

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

MINUTES

Board of Finance Pension and Bonding Subcommittee
Tuesday, December 1, 2020
7:30 PM
Via Zoom

Members present:

Mark Werner, Subcommittee Chairman
Tom Garben
Cheryl Reedy

Other Town Officials Present:

Call To Order Mark Werner called the meeting to order at 7:31pm.

Pledge of Allegiance

Appointments- None

Correspondence and Announcements-None

Public Comment- None

Discussion of Pension subcommittee

As a follow up to the last BOF meeting when a presentation with 12 recommendations was made, the subcommittee reviewed a draft spreadsheet prepared by Tom Garben outlining the tasks for the various stakeholders to accomplish in order to implement all the recommendations. Mark Werner spoke about the previously formed Pension Commission and the logistics of formally activating this committee in order to remove some of the burden on the Board of Selectmen, most specifically the First Selectman, and her ability to designate people to represent her on this committee. Tom Garben suggested that more than one person could be delegated to, possibly including the Pension and Bonding subcommittee to represent the First Selectman. There was a discussion of the roles and responsibilities of the Pension Commission and how to activate the Commission until a town meeting could be convened to possibly expand its membership. There was a suggestion of having employees/volunteers who are covered by various plans be considered for inclusion on the Commission and also able to attend as “the public” prior to an ordinance change.

Tom Garben spoke of the possibility of an increase in interest rates once the pandemic is over and how that would affect bonding for the school projects. Tom reiterated his interest in exploring interest rate hedging possibilities to control future anticipated borrowing costs.

There was a discussion of the borrowing alternatives for the school projects, including 20 versus 25-year maturities, and advancing borrowing needs faster than planned in order to take advantage of lower interest rates.

Regarding a draft presentation about the Town's AAA bond rating, there was a discussion of a recommendation for a multi-year financial forecast and a 5-year plan for capital projects and how they can positively add value to the budget process. It was also acknowledged that fully integrating a multi-year budgeting process would demand a significant change in the current approach to budgeting.

Discussion and preparation of recommendations for presentation to the BOF

It was decided that Mark Werner would forward recommendations for a to-do list to the BOF Chairman by December 9 for his review and distribution to the BOF. Tom Garben will assist in developing a useful format for presenting the to-do list. Mark Werner will also forward a draft of the AAA bond rating to document to the Finance Director for review and comment prior to sending it to the BOF Chairman.

Public Comment- None

Future Agenda items

- Discussion of multi-year financial forecast and 5-year capital plans.
- Discussion of ways to streamline budget process, including electronic distribution of materials in place of physical paper binders.

Subcommittee member comments- None

Adjournment

Cheryl Reedy made a motion to adjourn the meeting at 9:07 pm. Tom Garben seconded the motion. **Vote: 3-0-0- (Motion Approved)**

**Received by Email on 12/10/2020 @ 8:30 a.m.
By: Holly Z Smith, Asst. Town Clerk, New Fairfield**