

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

MINUTES

Board of Finance Regular Meeting
Wednesday, July 20, 2011
7:30 PM
New Fairfield Community Room

Members present:

Wes Marsh, Chairman
Tom Edwards
Robert Klick
Al Mardis
Tom Wahlig
Tom Quigley, Alternate

Other Town Officials Present:

John Hodge, First Selectman
Susan Chapman, Selectman
Jay Waterman, Finance Director
Ed Sbordone, Accounting Manager
Kim Hanson, BOE Chairman
Scott Akam, BOE Member

Members not present:

Jane Landers
Brian Shea, Alternate
Norma Gyle, Alternate

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

Pledge of Allegiance

Appointments- Jane Landers asked that Tom Quigley be appointed in her absence

Correspondence and Announcements- None

Public Comment

Kim Hanson spoke of the Board of Education Capital and Nonrecurring fund transfers for the BOE surplus and possible action taken by the BOF concerning the BOE's 2011/2012 fiscal year budget cuts.

Approval of Minutes

Al Mardis made a motion to approve the minutes of the June 15, 2011 regular meeting as presented. Tom Wahlig seconded the motion.

Vote: 5-0-1 (Motion approved-Tom Quigley abstained)

Wes Marsh made a motion to approve the minutes of the June 28, 2011 audit subcommittee meeting as presented. Al Mardis seconded the motion.

Vote: 4-0-2 (Motion approved-Tom Edwards and Tom Quigley abstained)

Budget Transfers

This item was discussed under agenda item #11 "Fiscal year 2010/2011 expenditures and estimated surplus"

Vote to authorize chairman to sign auditor’s engagement letter

Chairman Wes Marsh noted that the audit subcommittee met on June 28th and discussed the scope of the audit for the upcoming year. The auditors have agreed to keep their fee the same as last year. Finance Director Jay Waterman noted that the audit will start the first week in August.

Wes Marsh made a motion to authorize the BOF chairman to sign the auditor’s engagement letter dated May 23 and June 10, 2011 for the 2010-2011 fiscal year. Robert Klick seconded the motion.

Vote: 6-0-0 (Motion approved)

Update on questions concerning BOE Cap & Non fund transfers

The board discussed an opinion received by Town Counsel Jack Keating regarding BOE Capital and Nonrecurring fund transfers in response to questions the board had at the June 15th meeting.

- Can the BOE Transfer fund from its operational budget to its Cap & Non? – No
- Can the funds in the BOE Cap & Non project accumulate over separate budget years? - Yes
- Can the BOE re-assign funds within its Cap & Non to other existing Cap & Non projects or new ones?- No
- Is a Town Meeting required to transfer fund out of the BOE Cap & Non? – Yes
- Can the BOF transfer funds from the General Fund to the BOE Cap & Non?- No
- If the BOE has surplus funds other than those already encumbered or in its Cap & Non remaining at the end of the budget year, are there options for those funds other than to go to the General Fund?- Surplus could be placed in the Capital and Nonrecurring Fund by action of a Town Meeting and approval by the Board of Finance.

The board discussed this opinion and noted that they would like to hear the reaction of the BOE regarding this opinion.

Al Mardis made a motion that the BOF request the Board of Education response to opinion from Town Counsel regarding the Capital and Nonrecurring fund by October 1, 2011. Tom Edwards seconded the motion.

Vote: 6-0-0 (Motion approved)

Vote on actions concerning Board of Education 2011/2012 fiscal year budget cuts

During the budget process the Board of Finance asked the Board of Education to make \$200,000 in reductions to their budget. The Board of Education came back with \$200,000 in cuts with a specific reduction of \$56,000 which represents the Health Insurance premiums for the four employees that were let go.

There was a lengthy discussion among the board as to whether or not this cut was different than what was discussed during the budget process and if another cut should be made instead. There was a discussion of whether or not the Board of Finance has the authority to decide the cuts.

Wes Marsh made a motion to give the Finance Director authority to work with the School Business Manager to identify areas in the school operations budget to reduce by \$56,000 and to make those reductions by August 17, 2011. Al Mardis seconded the motion

Tom Quigley made a motion to amend the previous motion to stated the recommendations agreed upon by the Director of Finance and School Business Manager be presented to the Board of Education at their next scheduled meeting and report to the Board of Finance by August 17th.

Vote to amend: 6-0-0 (Motion approved)
Vote on motion as amended: 4-2-0 (Motion approved)
(Al Mardis and Tom Edwards opposed)

Vote to amend agenda

Wes Marsh made a motion to amend agenda item #11 to include “possibly vote” on estimated surplus. Tom Wahlig seconded the motion.

Vote: 6-0-0 (Motion approved)

Vote on Additional Appropriation for estimated surplus

Finance Director Jay Waterman noted that the estimated surplus for the town for 2010/2011 is approximately \$400,000. The Board of Selectmen voted to use the surplus for road repair in town contingent on BOF approval and approval from a Town Meeting. Chairman Wes Marsh asked the board member to come up with suggestions for ideas for the remainder of the surplus. This will be discussed at the August meeting.

Wes Marsh made a motion to make the following Additional Appropriation (Town Meeting required). Tom Edwards seconded the motion. (Such document to be attached to the minutes of this meeting)

Vote: 6-0-0 (Motion approved)

<u>\$</u>	<u>Transfer To</u>		<u>\$</u>	<u>Transfer From</u>	
275,000.00	4310-451	Public Works- Road Repair	275,000.00	2532-001	General Fund-Unreserved
275,000.00			275,000.00		

ONGOING UPDATES

Medical update- The balance for May 31st is approximately \$3,000 more than April 30th

Legal update- The board went over the legal report as of July 13, 2011

Year to date expenses review- Jay Waterman went over the year to date expenses

Cap/Non report review- The board spoke of the Bridge and Drain projects and the Emergency Radio Communications project.

The Emergency Radio Communications will be dedicated on Monday, July 25th.

Public Comment- Kim Hanson spoke of the Board of Finance reaction to the Board of Education 2010-2011 fiscal year cuts.

Future Agenda items

Suggestions for the surplus will be discussed at the August meeting.

Board Member Comments

Tom Quigley spoke of the BOE Medical Fund.

Robert Klick reminded residents that the board has an e-mail account for feedback.

Adjournment

Tom Quigley made a motion to adjourn the meeting at 9:35pm. Tom Wahlig seconded the motion.

Vote: 6-0-0 (Motion approved)