

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

MINUTES
Board of Finance Special Meeting
Tuesday, January 31, 2012
7:00 PM
Town Hall Community Room

Members present:

Wes Marsh, Chairman
Don Blackwell
Doug Connelly
Tom Edwards
Jane Landers
Michael Cammarota, Alternate
Brian Shea, Alternate

Other Town Officials Present:

Members not present:

Tom Quigley, Alternate

Call To Order Chairman Wes Marsh called the meeting to order at 7:00pm

2012-2013 Budget workshop and discussion

The Board of Finance held an information workshop in order to acquaint members with the budget components of the town and education budgets and the approval process. Chairman Wes Marsh provided the members with an eleven page worksheet describing the budget process.

Main topics of the workshop included a discussion of the different components of the budget. Expenditures make up five components that include Operations, Debt Service, Medical, GASB 45 and Capital and Nonrecurring. Revenue sources include taxpayer revenue and non taxpayer revenue.

Expenditures

Operations- There was a discussion of the Operations budget for the town side of the budget that included town salaries, fuel oil and road repair. There was a discussion of the Operations budget for the Board of Education and it was noted that 75% of the budget is slated for salaries. This includes both union and non union salaries. It was noted that the BOF has line control over the town's budget but not the budget for the BOE.

Debt Service- Debt Service is budgeted to pay for large projects that cannot be funded through the Operations budget. Debt Service for the town includes fire trucks, Senior Center project and the Emergency Radio Communications project. Debt Service for the schools includes the High School Science wing and the Meeting House Hill School project.

Medical- Chairman Wes Marsh explained the medical fund for the town and noted that New Fairfield is self-insured. Medical claims are paid from the Medical fund and administered by Anthem. The aggregate

stop loss for the Medical fund is currently 120% which means that the insurance company will pay claims once they reach 120% of projections.

GASB 45- GASB 45 is a reporting requirement to measure the cost of medical benefits for retired employees. This covers employees until they are eligible for Medicare. It was noted that \$9 million is needed for this fund. Contributions for 2011-2012 equaled \$250,000 and the contribution for 2012-2013 will be \$300,000. There was a discussion of how much should be contributed each year.

Cap and Non- The Capital and Nonrecurring fund is used to finance capital improvements that are not done on a regular basis and thus not part of the operating budget. Examples of these projects include bridges and drains, police cars and Town properties capital. Appropriated Capital and Nonrecurring funds are designated for a certain project. The Unappropriated Capital and Nonrecurring funds are not designated. Appropriated funds are determined by the taxpayers at a Town Meeting.

Revenue

Taxpayer revenue is generated from taxes and amounts to approximately 89% of the revenue received by the town.

Non taxpayer revenue is generated from interest income, license and permit fees, student tuition, etc.

Mil Rate

Chairman Wes Marsh explained how the Mil Rate is calculated

Meetings/Voting

Chairman Wes Marsh provided the board with a timeline of the budget process and upcoming meetings. Both the town and the education budgets will be presented to the BOF on Saturday, March 3rd. The final mark up for the budget will be sometime in April.

Adjournment

Wes Marsh made a motion to adjourn the meeting at 8:52 pm. Jane Landers seconded the motion.

Vote: 5-0-0 (Motion approved)