

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

MINUTES
Board of Finance Regular Meeting
Wednesday, November 16, 2016
7:30 PM
New Fairfield Community Room

Members present:

Wes Marsh, Chairman
John Hodge
Jane Landers
Anthony Yorio
Cheryl Reedy, Alternate
Brian Shea, Alternate
Rick Salem, Alternate

Members not present:

Michael Cammarota
Tom Edwards

Other Town Officials Present:

Evelyn Abraham, Finance Director
Ed Sbordone, Accounting Manager

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

Pledge of Allegiance

Appointments

Michael Cammarota was not available for tonight's meeting and asked that Cheryl *Reedy* be appointed in his absence.

Correspondence and Announcements- None

Public Comment- Consolidated School teacher Amy Johnson asked about the Medical Reserve Fund and the discussion of the possibility of moving money from the Medical Reserve Fund and putting it in the General Fund. She asked about the process of this and if surplus money would go back to the teachers that paid premiums.

Addition to agenda

Wes Marsh made a motion to add item #7A "Report on BOE Business Subcommittee" to the agenda.
Jane Landers seconded the motion.

Vote: 5-0-0 (Motion approved)

Wes Marsh made a motion to add item #7B "Approval of the 2017 calendar of meetings" to the agenda.
Jane Landers seconded the motion.

Vote: 5-0-0 (Motion approved)

Wes Marsh made a motion to add item #16B “Executive Session for the purpose of discussing the contract with Gallagher Benefits Services, Inc. and possible future action” to the agenda and to move item #8 “Discuss of current contract with Gallagher Benefits Services, Inc.” to agenda item #16. John Hodge seconded the motion. **Vote: 5-0-0 (Motion approved)**

Approval of Minutes

Wes Marsh made a motion to approve the minutes of the October 21, 2016 regular meeting as presented. Jane Landers seconded the motion. **Vote: 5-0-0 (Motion approved)**

Budget Transfers

Wes Marsh made a motion to approve the following Inter-Departmental transfer in the amount of \$11,000.00. John Hodge seconded the motion. (Such document to be attached to the minutes of this meeting). **Vote: 5-0-0 (Motion approved)**

\$	Transfer To		\$	Transfer From	
\$11,000.00	4160-250	Unlass. P & B Unemployment	\$7,000.00	4163-520	General Ins-Property & Casualty
			\$2,000.00	4164-615	Business Machines-Postage
			\$1,425.00	4190-345	Human Resources- Business Services
			\$500.00	4162-313-4	Intergov. Agencies-CCM
			\$75.00	4162-312	Intergov. Agencies-COST
\$11,000.00			\$11,000.00		

Wes Marsh made a motion to approve the following Inter-Departmental transfer in the amount of \$2,500.00 Cheryl Reedy seconded the motion. (Such document to be attached to the minutes of this meeting). **Vote: 5-0-0 (Motion approved)**

\$	Transfer To		\$	Transfer From	
\$2,500.00	4225-610	Fire Marshal M&S	\$1,500.00	4153-110	Assessor- Salaries
			\$500.00	4192-110	Zoning-Salaries
			\$500.00	4196-110	Permanent Building Comm. - Salaries
\$2,500.00			\$2,500.00		

Wes Marsh made a motion to approve the following Inter-Departmental transfer in the amount of \$2,000.00 Cheryl Reedy seconded the motion. (Such document to be attached to the minutes of this meeting). **Vote: 5-0-0 (Motion approved)**

\$	Transfer To		\$	Transfer From	
\$2,000.00	4160-130	Unclass P & B-OT Contingency	\$2,000.00	4150-610	Finance- M&S
\$2,000.00			\$2,000.00		

BOE Business Subcommittee meeting update

Cheryl Reedy attended the Business Operations Subcommittee meeting of the Board of Education and noted that there was a lot of discussion of making an effort to be more transparent. There is now a quarterly report on Special Education claims and money spent for these claims. The Attrition number for this fiscal year has already been met. The bid for the Consolidated School Parking came in over the budgeted amount. Since this project won't be done until summer 2017 the BOE will look for more Capital dollars from their budget. The scope of this project has changed in order to comply with ADA requirements.

Approval of meeting dates for 2017

Cheryl Reedy made a motion to approve the 2017 Meeting Dates calendar as presented. Jane Landers seconded the motion.

Vote: 5-0-0 (Motion approved)

Discussion of current contract with Gallagher Benefit Services, Inc. – Discussed during Executive Session.

Discussion of future medical plan's potential costs for various stop loss scenarios

There was a discussion of the various stop loss scenarios both with and without Individual Stop Loss and how they affect the budget

General Fund Policy/guidance

Wes Marsh provided the board members with an outline for recommendations for the General Fund. Currently, the General Fund is approximately 12% of annual expenses. The recommendation is for the General Fund to be two months of expenses (16.67%). The board decided to amend the General Fund Policy to put 100% of revenue surpluses and up to 50% of the expenditure surplus for both the Town and the BOE into the General Fund.

Wes Marsh made a motion to approve the General Fund Policy as amended. Cheryl Reedy seconded the motion.

Vote: 5-0-0 (Motion approved)

Discussion and vote on recommending to a Town Meeting the transfer of funds from the Medical Reserve Fund to the Unassigned Fund Balance.

The Board of Finance discussed the pros and cons of transferring money from the Medical Reserve Fund to the General Fund. Members of the Board of Finance explained the purpose of the Medical Reserve Fund and noted that it is funded by the taxpayers in response to Amy Johnson's question. There was a brief discussion of the challenge of predicting the correct number for the budget.

Discussion of the 2017-2018 Budget Presentation Guidance

The board reviewed a sample graph that will be presented during the budget season instead of some of the tabs in the budget books. It was determined that this graph was easy to read and would be helpful.

ONGOING UPDATES

Medical update - There is a projected fund balance of over \$3 million. Finance Director Evelyn Abraham noted that the Town is changing Insurance carriers from Reliance to Hartford.

Legal update- The current balance left for the fiscal year is approximately \$64,000.00

Year to date expenses review- The board reviewed expenditures and everything looks to be on track.

Current year revenue update- Revenue is up for permits and licenses. Real Estate Conveyance Tax is up.

Cap & Non update

Once final payments are made for the library renovation project, the paperwork will be submitted to the State for reimbursement.

Evelyn Abraham will provide an update of projects at the next meeting.

Public Comment- None

Future Agenda Items- The General Fund policy, the Gallagher contract and the BOE report will be discussed at the next meeting.

Board Member comments- Wished everyone a Happy Thanksgiving!

Executive Session

Wes Marsh made a motion to go into Executive Session at 9:04 pm for the purpose of discussing the contract with Gallagher Benefit Services, Inc. and to invite Finance Director Evelyn Abraham into the Executive Session. John Hodge seconded the motion.

Vote: 5-0-0 (Motion approved)

The Board came back from Executive Session at approximately 9:41 pm.

Adjournment

Jane Landers made a motion to adjourn the meeting at 9:41 pm. Cheryl Reedy seconded the motion.

Vote: 5-0-0 (Motion approved)