

Minutes of the Regular Meeting of the Board of Finance held at 7:00 P.M., on Wednesday, March 20, 2013.

Members Present: First Selectman Freda, Mr. Monico, Mr. Hallahan, Mr. Pieper, Ms. Vissicchio, Mr. Lianos, Ms. Brown

Also Present: Director of Finance Edward J. Swinkoski

The following materials were either mailed to the members prior to this meeting or distributed at this time:

- 1. Agenda - March 13, 2013
- 2. Minutes of the Regular Meeting held on February 20, 2013
- 3. February 28, 2013 - Report of Budget
 - Report of Revenue
 - Special Funds
 - Board of Education Accounting
- 4. Resolutions (3), Budget to Public Hearing
- 5. FY 13-14 Decrement List (2)
- 6. FY 13-14 Budget dated March 20, 2012

MINUTES

After a brief discussion of the Minutes of the Regular Meeting held on February 20, 2013, Mr. Lianos moved to accept the minutes, seconded by Ms. Vissicchio.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Brown - Abstain		

OLD BUSINESS

None.

NEW BUSINESS

REPORT OF BUDGET, REVENUE, SPECIAL FUNDS AND BOARD OF EDUCATION ACCOUNTING FEBRUARY 28, 2013

Mr. Swinkoski referred to these reports stating that tax collections at the end of February were 98.8%. Mr. Swinkoski reviewed the expenditure report in detail. Further discussion followed. Ms. Vissicchio then made a motion to accept the reports.

Seconded by, Mr. Pieper.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Brown - Yes		

HEALTH INSURANCE UPDATE

Mr. Freda introduced our insurance agents, Mr. Jeff Torello and Mr. Jay Fiorello, who gave a detailed presentation on the RFP results for health insurance. Since Anthem’s initial renewal was an increase of 28.9% the Town decided to solicit RFP’s for our health insurance. A sub-committee of the Board was formed and met with the insurance agents to participate in the process. After reviewing the RFP results and further negotiations, Anthem’s final renewal increase of 18.5% was determined by the sub-committee and our agents to be the most prudent. Further discussion followed with Board members asking several questions. Mr. Hallahan commended our insurance agents for their hard work.

BOARD OF EDUCATION – CAPITAL ITEMS

Kristine Carling and Dr. Cronin presented their capital items to the Board. The Board of Education’s \$450,000 surplus this fiscal year will be set aside to fund some of next year’s capital items. Further discussion followed with Board members asking questions.

FINALIZE FY 2013-14 BUDGET

Mr. Monico went over the budget changes. He said that most of the changes were capital line items.

Mr. Freda said that we cut \$2.4M in capital with no cut in services to residents. He said that it is a very tough budget year. Mr. Freda said that he is trying to keep expenses down especially with the loss in revenue from the State and the reduction in the Grand List.

Mr. Hallahan questioned the reduction in pension funding. Mr. Freda said that we are keeping the pension contribution the same as this year’s budget. He said that towns get into trouble when they don’t fund pensions at all. We fund \$3.4M a year. Mr. Swinkoski said that our pensions are 65-70% funded.

At 8:55 PM Mr. Monico made a motion for the Board to recess for 15 minutes.

Seconded by, Mr. Pieper.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Brown - Yes		

Mr. Monico reconvened the meeting at 9:10 PM.

Mr. Hallahan said that he understands that many of the cuts make sense and are justified. He said that there are less places to cut due to efficiencies in previous budgets. He said that larger cuts may affect services. He also said that he accepts the Board of Education’s 2.9% increase and realizes that the Town’s 3% increase is driven by contractual increases and higher health care costs. He said that we are getting hit on all sides with the decrease in state revenue, reduction in grand list and reduction in our roll-over surplus.

Mr. Hallahan and Ms. Brown suggested that we use a portion of the fund balance to lower the mill rate. Mr. Freda said that we are currently at 8%. Our auditors recommend a balance of 8-14%. He said that if we went below the 8% it would adversely affect our interest rates for bonding. He said he felt it would be taking a step backwards and we would lose our financial stability.

Mr. Pieper agreed and said that if we decide to bond for a new middle school, our interest rates may be affected. He also said that it would be extremely hard to bring the fund balance back up especially with the state’s financial uncertainty over the next several years.

Mr. Freda said that although he respects their view he recommended that we let the public decide on the budget and if it goes down, then we would think about using the fund balance.

Mr. Lianos then moved the following:

RESOLVED: That the Board of Finance recommends to the Public Hearing a FY 2013-2014 Town Government Budget of \$39,880,399.

Seconded by, Ms. Vissicchio.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - No
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Brown - No		

Mr. Hallahan then moved the following:

RESOLVED: That the Board of Finance recommends to the Public Hearing a FY 2013-2014 Board of Education Budget of \$46,970,908.

Seconded by, Ms. Vissicchio.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Brown - Yes		

Mr. Lianos then moved the following:

RESOLVED: That a FY 2013-2014 Budget recommendation of \$86,851,307. be presented to the Public Hearing to be held on Tuesday, April 9, 2013, with the Board of Education to be presented first, beginning at 7:00 P.M., followed by the Town Government Budget, to begin no later than 8:30 P.M., with general discussion to follow as may be warranted.

Seconded by, Ms. Vissicchio.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - No
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Brown - No		

PUBLIC COMMENT

Discussion followed for approximately 20 minutes with residents asking questions and making recommendations.

There being no further business to come before the Board, Mr. Lianos moved to adjourn the meeting at 10:00 PM, seconded by Mr. Hallahan.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Brown - Yes		