</sup> grade teachers expressing their concerns regarding possible cuts to the budget, increase in class sizes and reduction of administrators. A group of first graders expressed similar concerns. The final letter was from a taxpayer asking that the BOF try to keep the increase low.

**Public Comment**

Aline Fogle spoke of her concerns regarding possible cuts to the budget.

**Approval of Minutes**

Thora Perkins made a motion to approve the minutes of the January 19, 2022 regular meeting as presented. Greg Williams seconded the motion. **Vote: 6-0-0 (Motion approved)**

### **Budget Transfers**

Wes Marsh made a motion to approve the following Inter-Departmental transfers in the amount of \$3,900. Cheryl Reedy seconded the motion. **Vote: 6-0-0 (Motion approved)**

Wes Marsh explained the difference between Inter-Departmental and Intra-Departmental transfers. There was a brief discussion of how transfers are initiated and the possibility of getting a brief description regarding each transfer.

\$	Transfer From		\$	Transfer to	
\$3,900.00	001-4164-0007-000/430.00	Business Machines-Systems Admin	\$3,900.00	001-4215-0000-000/130.00	Communications Center-Overtime
<b>\$3,900.00</b>			<b>\$3,900.00</b>		

### **Discussion of Medical Plan for 2022-2023 budget**

Tom Kowalchik from USI gave a presentation regarding medical claims showing what was forecasted for claims, vs. the actual claims and the total plan costs. He spoke of fixed costs of the plan and what was actually paid out. He noted that the current Individual Stop Loss is \$225,000. He spoke of using the last 12 months of claims to project how much to budget for next year and noted that 2021 claims may be higher due to elective surgeries that were postponed from 2020. There was a brief discussion of large claims and the breakout of employees and retirees.

The BOF asked Mr. Kowalchik to provide prices for stop loss, alternatives for administrators, details of the prescription drug rebate and if anyone will be lasered so that a decision regarding the medical plan in the near future.

### **Discussion of 2022/2023 Budget planning**

#### **Bonding update**

Town Treasurer Terry Friedman noted that bonding project went out to bid on February 15<sup>th</sup>. The interest rates ranged from 2.51% to 2.77%. The Town accepted the lowest bid of 2.51%. There was a premium associated with this rate. The next step is to get the debt service scheduled and to figure out how to spread out the premium and decide how much to put in the budget.

#### **Pension Committee**

Terry Friedman spoke of the Pension Committee meeting that was held on February 8<sup>th</sup>. They discussed the funding status and noted that the Town is 87.1% funded and the BOE is 90.7% funded. The rate assumptions used were 6.75% for the Town and 6.25% for the BOE. They decided not to lower the rate assumptions for this year. The expected contributions for 2022/2023 for the Town is \$447,876 and \$460,638 for the BOE. The Pension Committee will revisit the interest rate assumption next year.

The Pension Committee also discussed OPEB (Other Post Employment Benefits) and noted that this is 91% funded. Money has not been taken out of this plan to pay for the retirement costs and contributions have not been made either. The committee decided to take the medical cost for the retirees out the OPEB fund and also make a contribution. The net savings would be \$151,307.00. Wes Marsh will follow up with Tom Kowalchik to let him know that retirement medical costs will no longer be taken out of the medical fund.

#### **AAA rating**

Finance Director Olga Melnikov noted that the Town's AAA rating has been reaffirmed. There was an upgrade in the Financial Management category from strong to very strong.

#### **Medical Plan**

Wes Marsh noted that options for Stop loss, prescription drug rebates and the possibility of alternate providers will be discussed for the Medical plan in the near future.

### **Elective Officials Salaries**

The Board members compared salaries of elected officials with those of surrounding towns. Cheryl Reedy spoke of how some of the duties of the officials have changed in the last few years. There was a discussion of the possibility of increasing salaries for some elected officials. There were some concerns of the appearance of an increase of salaries during a difficult budget season. It was decided that this will be considered again at the budget mark up.

### **Board of Finance members discussion of 2022/2023 budget**

The Board members spoke of increase in the proposed Board of Education cuts and the increase in the interest rates for the bonding for the school projects. There was a suggestion of forming a town-wide Capital Planning committee after the budget is completed. There was a discussion of how the increase in the grand list will affect the budget increase.

### **Communications/Town Tribune column**

It was decided that there should be a column in the *Town Tribune* to attempt to get more public opinions at the Public Hearing regarding the budget on March 5<sup>th</sup> via Zoom. Resident can either speak during public comment or send an email to the board ahead of time.

### **ONGOING UPDATES**

- Medical update- The reserve fund is down due to November and December claims being higher than projected.
- Legal update- The balance as of January 31, 2022 is \$78,745.
- Year to date expenses- It was noted that the Town Engineer is paid by the project. There was a brief discussion of road repair.
- Current year revenue- No discussion
- Capital and Nonrecurring- There was a brief discussion of Town Properties.

**Public Comment**- Aline Fogle spoke of her concerns about possible cuts to the BOE budget.

### **Future Agenda items**

- The BOE and BOS will present their budgets to the Board of Finance via Zoom on Saturday, March 5<sup>th</sup> at 9am.
- The Board of Finance will meet every Wednesday in March beginning March 9<sup>th</sup>.
- Communications
- Medical

### **Board Member Comments**

Members of the BOF thanked everyone for a productive meeting. They congratulated the Finance team for their hard work and especially for the AAA bond rating. They encouraged the public to get involved in the budget process and to give opinions.

### **Adjournment**

Cheryl Reedy made a motion to adjourn the meeting at 10:14 pm. Mark Bennison seconded the motion.

**Vote: 6-0-0 (Motion approved)**