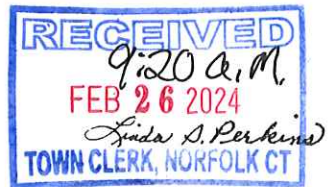


**NORFOLK BOARD OF FINANCE
MINUTES OF DECEMBER 12, 2023 MEETING**



Members present were: M. Sconyers, S. Anderson, J. Bickford, M. Kwast, G. Mudge, J. Torrant and alternates L. Battis and M. Klimkosky. Alternate R. Miller later joined the meeting.

The meeting was called to order at 7:30 p.m. by M. Sconyers.

M. Sconyers began by stating it is the custom and practice to elect a Chair and Vice Chair/Clerk after each election. J. Torrant moved to appoint M. Sconyers as Chairman, second by S. Anderson and G. Mudge and unanimously approved. M. Sconyers nominated S. Anderson as Vice Chair/Clerk, second by J. Torrant and G. Mudge and unanimously approved. M. Sconyers recommended the newest members consult the Connecticut Handbook for Boards of Finance.

The November 14, 2023 minutes were approved on Motion of J. Torrant, second by S. Anderson and unanimously approved.

Under correspondence, the Tax Collector's requests for refunds were approved on Motion of J. Torrant, second by G. Mudge and unanimously approved.

The Chair of the Pension Committee, Susan MacEachron, reviewed how Norfolk's defined benefit plan was terminated in 2012. At that time there was a group of people that were vested. There have been two (2) lump sum offers made in 2016, and around the end of 2020 beginning of 2021. The Pension Committee would have to get an actuarial firm to assess what each person is entitled to based on mortality tables and interest rates. A number of people previously took the lump sum offer, leaving the existing plan with six (6) retirees or beneficiaries and two (2) currently active employees, one (1) of which is not yet entitled to collect.

The incredibly good news is that it is overfunded based on actuarial data. The Town cannot utilize any of the funds without terminating the plan. The plan can only be terminated by buying annuities. When interest rates are low, annuities are expensive. In 2021 the Pension Committee considered whether to close out the fund, it was felt the annuities would be so expensive. Now with interest rates having increased, there is approximately \$1,700,900 in the fund as of the end of November. The Pension Committee has not yet reached out to annuity companies. The actuary at TPS that advises the Pension Committee thinks there may be as much as one million in extra funding, that money could come back to the Town. The process could take 3-6 months, and it has to happen within a plan year (which is the same as the Town's fiscal year). The Pension Committee met last week and recommended pursuing annuities. The Pension Committee Chair proposes beginning in January putting out data to companies in the market. M. Sconyers recommends the BOF support the Selectmen as the Selectmen have to approve this process. M. Sconyers appointed a pension subcommittee, composed of S. Anderson and M. Kwast.

Regarding the replacement of the boilers at Botelle School, First Selectman M. Riiska is pursuing grants from the State. The Perotti estimate is \$163,556. If both boilers stopped working, school would have to close until at least one could be working; there has never been a time when one boiler was not working. Additional quotes are being pursued, which will take time, as will obtaining the materials; the boilers are not likely to get replaced before the end of winter. M. Sconyers made a motion to take the remainder of the non-lapsing funds and apply them to the replacement of the boilers, which was unanimously approved.

The First Selectman reported regarding the furnace issue at Botelle School, the State of Connecticut Department of Administrative Services (DAS) has two (2) grant programs, the school grant and HVAC. M. Riiska met with Maria Horn. To get the school construction grant, the Town would need to submit an application to DAS or to Maria Horn's office, to potentially get on a list of items that could be eligible. M. Horn's office makes the decision to put it on the list and legislators put it to a vote. The HVAC grant is less cumbersome, but more time sensitive as the application is due by December 31st, which would be very difficult to accomplish, but the Town can still put in the application. The Town would be eligible for 30.6% in grant funds, or approximately \$50,000. By submitting both applications, there is a good possibility the Town will receive the grant money before the end of the year. With approximately \$63,000 from the non-lapsing fund and another estimated \$50,000 in grant funds, there would be an estimated shortfall of roughly \$52,000. M. Riiska is pursuing additional quotes from at least three companies.

With budget season approaching, First Selectman Riiska is sending out letters at the end of the month to each department to review budgets. The contract for Public Works is coming up, the normal increase is 2.5% for the last 3 years, which will most likely be the same this year. In talking to M. Horn, with the flood expenses totaling about \$567,000, the First Selectman continues working to get LoCip funds of \$209,000, leaving a shortfall of approximately \$359,016. A discussion will have to take place as to whether or not to make up for the shortfall from funds from Capital Reserve.

The two bridges in South Norfolk are going to be fully paid by the DOT federal bridge program, including the fees for inspection while the bridges are being made. The First Selectman has had a number of inquiries for a temporary bridge at Smith Road, which would cost approximately \$440,000. More information is expected in early January, and this project would have to go to a Town Meeting and would have to be financed in its entirety. The River Place bridge has been delayed for the past year. The First Selectman met with Wengell McDonnell Costello (WMC), New England Infrastructure and the DOT. There was an issue with the footings under the headwall; the footings had to be redesigned, which took place last winter. WMC took approximately 7-8 months to do the redesign, the State DOT needed 3 months to review. New England Infrastructure has quoted an additional cost of \$1.2 million on top of the \$2,400,000 cost for this bridge. The First Selectman is awaiting a more realistic figure. It will take an additional year; this bridge will not be complete until May 2025.

The First Selectman reported the rest of the budget is doing quite well in general, however the debt from the flood is concerning. At the Region 7 BOE meeting, it was reported that the special education budget and Anthem payment are increasing. Region 7 does not have the revenue they have experienced in the past, because fewer out-of-town students are coming in, as only a certain amount of kids per town are permitted per state statute.

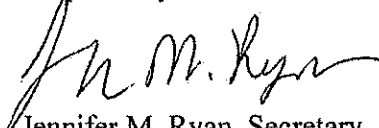
The Treasurer reported good news, that 60% of taxes have been collected. The Tax Collector has a tax collection agency in place to collect back motor vehicle and personal property taxes.

There was nothing under 2/3 vote.

There was no Public Comment.

On Motion of J. Tarrant, second by S. Anderson and unanimously approved, the meeting adjourned at 8:17 p.m.

Respectfully submitted,


Jennifer M. Ryan, Secretary