

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

**REVISED AGENDA**  
**BOARD OF FINANCE**  
**REGULAR MEETING**  
**WEDNESDAY, March 8, 2023**  
**7:30 PM**

**VIRTUAL MEETING VIA ZOOM**

**<https://zoom.us/j/96975330048>**

**Meeting Code:**

**Or dial in phone (929) 205-6099**

1. Call to order
2. Pledge of Allegiance
3. Appointments
4. Correspondence/Announcements
5. Public Comment
6. Approval of Minutes - February 15, 2023 regular meeting, February 27, 2023 special meeting, and March 4, 2023 regular meeting
7. Discussion- Medical Expense and Debt Service updates to Fiscal Year 2023-2024 budgets
8. Discussion-BOS and BOE requested FY 2023/24 budgets
9. Public Comment
10. Future Agenda items
11. Board Member Comments
12. Adjournment

Received by email on 03/07/2023 @ 11:28 a.m.  
by Chrystie M. Bontempo, Asst. Town Clerk, New Fairfield

02/27/2023

I move that the discussion of the Debt Policy be postponed indefinitely and that the Board of Finance require the following information from the appropriate officials.

What state statutes are referred to in the policy? re: “\*Maintain a maximum Town of New Fairfield total short and long-term debt that is consistent with State Statute.”

Sec 7-374

What would that maximum be for our current fiscal year absent any Town policy?

Per FY22 Audit \$350,615,853

What is the annual general fund operating Cost for the current fiscal year?

Town – \$11,982,002

BOE – \$38,090,581

Medical – \$5,679,693

Debt – \$5,302,751

Capital – \$447,124

Total – \$61,502,151

What is 15% of the annual general fund operating Cost for the current fiscal year?

\$9,225,323 (15%\*\$61,502,151)

Under the current policy what is the maximum we could bond at a 4% interest rate?

The interest is not a factor in a decision regarding amount to bond. Per policy, \$135 million

Under the proposed policy what is the maximum we could bond at a 4% interest rate?

The interest is not a factor in a decision regarding amount to bond. \$350 million to be in line with State Statute.

If the state reimbursement rates on the two school projects are restored to the levels the voters were promised, how much will be bonded to finish out the projects?

Remaining \$12 mil, to bring the total to \$80 mil.

If the state reimbursement rates on the two school projects remain reduced as currently proposed, how much will be bonded to finish out the projects?

Intent to remain at \$80 mil

If the policy remains unchanged and the state reimbursement remains as currently proposed, what will the total debt payments be for the current fiscal year and the next two fiscal years? (use current rates for the estimated payments for the upcoming tranche)

FY23 – \$5,302,751

FY24 – \$8,129,163 (12 mil issuance at estimated 4%)

FY25 – \$8,050,163 (12 mil issuance at estimated 4%)

If the policy is changed as proposed and the state reimbursement remains as currently proposed and the principal payment is delayed for two years, what will the debt payments be for the current fiscal year and the next two fiscal years? (use current rates for the estimated payments for the upcoming tranche)

Per the discussion at the Special BOF Meeting on 02/27, we will not be delaying principal payments for two years. For reference only, the estimated payments would have been as follows:

FY23 – \$5,302,751

FY24 – \$7,691,163 (12 mil issuance at estimated 4.1%)

FY25 – \$7,472,588 (12 mil issuance at estimated 4.1%)

For the following projects please estimate the costs of the project, in what year each project would be bonded, and estimate the amount that would be added to debt payment in the first year (assume 4% interest rate and a 20 year bond), and the total for all debt payments in that year. For total payments assume state reimbursement rates are at the lower rate than was initially promised for the two school projects. Also assume that Town policy will not be changed to allow the delaying of principal repayment.

- (1) The sewer system
- (2) The large drainage remediation project in the Ball Pond to Putnam Lake area.
- (3) Dam replacement or removal and soil remediation being required by the State for the dam behind the Senior Center
- (4) Any other projects or needs that you foresee in the next ten years that might require bonding.



**Town of New Fairfield & New Fairfield BOE  
Total Cost Summary - Budget Projection  
July 1, 2023 Renewal Date**

	Current Town Only	Current BOE Only	Current Total Budget	Renewal Town Only	Renewal BOE Only	Renewal Total Budget
<b>Projected Expenditures</b>						
Anthem Medical & Dental Paid Claims	\$480,964	\$5,679,079	\$6,160,044	\$592,579	\$6,996,987	\$7,589,566
Prescription Drug Rebate	(\$29,670)	(\$350,330)	(\$380,000)	(\$29,670)	(\$350,330)	(\$380,000)
Discount Share Fee	\$6,884	\$81,282	\$88,166	\$9,119	\$107,670	\$116,789
HSA Cash Payments	\$50,751	\$599,249	\$650,000	\$50,751	\$599,249	\$650,000
Anthem Administration Fees	\$12,657	\$149,455	\$162,112	\$11,371	\$134,268	\$145,639
Anthem Stop-Loss Premium @ \$225k ISL	\$26,404	\$311,765	\$338,169	\$36,124	\$426,546	\$462,671
ACA Fees	\$165	\$1,952	\$2,118	\$180	\$2,131	\$2,311
Teamster Costs	\$405,264	\$0	\$405,264	\$405,264	\$0	\$405,264
Hartford Ancillary Costs	\$12,450	\$147,006	\$159,456	\$12,450	\$147,006	\$159,456
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>
<b>TOTAL PROJECTED EXPENDITURES</b>	<b>\$967,228</b>	<b>\$6,635,496</b>	<b>\$7,602,724</b>	<b>\$1,089,527</b>	<b>\$8,079,565</b>	<b>\$9,169,092</b>
<b>Projected Revenues</b>						
Employee Contributions*	\$107,784	\$1,206,654	\$1,314,438	\$121,412	\$1,469,256	\$1,590,668
Other Revenue	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>TOTAL PROJECTED REVENUES</b>	<b>\$107,784</b>	<b>\$1,206,654</b>	<b>\$1,314,438</b>	<b>\$121,412</b>	<b>\$1,469,256</b>	<b>\$1,590,668</b>
Net Costs	\$859,444	\$5,428,842	\$6,288,286	\$968,114	\$6,610,309	\$7,578,424
\$ Change				\$108,671	\$1,181,468	\$1,290,138
% Change				12.6%	21.8%	20.5%
Current New Fairfield Monthly Budget						\$551,471
Needed New Fairfield Monthly Budget						\$631,535
Percent Change						14.5%
Dollar Change						\$80,064

\*The renewal employee contributions assume the same total contribution percentage as well as the same percentage split between the Town and BOE populations as in the current policy period.