

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

MINUTES
Board of Finance Regular Meeting
Wednesday, February 15, 2023
7:30 PM
via Zoom

Members present

Wes Marsh, Chairman
Mark Beninson
Thora Perkins
Cheryl Reedy
Claudia Willard
Dave Coleman, Alternate
Greg Williams, Alternate
Members present
Kim Hanson
Chris D'Esposito, Alternate

Other Town Officials Present

Pat Del Monaco, First Selectman
Lori-Ann Beninson, Selectman
Khris Hall, Selectman
Olga Melnikov, Finance Director
Terry Friedman, Town Treasurer
Tim Blair, BOE member
Amy Johnson, BOE member
Ed Sbordone, BOE/PBC member
Don Kellogg, PBC Chairman

Quintin Flower gave a brief overview of the rules and procedures for a virtual meeting.

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

Pledge of Allegiance

Appointments- None

Correspondence and Announcements

Chairman Wes Marsh noted that Kim Hanson was elected by the Board of Finance to serve as a full member replacing Michael Cammarota at the February 6th Special BOF meeting.

Wes Marsh noted that he received an email from Olivia Micca regarding the Public Comment Policy of the BOF.

Public Comment

Olivia Micca spoke of a Public Comment that she made at the February 6th special meeting. She noted that she was interrupted during this comment by a Board member and felt that this interruption was an infringement on her First Amendment Rights.

Millie Kellogg spoke of interruptions that were made during her Public Comment on February 6th and asked that it not be done in the future

Approval of Minutes

Thora Perkins made a motion to approve the minutes of the January 18, 2023 regular meeting as presented. Mark Beninson seconded the motion. **Vote: 5-0-0 (Motion approved)**

Thora Perkins made a motion to approve the minutes of the February 6, 2023 special meeting as presented. Mark Beninson seconded the motion. **Vote: 5-0-0 (Motion approved)**

Budget Transfers- None

Bus lot status update

Pat Del Monaco noted that the legal fees billed so far for the Land Use Appeal regarding the bus lot are \$16,720. The estimated legal costs associated with this are anticipated to be between \$40,000 and \$60,000. There is only one alternate site for this bus lot. It is anticipated that this will cost over \$1 million extra than the cost to build on the current Consolidated site at 302 Ball Pond Road. This extra cost is not included in the project budget. There is also an escalation of the cost due to the delay in this project. This could affect the amount of the State reimbursement.

First Selectman Del Monaco showed a site plan for another possible location for the bus lot and spoke of challenges associated with this location. There was a discussion of not being able to use the fill from previous projects.

Fiscal year 2023-2024 budget plan discussion

Town Treasurer Terry Friedman spoke of the process for the fourth bonding of the school projects. She spoke of issues encountered with the bonding for both the Consolidated project and the high school project. The reimbursement rate for the Consolidated project has dropped from 38% to 31% and the reimbursement rate for the high school project has dropped from 28% to 26%. The Town is going back to the State to reevaluate this. Bonding cannot be done until the reimbursement rate is determined. It was also noted that the audit is not yet completed and must be done before going to the rating agency. She thanked Finance Director Olga Melnikov and Director of Business and Operations Carrie DePuy for all their help with this.

There was a brief discussion of why the audit is not yet completed. Wes Marsh noted that there is an extension until February 28th. Olga Melnikov spoke of the factors that contributed to the delay in the audit but noted that they should receive a draft of the audit soon. The audit is on track to be filed by February 28th.

Finance Director Olga Melnikov spoke of the debt service policy and the possibility of deferring the first two years of principal on the bonding. This will help alleviate the pressure on the 2023-2024 budget by approximately \$400,000. This will cause additional interest in the long run but will not affect the Town's AAA rating. Wes Marsh noted that the debt policy must be revised before this can be done. There was a discussion among the Board members regarding pros and cons of changing the debt service policy.

Cheryl Reedy made a motion to ask Finance Director Olga Melnikov and Town Treasurer Terry Friedman to revise the debt service policy and ask Chairman Wes Marsh to call a special BOF meeting to discuss this approach. Thora Perkins seconded the motion.

Vote: 4-1-0 (Motion approved- Claudia Willard opposed)

Vote on revision to Board of Finance 2023 Calendar of Meetings

Thora Perkins made a motion to change the date of the December 2023 regular meeting from December 20th to December 13th. Cheryl Reedy seconded the motion.

Vote: 5-0-0 (Motion approved)

Finance Director Olga Melnikov noted that some reports may not be available for this meeting since it is earlier in the month.

Discussion of In-person vs. virtual meetings for March and April 2023 budget meetings

The Budget presentation of March 4, 2023 will be held in-person at the Community Room at 33 Route 37 at 9:00am. The meetings of Wednesday, March 8th and Wednesday, March 15th will be held virtually. The Board will decide about subsequent March meetings after these meetings.

ONGOING UPDATES

Medical update- The Board reviewed the fund balance for the Medical Fund. There was a discussion of the process for accounting for the fund balance to include the surplus funds that were transferred to the fund.

Legal update- There was a discussion of the legal expenses for contract negotiations and professional services.

Year to date expenses review- Olga Melnikov noted that private duty overtime for the Police Department is over budget but is offset by revenue.

Year to date revenue update- It was noted that the property tax collection rate is 96.57%. Interest income is projected to exceed the budgeted amount.

Capital and Nonrecurring update-Cheryl Reedy asked for a report showing projects that are being funded through ARPA funds.

Public Comment- None

Future Agenda items

- March 4th Budget presentations- 9am BOS and 10:30 BOE
- The BOF will meet every Wednesday in March to discuss the budget

Board Member Comments

Members of the Board thanked Pat Del Monaco and Don Kellogg for their presentation regarding the bus lot. They further thanked Olga Melnikov and Terry Friedman for their hard work with the bonding of the projects.

Adjournment

Mark Beninson made a motion to adjourn the meeting at 9:22 pm. Claudia Willard seconded the motion.

Vote: 5-0-0 (Motion approved)