

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

MINUTES

Board of Finance Regular Meeting
Wednesday, October 18, 2017
7:30 PM
New Fairfield Community Room

Members present:

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

Other Town Officials Present:

Ed Sbordone, Finance Director
Susan Chapman, First Selectman
Kim Hanson, Selectman
Dr. Alicia Roy, Superintendent of Schools
Steve Burfeind, BOE Chairman
Samantha Mannion, BOE member
Susan Starr, BOE member
Amy Tozzo, BOE member

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

Pledge of Allegiance

Appointments-None

Correspondence and Announcements- None

Public Comment- None

Approval of Minutes

John Hodge made a motion to approve the minutes of the September 20, 2017 regular meeting as presented. Jane Landers seconded the motion.

Vote: 6-0-0 (Motion approved)

Anthony Yorio made a motion to approve the minutes of the October 4, 2017 special meeting as presented. Jane Landers seconded the motion.

Vote: 6-0-0 (Motion approved)

Budget Transfers- None

Audit deficiency findings for fiscal year 2015-2016: BOE invoice classification errors

Chairman Wes Marsh spoke of some misclassifications from the BOE budget that was found by the auditors. Chairman Marsh gave a brief history of the regular audit and noted that the BOF voted to pay up to \$1,500.00 to have the auditors do a deeper sample based on purchase orders that were directed to the wrong budget line. With this deeper test, 60 transactions were reviewed and 10 were found to be in the wrong general ledger account but none were posted to the wrong fund. Finance Director Ed Sbordone noted that corrective actions have been taken for this and stressed that no money was missing. Mr. Sbordone explained the proper procedures for this.

There was a brief discussion on how this audit will affect the budget and it was noted that the auditors will do a deeper audit in November. The Board also discussed tighter controls and ways to improve this in the future.

Status of Legal opinions

The Board reviewed a legal opinion from Town Counsel Jack Keating regarding the medical fund. According to the legal opinion, there is no legal restriction to the taking money out of the medical fund. There was a brief discussion of contributions to the medical fund. The Board reviewed a copy of the last three years claims and the status of the fund balance and noted that the fund has almost doubled in the last four years.

Fiscal year 2016-2017 Budget operating surplus

Finance Director Ed Sbordone noted that the 2016-2017 surplus is approximately \$647,000 (not audited). Of this surplus, \$535,489.25 is from expenditures and \$111,607.75 is from revenues. It was noted that interest and real estate conveyance tax was higher than anticipated and state aid was lower than anticipated.

The BOF had formerly adopted a policy to put the entire amount of the revenue surplus and half of the expenditure surplus into the General Fund. However, due to the issues with the State budget it was decided to put the entire surplus into the General Fund for this year.

There was a brief discussion of the Board members getting a monthly report for the Education budget. It was decided that Finance Director Ed Sbordone will produce this report for BOF members on request.

Update- State Fiscal year 2017-2018 budget status

First Selectman Susan Chapman noted that there is still no State budget. She gave a brief update regarding information that she received from CCM. Ed Sbordone gave an update of the revised Governor's budget and how it affects New Fairfield.

ONGOING UPDATES

Medical update- Medical claims are running favorably. There was a brief discussion of the recommended amount in the medical fund based on the Stop Loss.

Legal update- The balance as of October 11, 2017 is \$95,071

Year to date expenses review- The Board discussed expenses and specifically personal property tax audits, closing out of the library project, paving of Ball Pond and Town Engineer expenses.

Current year revenue update- The Board reviewed revenue and specifically Intergovernmental.

Cap & Non- The Board reviewed Capital and Nonrecurring projects and discussed the possibility of closing out projects.

Public Comment- None

Future Agenda items- The audit and the State budget will be discussed at future meetings.

Board member comments

John Hodge spoke of the budgeting and how what is done this year can affect future years.

Adjournment

Anthony Yorio made a motion to adjourn the meeting at 8:53pm. John Hodge seconded the motion.

Vote: 6-0-0 (Motion approved)