

Town of Ridgefield
December 6, 2010 – 4:00 pm
Board of Selectmen Special Meeting
Town Hall Large Conference Room

UNREVISED/UNAPPROVED MINUTES

These minutes are a general summary of the meeting and are not intended to be a verbatim transcription.

In attendance: R. Marconi, A. Bodner, M. Kozlark, B. Manners, D. Masters

Agenda

1. MIRMA
2. Special Election Financing

R. Marconi called the meeting to order at 4:00 pm.

1. MIRMA

Kevin Redmond, Director of Finance, joined the Board to discuss the MIRMA (Municipal Insurance Risk Management Association) issue.

R. Marconi explained that back in 2007 very few companies were writing workers compensation. The Town's Insurance Risk Management Committee recommended the Town go with MIRMA to save approximately \$200,000 per year. The Town was with MIRMA for three years—2007, 2008, and 2009. The move was made to Travelers after at that time.

The Town was advised in early 2010 that the premiums paid have not been enough to cover the level of liability of the 60 municipalities assigned to MIRMA. We are liable. The assessment is approximately \$1M, which has since been lowered. A March 2010 letter received from MIRMA reflected 1/6 of the assessment charged, which amounts to \$174,000. The municipalities involved engaged the law firm Edwards Angell and the Town of Ridgefield was advised to pay \$174k. Edward Angell also advised that all discussions take place in executive session until a decision is made about potential litigation. It was recommended by K. Redmond, Director of Finance that the \$174,000 be paid from the self-insurance fund which at this time has a balance of \$300,000. Executive Session meetings took place with the Board of Selectmen, Board of Finance, and Board of Education to discuss the \$174,000 payment.

A. Bodner questioned whether appropriate votes were taken regarding the payment of \$174,000 coming out of the self-insurance fund. The split between the Town and the Board of Education (BOE) is 60 percent Town, 40 percent BOE.

D. Masters asked that the 40-60 split of the amount would be communicated with the Board of Education. A. Bodner suggested this should have been discussed at the Tri-board meeting. The liability has been known for a while and it has not seen the light of day. We will have to replace money taken from self-insurance fund in next year's budget. Is the Insurance Risk Management Committee (IRMC) comfortable with the fund being down to \$125,000? K. Redmond responded yes; the fund will continue to go down year after year. If you don't fund it, you will have to address it some time in the future. The fund has grown over the years as a result of contributions from insurance recovery income and interest.

A. Bodner expressed concern that we have a liability of approximately \$900,000 over the next three or four years. K. Redmond did put this obligation in the five-year forecast. B. Manners agrees that we should ask the BOE for the 40-60 percent split.

R. Marconi stated that it was determined that litigation was not a good alternative; the cost would have had to have been borne by the municipalities involved. This is why we're now discussing this issue in public as advised by counsel.

Edwards Angell's cost was \$25,000 and each municipality paid \$1,000 for their counsel. The debate continues about whether a third party will be hired to resolve the remaining workers compensation claims.

B. Manners moved and D. Masters seconded the motion to seek to recover the 40% of the \$174,000 from the Board of Education. The money would go back into self-insurance fund. Motion carried 5-0.

Jan Rifkinson asked about CIRMA—could we have joined them? R. Marconi stated that CIRMA was \$200,000 more and that is why we were advised not to join CIRMA.

Chris Murray asked why would anyone enter into an agreement like this, where you don't have the ability to question? What if there was outright fraud? R. Marconi stated that the Board of Selectmen listened to the recommendation of the IRMC and based on the information presented, everyone agreed it was a good decision at the time. Regarding whether fraud was involved, this is why we entered into an agreement with an attorney and the result of their investigation was that they found none. Additionally the DOI completed a full audit and found no issues.

Jill Bornstein questioned whether the auditor was aware of the situation. K. Redmond has been in communication with the auditor. The next payment – 25 percent of the \$726,000 is due right now. Of this \$192,000 that is due now, 40 percent will be borne by the BOE.

2. Special Election Financing

Barbara Serfilippi, Cindy Bruno, Hope Wise, and David Grogins all joined the Board of Selectmen at the table.

Hope Wise, Republican Registrar of Voters, stated that Thursday her office received a request for petition for a special election. Petitions were handed out over the weekend and since then, the Registrar's office was told to change the format by the Secretary of the State's office. Subsequent petitions reflecting a format change have also been distributed. Both are acceptable to use, according to the Secretary of the State.

Barbara Serfilippi, Town Clerk, stated that petitions can be signed up to December 16, 2010. After the Town Clerk receives the petition, it is turned over to the Registrar's office for verification. After the petition is verified, it must be certified by the Town Clerk and then turned over to the Board of Selectmen. The BOS then has to set the election date. This election follows regular election guidelines. Caucuses will be held. At caucus there is one clear winner. That then opens up the primary process—other people can petition to get on the ballot.

Regarding costs, we don't know how things will shake out. It depends on what occurs at the primaries. If one party has a primary, the cost would be approx \$10k. The special election cost is \$13-14,000. The total cost could be up to \$26,000. A funding source must be identified. Most likely this will come from contingency.

Hope Wise questioned whether a private party can pay for a special election. If that is not acceptable, can the cost of the election be donated to the food pantry in lieu of the cost? Hope was asked to put question forth. The question will be asked of the State Elections Enforcement by the Registrar's office.

Jan Rifkinson stated the Independent Party is considering running their own candidate. Was this considered? Registrars stated yes, this was considered and reflected in the \$26,000 estimate.

M. Kozlark cited the state statute (9-4531) that allows residents who signed the petition the ability to remove their name from the petition.

A. Bodner moved and B. Manners seconded the motion to adjourn the Special Meeting at 4:54 pm. Motion carried 5-0.

Respectfully submitted,
Wendy Gannon Lionetti