

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

MINUTES
Board of Finance Meeting
Wednesday, May 6, 2020
7:30 PM
Virtual meeting via Zoom

Members present via Zoom

Wes Marsh, Chairman
Michael Cammarota
Tom Garben
Jane Landers
Cheryl Reedy
Anthony Yorio
Brian Shea, Alternate
Mark Werner, Alternate
Greg Williams, Alternate

Other Town Officials Present via Zoom

Ed Sbordone, Finance Director and Town Treasurer
Pat Del Monaco, First Selectman
Khris Hall, Selectman
Kim Hanson, Selectman
Dr. Pat Cosentino, Superintendent of Schools
Dr. Rich Sanzo, Director of Business and Operations
Peggy Katkocin, BOE Chairman
Greg Flanagan, BOE member
Kimberly LaTourette, BOE member
Stephanie Strazza, BOE member
Dominic Cipollone, BOE member
Assistant Superintendent of Schools, Julie Luby
Director of Technology, Dr. Karen Fildes
James D'Amico, High School Principal
Christine Baldelli, Middle School Principal
Cheryl Milo, Middle School Assistant Principal
James Mandracchia, MHHS Principal
Allyson Story, MHHS Assistant Principal
Katherine Matz, Pupil Personnel Director
Melissa Busnel, Special Education Supervisor
Kerrie Greening, Tax Collector

Director of Business and Operations Dr. Rich Sanzo gave a brief overview of the rules and procedures for having a virtual meeting.

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

Pledge of Allegiance

Appointments- None

Addition to the agenda

Wes Marsh made a motion to add to the agenda "Approval of Minutes from the April 22, 2020 meeting". Jane Landers seconded the motion. **Vote: 6-0-0 (Motion approved)**

Correspondence and Announcements

Chairman Wes Marsh noted that the BOF received many emails both for and against cuts to the budget. He summarized the emails and read the opinion from previous BOF member Rick Salem. Mr. Salem asked about the possibility of using the two months worth of expenses that was put in the General Fund until the budget can be passed via referendum.

Public Comment

Tom Quigley spoke in favor of the BOS and BOF budgets as presented and is not in favor of any reductions.

Selectman Kim Hanson expressed his opinion of having a zero percent or lower increase to the budget. He spoke of his concerns that his fellow Selectmen voted for cuts that will have to be made up in future years. He spoke in favor of salary freezes for town employees in lieu of cutting items that will affect future budgets. He further compared the cost per student from 2015-2016 to this year's budget which has risen approximately 30% with a rise in administrative cost per student of approximately 45%.

Maria Gouveia spoke in favor of the budget as presented and noted that the increases are not major but the cuts will cause significant damage to the district. Gabe Gouveia spoke of the comparison of New Fairfield's budget to Brookfield's budget and noted that Brookfield has more commercial businesses and encouraged New Fairfield to concentrate on increasing commercial businesses in town.

Approval of Minutes

Wes Marsh made a motion to adopt the minutes of the April 29, 2020 BOF meeting as presented. Jane Landers seconded the motion. **Vote: 6-0-0 (Motion approved)**

Wes Marsh made a motion to adopt the minutes of the April 22, 2020 BOF meeting as presented. Jane Landers seconded the motion. **Vote: 6-0-0 (Motion approved)**

Budget Transfers- None

Discussion of Medical Plan for 2020-2021

Tom Kowalchick from USI spoke of the medical plan for the Town of New Fairfield. Mr. Kowalchick noted that claims this week have been the lowest in a while. He attributed this to no elective surgeries being done at this time. He expects to have firmer numbers by May 13, 2020.

There was a discussion of how much to put in the medical plan for this year and it was noted that claim amounts have never gone over the budgeted amount. They discussed the pros and cons of taking money out of the reserve fund.

Discussion - BOS and BOE requested 2020/21 budgets and reductions

Wes Marsh presented some charts that were sent to the BOF from resident John McCartney. These charts show a budget that does not have any cuts but instead uses money from the unassigned fund balance for operating expenses for this year. There was a discussion of concerns of using reserves to pay for anything that is not one time expenses as it will create a hole in future budgets. There was a brief discussion of how this may affect the town's AAA rating and what is considered a "rainy" day expense. The board spoke of unemployment rates and the ability of residents to pay taxes.

There was a discussion of the Mil Rate history and percent tax increase since 2006-2007. There was also a chart that showed the increased debt service for the next five years due to the school projects.

First Selectman Pat Del Monaco presented the BOF with the following cuts of \$375,000 from the proposed budget for 2020-2021. It was noted that cut from the Fire Department is for equipment not apparatus. There was a brief discussion of road repair and the long term capital plan and the priority order for which roads need to be addressed first. There was a suggestion of picking one or two road repair projects to be funded with the unassigned fund balance.

\$130,000	Road Repair
\$105,927	Fire Department Equipment reserve
\$ 70,000	Sewer study
\$ 50,000	Bridge and drainage
\$ 9,073	Building repair reserve
\$ 10,000	Street Scape
\$375,000	Total

Finance Director Ed Sbordone spoke of the anticipated surplus for the 2019-2020 year. There was a discussion of surplus for this fiscal year and the possibility of savings to the town due to services not being rendered due to COVID 19. It was noted that there may be savings in utilities and oil prices, pension costs for the SRO at the schools, Registrar of Voters due to no referendum and salary savings for the Land Use Department due to not having anticipated overtime. There was a discussion of the possibility of FEMA reimbursement or State reimbursement.

BOE Chairman Peggy Katkocin spoke of potential cuts to the BOE budget specifically the first round in the amount of \$437,600. She spoke of some staffing cuts and elimination of some capital and nonrecurring projects. It was noted that the BOE decided not to eliminate anything that directly affects student achievement. She spoke of the challenge of distance learning and noted that students may need extra intervention to catch up for time lost. The BOE made a motion to ask the BOF to expand the definition of a nonlapsing account to include COVID 19 expenses and use the budget surplus from 2019-2020 to fund these expenses. There was a discussion of the danger of using reserves to pay for something other than a one-time expense as it would create a hole for future budget years.

Superintendent of Schools Dr. Cosentino spoke of the challenges of getting students up to speed when they return in the fall and the logistics of putting students in the schools while practicing social distances.

There was a discussion among the BOF members about the definition of the nonlapsing account. Dr. Sanzo noted that by law there can only be one nonlapsing account but the money in the account can be earmarked for different expenditures. It was noted that money put aside for unanticipated COVID 19 expenses in the nonlapsing account would only be able to be used for COVID 19 expenses.

Dr. Sanzo spoke of possible savings to the district due to COVID 19 specifically transportation expenses. There will be a credit back from diesel fuel that was not used due to closing of schools. The Board also spoke of the role of Director of School Security and noted that money for this position may be taken out of this budget for this year since it will be a difficult position to fill.

The Board further spoke of costs associated with athletics, music and theatre programs. Dr. Cosentino noted that the district is waiting to hear from the Commissioner for guidance for this.

Some members of the BOF expressed concerns that Round 2 of the cuts in the amount of \$375,000 may be too deep and may cause detrimental harm to the district. Other members of the BOF spoke of new

positions in the BOE budget and noted that money could be saved by not funding them. They thanked the BOE for giving such a transparent budget. There was a suggestion of possibly cutting long term capital projects for the town that may be able to be funded with the unassigned cap and non which can lower the BOS budget. There was a discussion of the best way to adopt a budget that will work for everyone.

Discuss - Board of Finance article for the Town Tribune

It was decided to put a brief article regarding the budget when it is published in the Town Tribune.

Public Comment

Maria and Gabe Gouveia spoke in support of the proposed budget and noted that it would be irresponsible to make any more cuts to the budgets.

BOE Member Dominic Cipollone thanked the BOF members for a good discussion and spoke of additional training and support that will be needed to make up for potential loss learning with distance learning and noted that cuts to the BOE budget could be detrimental to the district.

BOE Chairman Peggy Katkocin spoke in support of the budget and noted that less than a 1% increase in the budget would result in problems with future budgets.

Selectman Kim Hanson suggested that additional savings may be realized by renegotiating the bus contract. He further cautioned the board to be careful how the non lapsing account is worded. He spoke of his concerns regarding using the General Fund for operating expenses and noted that any increases in the budgets are compounded every year. He further spoke of potential savings by freezing or cutting employee salaries. He noted that many of the town employees are reasonable and would probably be amenable to concessions in their salaries for this year.

Nancy Fairchild thanked the BOF members for their hard work and spoke of her concerns regarding an increase in taxes and noted that many taxpayers are out of work and would struggle to pay the increase.

Keith Landa spoke of the cuts and noted that the second round of cuts seem to be too deep and would not be wise for the future of the town.

Future Agenda items

- Budget final Mark up
- Medical
- Town Tribune article

Board Member Comments

Members of the BOF thanked everyone involved in the good discussion regarding the budget and appreciated everyone being respectful.

Adjournment

Wes Marsh made a motion to adjourn the meeting at 10:53 pm. Jane Landers seconded the motion.

Vote: 6-0-0 (Motion approved)