

**APPROVED BOARD OF FINANCE MINUTES – REGULAR MEETING
TUESDAY, JUNE 21, 2016**

A regular meeting of the Board of Finance was held on Tuesday June 21, 2016 in the large conference room in Town Hall at 7:30 p.m.

Members Present: David Ulmer, Chairman; Paul Sutherland, Vice Chairman (left meeting at 9:00 p.m.); Marty Heiser; Jessica Mancini (arrived 7:35 p.m.); and Mike Raduazzo

Town Officials: Jane Berendsen-Hill, Tax Collector

A G E N D A

Comments From the Public

Approval of Minutes – March 28, 2016; March 29, 2016; March 30, 2016; March 31, 2016; April 5, 2016; April 6, 2016; and May 10, 2016

BOE YTD Financial Results

Tax Collector's Report – May 2014

Treasurer's Report

Controller's Report

- Fiscal 2016 Revenues and Expenses
- Blum Shapiro – Communication with Those Charged with Governance

Old Business

New Business

Communications & Correspondence

Adjournment

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

Mr. Ulmer made and Mr. Raduazzo seconded a motion to move the approval of minutes to right before "Old Business" on the agenda.

VOTE: 4-0. Motion **APPROVED**

Feeling sub-par as the result of a bicycle mishap, Mr. Ulmer turned the meeting over to Mr. Sutherland.

PUBLIC COMMENTS

Six boy scouts and 2 boy-scout leaders attended the meeting. The leaders explained that the boy scouts were working on merit badges for citizenship in the community which requires attending a town meeting to see how it is run.

BOE YTD FINANCIAL RESULTS

In his June 13, 2016 Memorandum, BOE Business Manager, Paul Hendrickson, summarized: "I project a tight close to the fiscal year with approximately \$145,482 under budget; however, this could be impacted by recent hires, substitutes, legal expenses, and the ability to reach agreement on settlements. This end of year balance takes into account the completion of the technology infrastructure project and the auditorium lighting project at the high school."

Mr. Sutherland explained to the boy scouts attending the meeting that the BOE is not allowed to spend more than what was approved by the voters, although it can spend less, and the current expectation is that it will spend \pm \$145k less than budget and return that amount to the Town.

Mr. Heiser: "In light of the fact that the most recent voting where all other budget items passed with strong margins except for the BOE (budget) which came down to 16 votes, has there been any rethinking of the budget?"

Mr. Raduazzo responded that he did speak with Dr. Baldwin who said she did clearly hear what the community feels and is processing this and using it to evaluate future budgets.

Mr. Heiser: "I would hope there would be some lessons drawn from this." The budget process started with a 6.16% increase, cut by the BOE to 5.75% and cut by the BOF to 4.99%. The tax increase is 2.6% which cost \$2MM from the general fund.

Mr. Sutherland: "I think we are all on the same wave length as you are on this."

Mr. Raduazzo: "The \$1.95MM that we took from fund balance will likely not be an option in future years."

TAX COLLECTOR'S REPORT

Tax Collector's
Report

Fiscal Year Ending June 30, 2016

(in millions)	Budget	Q1	Q2	Q3	April	May	YTD	% Clctd	Prior YTD 2014-15	2013-14	2012-13	2011-12	2010-11
										% of Actual		% of Actual	
Current Taxes	119.4	37.7	\$ 32.0	\$ 23.7	\$ 21.9	\$ 3.8	119.10 %	99.81 %	99.80%	99.80	99.67	99.74	99.73
Supplemental MV	0.8	-	0.4	0.5	0.0	0.0	0.80%	105.73 %	99.67%	99.52	99.69	99.37	99.42
Prior Year Collections	0.9	0.6	0.4	0.2	1.0	0.0	1.40%	159.73 %	98.19%	94.68	90.30	83.11	88.46
Interest & Lien Fees	0.5	0.2	0.2	0.1	1.0	0.1	0.60%	142.79 %	94.17%	93.31	90.73	80.58	86.79
As of May 30, 2016	121.5	38.5	\$ 33.0	\$ 24.5	\$ 22.0	\$ 3.9	122.10 %	100.46 %	99.76%	99.72	99.49	99.52	99.57

Ms. Berendsen-Hill introduced herself to the boy scouts attending the meeting.

Ms. Berendsen-Hill informed that BOF that the news is "reasonably good for now", stating that the only thing bothering her was a 1/10 of 1% light on current taxes, noting that the gap between the budget and the rate book has been shrinking.

\$53k, some of which is sewer taxes, has been collected through initial enforcement action undertaken prior to tax sales. The total tax sale potential is about \$1.4MM, from a little under three dozen properties. Every property on the tax sale list is at least three (3) years and \$15k in arrears.

Mr. Sutherland asked if an insert explaining the tax deferment available to senior taxpayers was included with the tax bills. Ms. Berendsen-Hill said it was not because there were so many tax-related inserts that there was no room for public-service announcements. Ms. Berendsen-Hill said that the January 2016 supplemental bills had a notice about the elder tax relief.

Ms. Berendsen-Hill informed the BOF that tax information is now available on line and taxpayers can pay their taxes electronically.

TREASURER'S REPORT

30-May-16	Balance	Month int/div	30-Day Yield Rate	YTD Interest
Fairfield County Bank				
Money Market (...0134)	\$7,925,995.00	\$1,057.00	0.23%	
Ambulance Fees (...0222)		\$632.00	0.21%	
NOW (...0142)	\$137,049.00	\$22.00	0.23%	
Subtotal	\$8,063,044.00	\$1,711.00		\$22,731.00
STIF	\$8,622,830.00	\$2,334.00	0.34%	\$15,018.00
(CT - Short Term Investment Fund)				
Union Savings Bank				
Investment (...0501)	\$2,000,000.00			
Investment Repo(...0501)	\$8,669,080.00	\$4,077.00	0.31%	
Tax Collector (...2672)	\$10,000.00		0.31%	
Analyzed CKG (...2525)	\$37,086.00	**		
Repurchase (...2525)	\$14,451,922.00	\$3,734.00	0.31%	
Subtotal	\$25,168,088.00	\$7,811.00		\$49,254.00
USB CD				
24-month (...7870)	\$245,827.00	\$222.00	0.70%	\$222.00
TOTAL	\$42,099,789.00	\$12,078.00		\$87,225.00

Mr. Ulmer opined that \$42MM seemed a “little bit high” and questioned if the end-of-year teachers’ checks had been issued.

Mr. Sutherland said he would like the Treasurer to provide the BOF with month-end balances for the past twenty-four months.

Mr. Heiser: “A high balance is not necessarily a bad thing, but we want to squeeze more interest out of that balance.”

CONTROLLER'S REPORT**REVENUE:**

Mr. Redmond reported that the “big driver” is taxes which are now \$706k over budget with the probability of being \$740k over budget with nine days left in the fiscal year.

Building Department is lower than budget. Recording fees and conveyance taxes are a little bit softer than we expected. Conveyance taxes are a result of the number of homes sold and the price points of those homes.

Mr. Redmond anticipates that revenues will end up \$531k positive with the caveat being police special services which just reflects the net profit.

EXPENSES:

Mr. Redmond opined that legal services expenses will come in under budget as will P&Z, Building, and the Town Clerk's office, all of which are driven by vacancies resulting from personnel turnover. The vacant positions are usually filled at a lesser amount. The Fire Department has had two vacancies for the year.

Mr. Ulmer noted a good job on over-time costs at the Fire Department.

Mr. Redmond noted that there will probably not be as many year-end transfers as there have been in the past, noting the only two as of now are 1) police special services and 2) Slumberger building maintenance.

The Highway Department is not going to be able to spend the full amount budgeted to it by June 30, 2016 due to the unavailability of contractors, but the money will be encumbered.

Mr. Heiser asked Mr. Redmond to evaluate the condition of the roads from the following:

- 1) Disaster
- 2) Pretty good condition, but we dare not slip up
- 3) It's okay

Mr. Redmond chose #2 and said that, personally, he would put more money into the roads.

Mr. Sutherland asked about the Governor's budget and what impact it will have on Ridgefield. Mr. Redmond said he has not seen the final figures and he would ask Rudy. Mr. Ulmer stated that the State's contribution to Ridgefield would be going down from \$2MM to \$800k but an additional \$500k would come back from sales tax revenues, which is \$700k short of the \$2MM.

BLUM SHAPIRO: Communication with Those Charged with Governance

Mr. Redmond explained that the letter outlines the responsibilities of each of the parties. "We get it every year. It seems a little longer this year."

Blum Shapiro recommended the Town purchase a software program to track fixed assets. Mr. Redmond said he currently uses Excel and he does not see a risk in continuing to do so. Blum Shapiro also recommended the Town have a fraud hot line and a fraud risk assessment, which was a sales pitch. The Town implemented the fraud hot line and notified all employees.

Mr. Raduazzo opined that the Blum Shapiro letter "looks a lot like an audit engagement letter."

Mr. Ulmer responded that Blum Shapiro has kept their fees flat, adding that the Town needs to put the audit out for bid next year.

APPROVAL OF MINUTES

Mr. Heiser made and Mr. Ulmer seconded a motion to approve the BOF Meeting Minutes for the March 28, 2016 Public Hearing as amended.

VOTE: 5-0. Motion **APPROVED**

Mr. Ulmer made and Mr. Heiser seconded a motion to approve the March 29, 2016 BOF Meeting Minutes as amended.

VOTE: 5-0. Motion **APPROVED**

Ms. Mancini made and Mr. Raduazzo seconded a motion to approve the March 30, 2016 BOF Meeting Minutes as amended.

VOTE: 5-0. Motion **APPROVED**

Mr. Heiser made and Ms. Mancini seconded a motion to approve the March 31, 2016 BOF Meeting Minutes as amended.

VOTE: 5-0. Motion **APPROVED**

Ms. Mancini made and Mr. Ulmer seconded a motion to approve the April 5, 2016 BOF Meeting Minutes as amended.

VOTE: 5-0. Motion **APPROVED**

Mr. Heiser made and Ms. Mancini seconded a motion to approve the April 6, 2016 BOF Meeting Minutes as amended.

VOTE: 5-0. Motion **APPROVED**

Mr. Heiser made and Ms. Mancini seconded a motion to approve the April 15, 2016 BOF Special Meeting Minutes.

VOTE: 4-0. Mr. Raduazo abstained. Motion **APPROVED**

Mr. Sutherland turned the meeting back over to Mr. Ulmer. Mr. Sutherland left the meeting.

Mr. Heiser made and Ms. Mancini seconded a motion to approve the May 10, 2016 BOF Meeting Minutes as amended.

VOTE: 4-0. Motion **APPROVED**

OLD BUSINESS

Mr. Ulmer asked Mr. Redmond about the capital closeouts. Mr. Redmond responded that the closeouts are done and the money was used for bonding. Mr. Ulmer stated that the BOF has not voted on the capital closeouts, adding that the BOS's motion comes to the BOF and then the BOF votes on it.

NEW BUSINESS

Mr. Raduazzo noted that enrollment projections have changed with 1 class condensed and 2 split. Mr. Ulmer said the BOE has already asked about the procedure for coming back to the BOF for more money.

Ms. Mancini said there is an expectation that the amount spent on settlements will drop given the money spent to enhance special education services.

ADJOURNMENT

A motion was made by Mr. Heiser and seconded by Mr. Sutherland to adjourn the meeting at 9:20 p.m.

Vote 4-0. **Motion APPROVED.**

Respectfully submitted,
Karen Rodgers, Recording Secretary