

**APPROVED/BOARD OF FINANCE MINUTES – REGULAR MEETING
TUESDAY,MARCH 21, 2017**

A regular meeting of the Board of Finance was held on Tuesday March 21, 2017 in the large conference room in Town Hall at 7:30 a.m.

Members Present: David Ulmer, Chairman; Jessica Mancini, Vice Chairman; Marty Heiser;; and Mike Raduazzo (Arrived at 8:00) (Sean Connelly attended via telephone)

Town Officials: Kevin Redmond, Controller; Molly McGeehin, Treasurer; Dr. Karen Baldwin, Supt. Of Schools; Paul Hendrickson, BOE Business Manager

Guests: Fran Walton, Chairman BOE

A G E N D A

Comments From the Public

Approval of Minutes –February 21, 2017; and December 13, 2016 Tri-Board Meeting

Treasurer's Report

Tax Collectors Report

Set Interest Rate for Deferred Accounts – Currently 3%

BOE Financial Report

Controller's Report

Fiscal 2017 YTD Revenues and Expenses

Financial Analysis 8 + 4

Ordering/Calendar of Board of Finance Deliberation Meetings

Old Business

New Business

Communications & Correspondence

Adjournment

Mr. Ulmer called the meeting to order at 7:30 p.m.

COMMENTS FROM THE PUBLIC

None

APPROVAL OF MINUTES

Ms. Mancini made and Mr. Heiser seconded a motion to approve the Tri-Board meeting minutes of December 13, 2015.

Vote: 3-0 Motion **APPROVED**.

Ms. Mancini made and Mr. Heiser seconded a motion to approve the minutes of the Board of Finance meeting of February 21, 2017.

Vote: 3-0 Motion **APPROVED**.

TREASURER'S REPORT

Ms. McGeehin reported that interest among 6, 12, 18 & 24 month deposits does not vary much. She noted that the \$3MM Treasury Note is new this month and it is "incredibly secure". She expressed her

reservations about keeping \$22MM in Union Savings Bank opining that “it’s really not secure, I want to start spreading the money out”.

The Town's investment policy, which has not been updated since 1994, has been revised, with legal counsel oversight, to incorporate Connecticut State Statutes, conflict of interest language from the Town Charter and credit standards that say, if a bank does not meet certain criteria, Ridgefield cannot invest in it. The policy is effective as of March 10, 2017.

	Balance		Month int/div	30-Day Yield Rate	YTD Interest	Prior YTD
Fairfield County Bank						
Money Market (...134)	3,864,926		575	0.23%		
NOW (...0142)			453	0.21%		
Ambulance Fees	74,511		7	0..23%		
Subtotal	3,939,437		1,035		10,089	
STIF	10,127,808		4,418	0.64%	29,216	
(CT - Short Term Investment Fund)						
People's United Bank						
Municipal (...0055)	501,530	A	192	0.50%	1,530	
Union Savings Bank						
Investment (...0501)	1,500,000					
Investment Repo(...0501)	14,395,126		4,549	0.64%		
Tax Collector (...2672)	10,000					
Analyzed CKG (...2525)	4,733					
Repurchase (...2525)	6,421,259		7,269	0.64%		
Subtotal	22,331,118		11,818		76,444	
Capital One (@Wells Fargo)		B				
6-mo CD due 5/23/2017	245,000			0.65%		
Wells Fargo (@ Raymond James)						
due 3/31/2018	247,260		229	1.10%	1,809	
US Treasury Note (@ Raymond James)						
due 3/31/2018	3,000,000	C		0.75%		
TOTAL	40,392,153		17,692		119,087	54,639

F/Y 2016/2017 Budget

\$ 66,000.00

Budget Surplus

\$ 53,087.00

- A account opened in July 2016 @ slightly better interest rate
- B interest paid on maturity
- C interest paid semi-annually in March and September

TAX COLLECTOR'S REPORT

Tax Collector's Report

Fiscal Year Ending June 30, 2017								Prior YTD	2013-14	2012-13
(in millions)	Budget	Q1	Q2	Jan.	Feb.	YT D	% Cltd	% of Actual		
Current Taxes	\$ 123.3	\$ 39.5	\$ 31.7	2.2	2.2	95.4	77.39	77.1	76.75	76.86
Supplemental MV	\$ 0.8	\$ -	\$ 0.1	0.7	0.1	0.9	110-.84	96.32	94.14	95.34
Prior Year Collections	\$ 0.9	\$ 1.0	\$ 0.7	0	0	1.7	184.39	80.72	87.18	86.81
Interest & Lien Fees	\$ 0.5	\$ 0.3	\$ 0.4	0	0	0.7	159.88	65.59	75.49	67.25
As of Feb. 29, 2017	\$ 125.5	\$ 40.8	\$ 32.9	22.7	2.3	98.8	78.7	77.08	76.84	76.93

Mr. Redmond reported \$1.75MM favorability for all tax accounts. On a net basis, overall favorability it closer to \$1.2MM because of the loss of State revenue.

Mr. Ulmer made and Mr. Heiser seconded a motion to set the Deferred Tax Rate at 3%.

Vote: 4-0. (Mr. Raduazzo not yet in attendance) Motion **Approved**.

BOE FINANCIAL REVIEW

Mr. Hendrickson reported that the salary and benefits lines are as they were last month. He is forecasting salaries at \$240k under budget and benefits at \$300k under budget.

48.4% of what Mr. Hendrickson labels "non-controllable expenses", which represents 80% of the BOE budget is 4% under what is was at this time last year.

Dr. Baldwin informed the Board of Finance that the BOE is requesting a \$93MM budget, representing a 3.48% increase over last year. The BOE has approved the budget.

On behalf of Mr. Raduazzo, Mr. Ulmer requested that actuals for calendar year 2016 be added to the BOE budget book.

The Board of Finance took a five minute recess.

CONTROLLER'S REPORT--

Revenue:

Mr. Redmond noted the \$1.7MM favorability in tax revenue. He is assuming a \$900k cut in State revenue. Conveyance taxes, recording fees and ambulance revenue will be higher than budget. Parks & Recreation will also be favorable, but not as much as in the past years. Net overall is about \$1.2MM to the good.

Expenses:

The Town still has snow-related costs that will spike some line items. We did have to clear snow from the school roofs, but overall I think expenses will be under budget by about \$200k.

ORDERING/CALENDARING OF Board of Finance DELIBERATION MEETINGS

Monday March 27 th	Public Hearing
Tuesday March 28 th	BOS
Wednesday March 29 th	BOE
Thursday March 30 th	Possible vote on Capital Budget
Monday April 3	BOE overflow
Tuesday April 4	Voting

The Board of Finance discussed the amount of fund balance it would consider using.

The State is talking about having the Towns pick up a portion of the cost of teacher's pension. Mr. Ulmer opined that Ridgefield's portion of the cost of teacher's pensions could be \$4.4MM, which translates into a 3.5% tax increase which would have to come from fund balance or a special appropriation.

OLD BUSINESS-

NEW BUSINESS –

COMMUNICATIONS & CORRESPONDENCE

ADJOURNMENT

A motion was made by Mr. Heiser and seconded by Ms. Mancini to adjourn the meeting at 9:15 p.m.

Vote 5-0. **Motion APPROVED.**

Respectfully submitted,
Karen Rodgers,
Recording Secretary