

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

MINUTES

Board of Finance Regular Meeting
Wednesday, February 15, 2012
7:30 PM
New Fairfield Community Room

Members present:

Wes Marsh, Chairman
Don Blackwell
Doug Connelly
Tom Edwards (left 9:00pm)
Jane Landers
Tom Quigley
Michael Cammarota, Alternate
Brian Shea, Alternate

Other Town Officials Present:

John Hodge, First Selectman
Jay Waterman, Finance Director
Susan Chapman, Selectman
Kim Hanson, BOE Chairman
Scott Akam, BOE member
Steve Burfeind, BOE member

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 he received a resignation letter from BOF member Robert Klick effective January 26th. The board held a special meeting immediately before this meeting and voted to elevate Tom Quigley to be a full member of the BOF.

Wes Marsh noted that he received a Building Summary Report from Director of Management Services Craig McClain regarding the Meeting House Hill School project. The report included the GMP (Guaranteed Maximum Price) and also noted that building project is scheduled to come in on time and under budget.

Wes Marsh read an e-mail that the board received regarding the budget for the library.

Public Comment- None

Approval of Minutes

Don Blackwell made a motion to approve the minutes of the January 18, 2012 regular meeting as presented. Doug Connelly seconded the motion.

Vote: 6-0-0 (Motion approved)

Tom Quigley made a motion to approve the minutes of the January 31, 2012 special meeting as presented. Jane Landers seconded the motion.

Vote: 6-0-0 (Motion approved)

Medical Plan for fiscal year 2012-2013 budget

Steve Rinaldi from the Firm of Everett James spoke of the town's medical fund for 2012-2013. Five main sections of the presentation were: Health Care cost projection, Reserve fund for 2012-2013, various stop loss configurations, Anthem exhibits and Health Care reform.

Mr. Rinaldi went over the budget projection and noted that there have been approximately \$6.57 million in claims for the year. New Fairfield has a self-insured plan and it was noted that there has been a growth in large claims recently. There are approximately 381 employees in the plan. Mr. Rinaldi spoke of the reserve fund and explained IBNR (Incurred but not recorded). There was a discussion of the appropriate plan for New Fairfield and 110% aggregate stop loss vs. 120% aggregate stop loss. There was a discussion of Individual Stop loss and if it was necessary for New Fairfield. Mr. Rinaldi explained Health Care reform and how it will affect companies in the future.

It was decided that the board will vote at the next regular meeting as to which plan would work best for the town.

Budget Transfers- Finance Director Jay Waterman gave a year-to-date list of transfers. So far this year there have only been Intra-Departmental transfers or Additional Appropriations.

Update on the cost of the town's emergency declaration due to Storm Alfred and Tropical Storm Irene

To date, the total expenses for Winter Storm Alfred and Hurricane Irene are \$332,143.41. It is hopeful that 75% of this will be reimbursed from FEMA.

Update- Pension Committee meeting

Chairman Wes Marsh noted that the Pension Committee met on February 1st and that he attended in place of Tom Quigley. The committee is looking at the possibility of having one company manage the education retirement and the town's retirement plans. Possible savings and risk were discussed at the meeting.

Update- Operational Review status

Wes Marsh noted that the operation review has begun. There was a meeting with the auditors and they will be conducting a test for procedures and data next week.

2012-2013 Budget planning and thoughts

Wes Marsh spoke of the 2012-2013 budget and noted that there were five areas of expenses and two areas of revenue. Areas of the budget that are not part of the operations budget include Medical fund, Debt Service, GASB 45 and Capital and Nonrecurring fund. Mr. Marsh spoke of several scenarios and how they would affect the overall increase of the budget. There was a discussion of having a 1% increase in operations for both the town and the education budgets or a 1% increase in the education operational budget and 0% for the town or 1% for the town and 2% for the education budget. It was noted that the BOE has approved the superintendent's budget as presented which includes a \$1.2 million

increase. There was a discussion among the board members and it was decided that they did not want the budget to go over a 3% overall increase.

ONGOING UPDATES

Medical update- No report

Legal update- No report

Year to date expenses review- Jay Waterman went over the year-to-date expenses. There was a question about resident State Trooper overtime.

Current year revenue update- Jay Waterman went over the year-to-date revenues. Revenue for Motor Vehicle tax is up. The tax collection rate is at 95.19%. Mr. Waterman explained that this will likely be higher next month as Feb. 1st was the last day to pay without penalty and will be reflected in next month's numbers.

Cap & Non report review- The appropriated fund balance is \$56,154.47

Public Comment

BOE Chairman Kim Hanson spoke of the Medical fund for the BOE and the Medical Reserve Fund and 110% Aggregate Stop Loss vs. 120% Aggregate Stop Loss. Mr. Hanson also spoke of the tuition paid by Sherman students.

Future agenda items

Budgets will be presented on Saturday, March 3rd. BOS- 9am to 12pm and BOE 1pm to 4pm. The board will meet every Wednesday in March. The Medical Fund and 2012-2013 budget will be discussed at the March 7th meeting.

Board member comments

Members spoke of the upcoming budget season. Jane Landers thanked Chairman Wes Marsh for putting together the budget workshop for new members on January 31st. Tom Quigley thanked the board for electing him as a full member.

Adjournment

Don Blackwell made a motion to adjourn the meeting at 9:30 pm. Tom Quigley seconded the motion.

Vote: 5-0-0 (Motion approved-Tom Edwards left at 9:00pm and did not vote on this motion)