

<https://www.youtube.com/watch?v=kG31wYal7vA>

*****FINAL*****

**BOARD OF FINANCE
REGULAR MEETING MINUTES
May 11, 2020**

The Virtual Board of Finance Regular Meeting was held at 7:30 p.m. on Thursday, May 11, 2020.

MEMBERS PRESENT VIA TELECONFERENCE: Edward Bateson, Jim Brown-Chair, Lori Charlton, Christopher DeWitt-Vice Chair, Mary LeClerc-Secretary, Sheila Marmion, John Mitola, Jack Testani, James Walsh

ALSO PRESENT VIA TELECONFERENCE: Budget Director Linda Gardiner, Interim CFO Caitlin Bosse, First Selectwoman Brenda Kupchick, Tom Bremer, Matt Spoerndle of Phoenix Advisors, LLC, Stephen Chykirka from Hooker & Holcombe, FairTV

1. Call to Order – Chairman Brown called the meeting to order at 7:31 p.m.
2. Pledge of Allegiance – Mr. Brown led the Pledge of Allegiance.

Mr. Browne thanked everyone for all the hard work that has gone into the budget in these uncertain and extraordinary economic times. He expressed his appreciation to Ms. Gardiner and wished her a long and healthy retirement in November.

3. Public Executive Session – Budget Vote (No Public Comment)

1310 Town Retiree Benefits

Matt Spoerndle of Phoenix Advisors, LLC gave an overall assessment of rating calls. Stephen Chykirka from Hooker & Holcombe said the Town was able to get refunding done at amazing rates. He said there are many variables the potential impact might have in regard to COVID-19 and are yet to be determined. Mr. Chykirka said everyone will be dealing with the impact for the next five years. He said there haven't been any negative downgrades although there is concern and he will continue to monitor how the potential impact will affect next year.

Mr. Walsh stated that the Town's Joint Retirement Investment Board voted to adapt the new mortality rates resulting in a \$1.8 million increase and asked what the stress points will be if this is funded this year or the coming year. Mr. Spoerndle explained the impact of reducing OPEB versus the Pension and Fund Balances.

Mr. Brown motioned to increase the contribution by \$1,143,919 making the recommended budget \$2,378,292 based on accepting the Actuarially Determined Employer Contribution (ADEC) on the new mortality rate. Mr. Testani seconded the motion which carried unanimously, 9-0.

52311 Retirement Contribution-Police & Fire

Mr. Brown motioned to increase the contribution by \$5,306,746 making the recommended budget \$6,223,370. Ms. Charlton seconded the motion carried unanimously, 9-0

8010 58900 General Fund-BOE Pension (a)

Mr. Brown motioned to reduce the contribution by \$325,578 making the recommended budget \$1,909,422 based on accepting the ADEC on the new mortality rate. Mr. Walsh seconded the motion which carried unanimously, 9-0.

OPEB Town Retirees and Police & Fire Retirees

Mr. Brown recommended to reduce the combined contribution by \$3.8 million. Mr. Brown stated the Town is still funding OPEB by over \$5.5 million. He said he spoke with members of the Joint Retirement Investment Board and they are not uncomfortable and not overly concerned or worried of the impact of not fully funding OPEB.

Mr. Brown took a sense of the body of not funding OPEB if the Town has a surplus at the end of this fiscal year 2020 and it will commit to utilizing the surplus as part of the reduction as part of OPEB. Mr. DeWitt seconded the motion which carried unanimously, 9-0.

52105 OPEB for Town Retirees

The Board motioned to reduce the contribution by \$1,634,000 making the recommended budget \$2,412,875. Mr. Walsh seconded the motion which carried unanimously, 9-0.

52110 Police & Fire

Mr. Brown made a motion to reduce the contribution by \$2,156,000 making the recommended budget \$3,118,000. Mr. DeWitt seconded the motion which carried unanimously, 9-0.

2010 58010 Contingency

Mr. Brown motioned to reduce the contribution by \$738,450 making the recommended budget \$300,000 Mr. Walsh seconded the motion which carried unanimously, 9-0.

Revenue

Mr. Walsh said he doesn't want to change anything in the building department budget because he said Building Official Tom Conley made a strong case detailing his department's request.

Mr. Walsh motioned to keep Mr. Conley's original number. Mr. Testani seconded the motion which carried, 6-3. (Bateson, Brown, DeWitt, LeClerc, Testani, Walsh in favor and Charlton, Marmion, Mitola against).

Mr. DeWitt motioned to go back to the original \$500,000 fire marshal fees. Mr. Testani seconded the motion which carried, 6-3. (Bateson, Brown, DeWitt, LeClerc, Testani, Walsh in favor and Charlton, Marmion Mitola against).

Mr. Brown motioned to adapt Attachment A as adjusted. Ms. LeClerc seconded the motion which carried, 6-3. (Bateson, Brown, DeWitt, LeClerc, Testani, Walsh in favor and Charlton, Marmion Mitola against).

Revenue

Mr. Brown motioned to approve Revenue as stated with the adjustment of non-tax revenue. The motion was seconded and carried unanimously, 9-0.

BOE

Mr. Brown motioned to put the BOE budget before the Board. Mr. DeWitt seconded. Mr. Walsh motioned for a sense of the body for discussion. Mr. Mitola seconded the motion.

The Board discussed potential BOE surplus, the non-lapsing account, COVID-19 expenses and MOU intent. Mr. Walsh then clarified the language and stated he would like the non-lapsing account of which the plan is to put in \$3.3 million of savings that the BOE has identified but will not be finalized until the school year is completed of which \$1.8 million will be used toward COVID-19 additional expenses that have since been identified, but not included in the FY20-21 budget. He also said an additional \$1.5 million of those funds will be specifically used for operation costs identified in the FY20-21 budget and Central Administration, the BOE, the BOF and the Town Attorney will negotiate and execute in the next thirty days an MOU that will lay out in detail how the two parties will manage the account. He said terms, future accounts, and use of excess funds will be negotiated.

The motion carried unanimously, 9-0.

Mr. Walsh motioned to reduce the BOE budget as recommended by the BOS by \$2,293,578. Ms. Charlton seconded the motion which carried unanimously, 9-0.

ADMINISTRATIVE AND GENERAL

1010 First Selectwoman's Office

Mr. Walsh announced he will make a series of cuts and explained reasoning.

Mr. Walsh motioned to hold the lines for all departments in lines 56110 Office Supplies, 58100 Education & Membership and 58120 Travel & Meeting to the 2020 level. Ms. Marmion seconded motion which carried unanimously, 9-0.

1030 Town Clerk

Mr. Walsh motioned to reduce 56100 Printing Binding & Photography by \$10,000 making the recommended budget \$70,000. Ms. LeClerc seconded the motion which carried unanimously, 9-0.

1070 Registrar of Voters

Mr. Walsh motioned to reduce 58120 Travel & Meeting by \$300. Ms. Marmion seconded the motion which carried unanimously, 9-0.

1320 Active Employee Benefits

Ms. LeClerc motioned to reduce 52100 Health Self-Insurance by \$409,262 based on the AON adjustments for March. Mr. Mitola seconded the motion which carried unanimously, 9-0.

1330 Human Resources

Ms. LeClerc motioned to reduce 58920 Risk Management Fund-Claims by \$200,000 based on the Town Administration's recommendation making the proposed budget \$700,000. Mr. Mitola seconded the motion carried which unanimously, 9-0.

Mr. Walsh motioned to reduce 56110 Office Supplies by \$108. Mr. DeWitt seconded the motion which carried unanimously, 9-0.

1350 Community & Economic Development

Ms. LeClerc motioned to reduce 51010 Regular Payroll by \$130,000 and 52200 Social Security Contributions by \$42,000 by eliminating the proposed Business Outreach Director's salary and benefits. Mr. DeWitt seconded the motion.

Ms. LeClerc motioned to amend the adjustment as corrected by Ms. Gardiner's numbers including three benefit lines; \$27,873 Health Insurance and 52200 Social Security is reduced by \$9,945. Mr. DeWitt seconded the motion carried which unanimously, 9-0.

Mr. Walsh motioned to reduce 58100 Education & Membership by \$1,000 and 58120 Travel and Meeting by \$500. Mr. DeWitt seconded the motion carried which unanimously, 9-0.

1370 Harbor Management Commission

Mr. Walsh motioned to reduce 56110 Office Supplies by \$400. Mr. Testani seconded the motion carried which unanimously, 9-0.

MISCELLANEOUS

2130 Pequot Library

Ms. Marmion motioned to reduce the contribution by \$50,000. Mr. Mitola seconded the motion.

Ms. Marmion said she looked back at non-profit committees and one of the recommendations is that they provide a service that the Town doesn't supply so it's a reason for the Town to fund them, but she said the Town has two other libraries resulting in some duplication of services. Given the tremendous stress our taxpayers are under, Ms. Marmion said this should be viewed as an appropriate reduction. After some discussion Ms. Marmion suggestion reducing the amount by \$30,000.

The motion failed 3-6. (Charlton, Marmion, Mitola in favor and Bateson, Brown, DeWitt, LeClerc, Testani, Walsh opposed)

FINANCE

3010 Finance

Mr. Walsh motioned to eliminate the Part-Time Grant Writer salary of \$35,000 and its associated 52200 Social Security Contributions of \$508. Mr. Mitola seconded the motion which carried unanimously, 9-0.

3030 Purchasing

Ms. LeClerc motioned to eliminate the 51030 Part-Time Payroll of \$10,000 and its associated 52200 Social Security Contributions of \$145. Mr. DeWitt seconded the motion which carried unanimously, 9-0.

3050 Assessor

Mr. Walsh motioned to reduce 56110 Office Supplies by \$500, 58100 Education and Membership by \$120 and 58120 Travel and Meeting by \$825. Mr. DeWitt seconded the motion which carried unanimously, 9-0.

3110 Information Technology

Mr. Testani motioned to reduce 57000 Capital Outlay by \$97,250. Mr. Walsh seconded the motion which carried, 6-3. (Bateson, Brown, DeWitt, LeClerc, Walsh, Testani in favor and Charlton, Marmion, Mitola opposed)

3150 Unemployment Compensation

Mr. Testani motioned to increase 52510 Unemployment Compensation by \$250,000. Mr. Mitola seconded the motion carried which unanimously, 9-0.

PUBLIC SAFETY

4010 Fire Department

Mr. DeWitt motioned to reduce 57000 Capital Staff Vehicle by \$50,000. Mr. Testani seconded the motion which carried unanimously, 9-0.

Mr. DeWitt motioned to reduce 51010 Regular Payroll for the Fire Marshal position by \$85,001 and its associated benefits for 55200 Social Security \$1,233 and Health Care \$27,873. Mr. Walsh seconded the motion which carried, 8-1. (Bateson, Brown, Charlton, DeWitt LeClerc, Marmion, Testani, Walsh in favor and Mitola opposed)

4030 Police

Mr. DeWitt motioned to reduce 57000 Capital Hybrid (4) Vehicles by \$217,394. Mr. Testani seconded the motion which carried.

Mr. Walsh motioned to reduce 58120 Travel and Meeting by \$1,333. The motion carried unanimously, 9-0.

5030 Pubic Works Operations

Mr. Bateson motioned to reduce 57000 Capital by half \$334,000. The motion was seconded and carried, 6-3. (Bateson, Brown, DeWitt, LeClerc, Testani, Walsh in favor and Charlton, Marmion, Mitola opposed)

Mr. Bateson motioned to reduce 57002 Capital-Asphalt Paving by \$1 million. The motion was seconded.

Mr. Bateson said the majority of the Board supports bonding. Ms. Marmion questioned the BOF policy that paving cannot be bonded. Mr. Brown concurred and said it was requested by the RTM.

The motion carried unanimously, 9-0.

Mr. Bateson motioned to decrease 57001 Fleet Maintenance by \$300,000. Mr. Mitola seconded the motion carried unanimously, 9-0.

5050 Building

Mr. DeWitt motioned to reduce 51030 Part-Time Payroll to \$0 and 52200 Social Security Contributions by \$515. Mr. Testani seconded the motion.

Mr. Mitola remarked that it is no cost to the Town because it's paid for by blight fees and will generate revenue. Mr. DeWitt said there was no revenue line associated with it which was his guideline for this fiscal year.

The motion carried unanimously, 9-0.

Mr. DeWitt motioned to reduce 57000 Capital by \$5,182. Mr. Testani seconded the motion.

Ms. Charlton recalled the discussion that the office was in rough shape. Mr. Walsh said the department could use this funding to store the vast amount of plans that are coming in.

Mr. DeWitt withdraw his motion for a reduction and Mr. Testani withdrew his second.

5070 Engineering

Ms. LeClerc motioned to reduce 51050 Overtime Earnings by \$10,000 and related 52200 Social Security Contributions by \$765. Mr. DeWitt seconded the motion which carried unanimously, 9-0.

HEALTH AND WELFARE

6010 Health

Mr. Walsh motioned to reduce 58120 Travel and Meeting by \$600. Mr. Testani seconded the motion which carried unanimously, 9-0.

6050 Human and Social Services

Mr. DeWitt motioned to eliminate the Bigelow Center Director position by decreasing 51010 Regular Payroll by \$66,267 and related benefits increasing 51030 by \$32,489 and decreasing 52200 Social Security Contributions by \$4,598. Mr. Walsh seconded the motion which carried unanimously, 9-0.

CULTURE AND RECREATION

7010 Library Main Branch

Mr. Walsh motioned to reduce 58100 Education and Membership by \$200 and 58120 Travel and Meeting by \$100. Mr. Testani seconded the motion which carried unanimously, 9-0.

Mr. DeWitt motioned to reduce the overall Library Main by \$100,000 of Part-Time Payroll 51030 and further reduce 56180 Materials by an additional \$100,000 creating a 7.2% reduction. Mr. Testani seconded the motion.

Mr. Mitola motioned to amend the amount and reduce Part-Time Payroll by \$50,000 and Materials by \$50,000. Ms. Marmion seconded the motion.

The amendment failed, 3-6. (Charlton, Marmion, Mitola in favor and Bateson, Brown, DeWitt, LeClerc, Testani, Walsh opposed)

The original motion carried 6-3. (Bateson, Brown, DeWitt, LeClerc, Testani, Walsh in favor and Charlton, Marmion, Mitola opposed)

7011 Library Fairfield Woods

Mr. DeWitt motioned to reduce 51030 Part-Time Payroll by \$75,000 and 56180 Materials by \$25,000 for an overall reduction of \$100,000 which is an 8% increase. Mr. Testani seconded the motion.

Mr. Mitola motioned to amend the reduction amount for 51030 Part-Time Payroll by \$37,000 and 56180 Materials by \$12,000. Ms. Marmion seconded the motion which failed 3-6. (Charlton, Marmion, Mitola in favor and Bateson, Brown, DeWitt, LeClerc, Testani, Walsh opposed)

The original motion carried, 6-3. (Bateson, Brown, DeWitt, LeClerc, Testani, Walsh in favor and Charlton, Marmion, Mitola opposed)

7050 Parks & Recreation

Mr. Walsh motioned to reduce 58100 Education and Membership by \$1,000. Ms. LeClerc seconded the motion which carried unanimously, 9-0.

7111 Carl J. Dickman Golf Course

Mr. Walsh motioned to reduce 58100 Education and Membership by \$25. Mr. Brown seconded the motion which carried unanimously, 9-0.

Mr. Walsh motioned to reduce 57000 Capital by \$4,500. Mr. Mitola seconded the motion which carried unanimously, 9-0.

7113 H. Smith Richardson Golf Course

Mr. Walsh motioned to eliminate the sprayer and reduce this budget by \$54,000. Ms. Charlton seconded the motion which carried unanimously, 9-0.

DEBT SERVICE

10030 Debt Service

Mr. Brown motioned to reduce Debt Service by \$126,167 which he said is savings from refunding. Ms. LeClerc seconded the motion which carried unanimously, 9-0.

Mr. Brown motioned to increase 58600 Principal Due on Long-Term Bonds taking the \$1.3 million and adding \$1 million to make a reduction of \$2.3 million to increase the use of reserves from the debt service fund. Mr. Testani seconded the motion which carried unanimously, 9-0.

SELF-SUPPORTING

130 WPCA

Mr. Brown motioned to reduce 43001 Current Sewer Use Fees by \$93,638 to offset expenditures. Mr. DeWitt seconded the motion which carried unanimously, 9-0.

Mr. Brown motioned to reduce 52100 Health Insurance by \$932. Ms. LeClerc seconded the motion which carried unanimously, 9-0.

Mr. Brown motioned to increase 52310 Retirement Contributions by \$92,750. Ms. Charlton seconded the motion which carried unanimously, 9-0.

Mr. Brown motioned to increase 54150 Motor Vehicle Fuel and Lube by \$13,820 which is a correction. Ms. LeClerc seconded the motion which carried unanimously, 9-0.

Ms. Gardiner reported that the approximate tax increase is .4% or marginally less. She said she will get the number tomorrow. Mr. DeWitt said Mr. Brown provided great leadership to us all. Mr. Mitola and Ms. Charlton echoed his remarks. Mr. Walsh and Mr. Mitola said they will begin to work with the Administration on the MOU.

Mr. Brown motioned that the Fiscal Year 2020 General Fund budget will be approved as amended. Mr. Mitola seconded the motion which carried unanimously, 9-0.

4. Adjourn

There being no further business to come before the Board, Mr. Walsh motioned to adjourn the meeting at 11:08 p.m. Mr. Mitola seconded the motion which carried unanimously, 9-0.

Respectfully submitted,

Sheila Tesei
Recording Secretary