

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

MINUTES
Board of Finance Regular Meeting
Wednesday, March 20, 2024
7:30 PM
Community Room at 33 Route 37

<u>Board of Finance members present</u> Doug Jendras, Chairman Mark Beninson Wes Marsh Thora Perkins Cheryl Reedy Claudia Willard Eric Huff, Alternate Peggy Katkocin, Alternate <u>Board of Finance members absent</u> Greg Williams, Alternate	<u>Other Town officials and Educators present:</u> Dr. Ken Craw, Superintendent of Schools Dr. Kris Woleck, Ass't Superintendent of Curriculum and Instruction Melissa Lindsey, First Selectman Pat Del Monaco, Selectman Tom Perkins, Selectman Carrie DePuy, BOE Director of Business and Operations Olga Melnikov, Finance Director Terry Friedman, Town Treasurer Shareen Langdon, Tax Collector Holly Smith, Town Clerk Elisa Beckett-Flores, Registrar of Voters Dominic Cipollone, BOE Chairman Ed Sbordone, BOE member/PBC member
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Call To Order Chairman Doug Jendras called the meeting to order at 7:30pm.

Pledge of Allegiance

Appointments- None

Correspondence and Announcements- None

Public Comment

Jeff Alviti spoke in support of the BOE operating and capital budgets and especially in favor of the replacement of the turf field and track. He thanked the BOF for listening to comments regarding the Field fees and turf field and encouraged anyone with questions to reach out to him.

John McCartney spoke in support of an increase in the pay for the Registrars of Voters and in support of hiring an assistant for the Animal Control officer. He thanked the BOF for visiting their recent visit to the Firehouse and encouraged the BOF to allocate money in the budget for capital projects.

Jeff Giuliano spoke in support of the BOE budget.

Dominic Cipollone spoke in support of the BOE budget and encourage BOF members to visit the new high school if they haven't already.

Approval of Minutes

Thora Perkins made a motion to approve the minutes of the March 13, 2024 meeting as presented. Mark Beninson Reedy seconded the motion. **Vote: 6-0-0 (Motion approved)**

Budget Transfers- None

Medical Insurance Presentation and Appropriation for Budget

Tom Kowalchik from USI spoke of the last 12 months of claims and noted that fiscal year claims are down significantly from last year. He noted that the projection for fixed costs and claims would be -4% with 1% equal to approximately \$74,000. He spoke of IBNR (Incurred but Not Reported) and the importance of keeping a healthy reserve fund. Last year's starting number before taking into account the employee contributions and rebates was \$8.6 million. This year's recommended number to start is approximately \$8.2 million. There was a brief discussion of what is included in the calculations for to arrive at the best number to budget.

Olga Melnikov spoke of the claims for the fiscal year and noted that if the claims remain on track,, there is a possibility to end the year with over \$1 million in the fund balance. It was decided to wait until more information is received before making a decision on the medical budget.

Audit Subcommittee and Fiscal year 2022-2023 Audit

Claudia Willard noted that the Audit subcommittee met with Joseph Centofanti from the firm of O'Connor Davies on March 7th. They reviewed the audit including the recommendations given by the audit firm. There were no material weaknesses. The subcommittee voted to recommend acceptance of the audit. The audit is posted on the Town's website. Olga Melnikov explained the recommendations and the process of addresses them. She noted that some recommendations will remain as recommendations since they are not cost effective for the town to implement.

Claudia Willard made a motion to accept the audit report from the firm of PKF O'Connor Davies for the fiscal year 2022-2023. Cheryl Reedy seconded the motion. **Vote: 6-0-0 (Motion approved)**

There was a discussion of the engagement letter in order to retain the audit firm for the 2023-2024 fiscal year.

Claudia Willard made a motion to retain the audit firm of PKF O'Connor Davies LLP to complete the independent annual audit for fiscal year 2023-2024 for the Town of New Fairfield and to authorize the signature of the engagement letter. Mark Beninson seconded the motion.

Vote: 6-0-0 (Motion approved)

Elected Officials Salaries

Cheryl Reedy presented the board with a proposal for salaries for elected officials. She compared the current salaries of the elected officials with the same position in surrounding towns. The aggregate total of the proposed increases is \$47,000 or 14.5%. There was a discussion of the roles and compensation of each of the elected positions.

It was decided that this will be discussed further at the next regular BOF meeting on March 27th. The Board will review retirement options for elected officials in the future.

Discussion of the 2024-2025 budget

Cheryl Reedy presented the board with a proposal for discussion that includes additions and subtractions to the 2024-2025 proposed budget. This plan brings the proposed increase from 9.52% to 5.67%. She also spoke of other Town needs and other funding sources apart from the budget. There was a discussion of renovations to the firehouses, turf field replacement, Public Works trucks, police cars and bridge and drainage projects. It was noted that there is a slight decrease in the Grand List for this year.

There was a discussion of not wanting to use the entire bond premium and the optimum percentage increase for the 2024-2025 budget. Cheryl Reedy and Wes Marsh spoke of an increase of approximately 6%. Mark Beninson noted that he is not comfortable with a 5 or 6% increase.

It was decided to discuss the percentage increase at a future meeting. The BOF discussed the timeline and decided that the final mark up will be on April 3rd. It was suggested that a seconded Public Hearing be held before the final mark up.

ONGOING UPDATES

Legal update- No discussion

Year to date Expense review- Olga Melnikov spoke of transfers for Police Overtime and Union contract negotiations.

Current year revenue update- Olga Melnikov noted that revenue is trending as expected with interest income higher than budgeted.

Capital and Nonrecurring update- No discussion

Unassigned General Fund Balance review- No discussion

Public Comment

Keith Landa spoke in support of the BOF and thanked Cheryl Reedy for her budget proposal. He also thanked Wes Marsh for putting a stake in the ground regarding the amount of cuts. He spoke of concerns that limited information or input has been given from the other members of the BOF.

John McCartney spoke in support of Cheryl Reedy's budget proposal and especially increases to the elected official salaries. He noted that there is evidence that the Town is in great financial shape.

Rick Regan spoke in favor of the budget and asked the BOF members to give rationale regarding their decisions regarding the budget.

Selectman Tom Perkins spoke of concerns regarding tax increases and the inability of many residents to afford significant tax increases. He noted that the AAA Bond rating is not an indication of revenue and expenses and how much the Town can afford.

Registrar of Voters Elisa Beckett-Flores thanked the BOF members that toured the Registrars office. She discussed the process and timeline of the budget referendum. She noted that Early Voting starts on Tuesday, March 26th.

Shawn Lincoln thanked Cheryl Reedy for her budget proposal and encouraged the other members of the BOF to put together proposals ASAP so that the public and get necessary information.

Future Agenda items

- Elected Officials salaries
- Audit subcommittee
- Medical subcommittee
- Scheduling of a second public hearing.
- Discussion of the 2024-2025 budget

The March 27th BOF meeting will be held in-person at 7:30pm at the Community Room at 33 Route 37.

Board Member Comments

Cheryl Reedy thanked the Selectmen, BOE, Superintendent and administrators for their hard work. She spoke of the importance of finding a way to serve all the taxpayers.

Thora Perkins noted that the Board of Finance is working better this year than last year and that they are attempting to come up with a budget that will pass on the first try.

Peggy Katkocin thanked the Fire Department for the recent visit. She encouraged everyone to take a tour of the new high school if they haven't yet.

Doug Jendras thanked everyone for coming to the meeting. He reminded everyone that the final mark up is scheduled for April 3rd with the goal of having the one and only budget vote on April 27th.

Adjournment

Doug Jendras made a motion to adjourn the meeting at 10:00pm. Claudia Willard seconded the motion.

Vote: 6-0-0 (Motion approved)

Received by email on 03/27/2024 @ 8:30 a.m.
by Chrystie M. Bontempo, Asst. Town Clerk, New Fairfield