



JOHN P. RACHEK
Chairman

STATE OF CONNECTICUT – COUNTY OF TOLLAND
INCORPORATED 1786

TOWN OF ELLINGTON

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DOUGLAS B. HARDING
Vice Chairman

BOARD OF FINANCE

PEGGY BUSSE
DAVID J. OLENDER
BARRY C. PINTO
JOSEPH E. WEHR

REGULAR MEETING OCTOBER 6, 2020 MINUTES

Members Present: John Rachek, Peggy Busse, Douglas Harding, Via Zoom-David Olender and Joseph Wehr

Members Absent: Barry Pinto

Others Present: Lori Spielman-First Selectman, Brian Greenleaf-Dir. Finance & Operations BOE; Via Zoom-Felicia LaPlante-Asst. Finance Officer

1. Call to Order

Chairman John Rachek called the meeting to order at 7:00 PM.

2. Pledge of Allegiance

3. Citizen's Forum – None

4. The Chairman asked that New Business be addressed first. New Business

Board of Education Medical Self-Insurance Fund

Mr. Greenleaf passed out a draft ordinance that the Ordinance Committee as well as the Board of Selectmen had reviewed at their meetings last night. In May the BOE returned \$909,000 back to the general fund to help balance this year's budget. In negotiations with the bus company, the actual amount turned out to be \$1,100,000 in funds. They felt that one of the options for the additional \$223,000 was to establish a medical reserve account and use this for seed money. This would be a long term self-insurance model.

The account is not established yet. The fund will be established after the ordinance goes through the approval process. The Board of Finance at that time will be asked to approve the appropriation of funds.

Doug Harding asked if this would affect the minimum budget requirements. Mr. Greenleaf felt that the contractual increases in the budget would be enough not to put the Town in the position of not meeting the requirements.

Doug Harding asked about the Town, and if they decided to join. Mr. Greenleaf stated that the ordinance is specific to the Board of Education but the ordinance could be changed or a separate ordinance could be put into place.

Mr. Olender asked about catastrophic stop-loss. Mr. Greenleaf stated that large losses can bankrupt the fund, therefore, there is stop loss insurance or reinsurance purchased which is a rather large fixed cost to the account. An analysis from FY 2015-16 comparing the costs and claims show that the town could have saved several million dollars.

Ms. LaPlante stated that the Town is not large enough to be experience rated. She and the Finance Officer have had discussions and feel they need to do more research before making a decision on this for the Town side.

Peg Busse asked about the loss ratio. Mr. Greenleaf stated that a ratio of between 80% to 90% would work to self-insure. The Board of Education would like to see the funds set aside now and see how the percentages work out.

Mr. Wehr asked if the funding would be requested each year for this account. Mr. Greenleaf stated that only if funds are available. It would not be a line item in the budget. The amount being discussed tonight would bring to fund to 50%.

Mr. Rachek, Ms. Busse, Mr. Olender, Mr. Wehr and Mr. Harding all stated their support for this fund.

5. Approval of Minutes

MOVED (HARDING) SECONDED (BUSSE) AND PASSED UNANIMOUSLY TO APPROVE THE MINUTES OF THE REGULAR MEETING OF AUGUST 11, 2020.

6. Financial Statements

Ms. Busse asked why the contractual services is high and Felicia LaPlante stated that some of the expenses are items to be submitted for reimbursement to FEMA.

Ms. LaPlante also stated that Tax Collections as of August were lower than last August, but that they have been increasing as the October deadline draws nearer.

The advertising/printing line item of the Library's budget was in question and Ms. LaPlante stated that she is running this account and will email it to the members.

7. Liaison Reports

None

Adjournment

**MOVED (OLENDER) SECONDED (WEHR) AND PASSED UNANIMOUSLY TO
ADJOURN THE MEETING AT 7:32 PM.**

Respectfully submitted:



Lori Smith, Recording Secretary