

SPECIAL MEETING, PUBLIC HEARING & BOS MEETING
FEBRUARY 19, 2008

TOWN HALL/LARGE CONFERENCE ROOM – 6:30 P.M.

REVISED/APPROVED 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, D. Masters, J. Plock

Absent: B. Manners

Special Meeting Agenda – 6:30 P.M.

1. General Budget Discussion with Board of Finance & Board of Education

Public Hearing – 8:00 P.M.

*Notice is hereby given that a **Public Hearing** will be held on February 19, 2008, 8:00 p.m. in the Town Hall Large Conference Room, 400 Main Street, Ridgefield, CT to discuss the granting of an easement on Conservation Commission Open Space property at 176/178 Old Branchville Road.*

Board of Selectmen Special Meeting Agenda

(continued – immediately following Public Hearing)

1. Ridgefield Youth Service Medical Insurance Coverage
2. VNA Lease Amendment
3. RSO Lease Amendment
4. Delinquent Taxes Discussion
5. Approval of Tax Refunds
6. Selectman's Report
7. Meeting Minutes Approval: 2/6/08

R. Marconi opened the Special Joint Meeting of the Board of Selectmen, Board of Finance and Board of Education at 6:30 p.m. Listed below are those in attendance:

J. Wahlberg, Controller

Board of Finance: Peter Gomez, Kevin Walsh, David Ulmer, Robert Cascella, Marty Heiser

Board of Education: Dan Carlin, Paul Sutherland, Sandi Rose, Richard Steinhart, Keith Miller, and Deborah Low, Superintendent of Ridgefield Schools

The purpose of this joint meeting was a general budget discussion. J. Wahlberg provided an overview of what the budget numbers look like at this point. R. Marconi asked for input as to how everyone feels about “this snapshot” of the proposed budget at this time; how can we collectively bring down the proposed mill rate? He reviewed the various capital projects being considered:

1. Ridgefield Library is proposing a \$12.7 expansion/redo and are seeking \$4 million from the Town of Ridgefield, \$4 million from fund-raising and \$4 million from private donors. A formal presentation to the BOS is scheduled for 7:00 p.m. on Thursday, February 28 here in the

Conference Room at Town Hall. Such an expansion will have an effect on operating expenses for years to come.

2. Ridgefield Police Department has been studying possible redo/expansion of the headquarters since '98 or '99 when A.J. DiMattia first chaired research on the idea of central dispatch. The Police Department was postponed due to the school "bundling" expenses. They are now requesting a \$3.7 capital expenditure which will provide 15-20 years until improvements are next needed.

R. Marconi reported on how he and J. Wahlberg have met with the various departments and have come up with "challenges" for each department to reduce expenses as they see fit up to a certain targeted amount. Challenges have been set for Parks & Rec, the Police Department, the Fire Department and the Highway Department. Once these challenges are met, the mill rate would be down to 5.78%.

Keith Miller stated on how the Board of Education appreciates this collaborative effort. Ms. Low has presented a budget of 5.82% with a number of sessions reviewing each portion with "puts and takes". They are looking a headcount increase of 7/10th of one person; 2 nurses for private school coverage and 2 ½ para-professionals for math. Additional headcount is not the problem. The biggest increases are in energy costs and an escalation in benefits and contractual matters. This amounts to an additional mill rate of 4.6. ECS funds for this past year add up to about \$600,000 which will be added to the fund balance. We are looking carefully at how we might lower the mill rate further.

The Board of Education's capital requests amount to about \$1.1 million – under \$900,000 for boilers, fans, refrigerators, etc., \$100,000 for an energy study to be conducted in conjunction with the Town, and \$150,000 for proposed security upgrades. Mr. Miller indicated that the BOE needs guidance on some of these items; some items may not be categorized as capital items.

Marty Heiser of the Board of Finance commented on how this evening's meeting is a wonderful opportunity for meeting of the minds. This is the first year such meetings have been scheduled by the Board of Selectmen and are most welcome. The Board of Finance's goal is to approve the lowest possible increase in taxes with a top education program. The Board of Finance will do their due diligence to look at all expenses. The Board of Education is 70% of the tax cost. Both the bus settlement and the incoming ECS funds are most helpful. The BOF is mildly optimistic going into this budget year and are expecting a reasonable tax increase.

R. Marconi inquired as to what those present this evening think the people of Ridgefield will accept? How do we get the proposed mill rate as low as possible? Is the Board of Finance able to tell us how much of the fund balance they intend to allocate toward the budget? If we cut further, we will be cutting services.

Marty Heiser responded that it is expected that some of the fund balance will be used. Bond rating services look for about 5-7% buffer (around 7% is good). We do not want to get below this desired number. We like to hold the fund balance in reserve – see how the numbers sort out and how the revenue is coming in. R. Marconi responded that to go below 5.78 will result in "serious cutting".

Keith Miller asked what is the fund balance amount? The response is that we are now at \$8.64 million with \$1 million for this year's tax reduction and \$1 million for the lawsuit. We will then be down to \$7.4 or \$7.5.

David Ulmer asked if we really have a surplus? The Board of Education is high on utility costs and the BOS are high in certain areas as well. The budgets are lean and he does not think there is much of a

surplus on either the BOE or BOS side. On the revenue side, some residents are behind in their taxes and there is a significant slowdown in the housing market. We expect conveyance taxes to bring in \$1 million; we are at \$500,000 now. We will know in April about whether or not tax revenue is down.

R. Marconi asked, "Where are we now?" We know the ECS dollars can be counted on for at least \$500,000 as this has been State approved; building permits are up; and the Board of Education Special Tuition is up. This will all affect the fund balance dollars.

Peter Gomez inquired as to how much of the fund balance do we really want to use given the events of the economy? He is concerned. Financial institutions will be even more strict about a AAA bond rating. He is not comfortable cutting the surplus down to \$5 million. We don't want to be charged more for borrowed money. The BOF thinks it is best to grow our reserve balance. Onalfo, the Police Headquarters and Library projects will put additional stress on our bond rating. We want to keep our annual debt service at about \$14 million. These capital projects will increase our debt service to about \$15 million/year. Therefore, we need to be very cautious about our fund balance. Our re-evaluation has been completed and our Grand List grew only about 1.3%. Our growth rate has been flat for the past 4-5 years. The hope was for growth in the +2% range, but we are not seeing that. This is all the more reason for sharpening our pencils and being very conservative regarding fuel, electricity, and highway costs. The fund balance should not be Plan A.

We need to do real work on centralized purchasing – even bulk buying on utilities. R. Marconi indicated that it is difficult to get firm numbers on health insurance, liability numbers prior to establishing the budget numbers. Bulk purchasing contracts could be worked on but will not come thru in time for planning the 2008/09 budget numbers.

Keith Miller indicated that there has already been a lot of "sharpening". "What is the definition of affordable"? 3.5 feels more appropriate to him.

Marty Heiser responded that it is difficult to come up with an arbitrary ceiling and then budget accordingly. Instead, we should come up with the lowest possible increase possible. 3% would be great; 3.5% not as great. Regarding centralized purchasing, we need to seek the best deal we can for our tax dollars. We need to feel comfortable with the process.

R. Marconi indicated that we need to be very careful about using fund balance dollars. When we begin to rely on fund balance, then sometime we will have to make up this deficit.

Mary Heiser pointed out that we are forecasting 70 less students. We need to hold the line on headcount. A good job is being done on the Town side. This is where the savings are. With regard to capital expenditures, we need to look at future expenses as well.

D. Masters commented on how the BOS has suggested a Library advisory question on the referendum. Thus, the Library dollars may not be in this year's budget or may start up mid-year. It will take time to evaluate the proposed project.

J. Plock stated how a lot has been postponed due to the school bundles. The Police Department has been waiting for awhile. Staff has been kept down in Emergency Services and the Highway Department. Keeping the headcount down in most departments is how we have handled tight budgets in the past. Food service is supposed to be self sufficient and not be a burden on the town. The boilers should be "in" and the freezers "out".

David Ulmer asked if some of these items should not come out of the capital reserve fund? Some of these items should not be paid for with bonded dollars. We do not want to incur the cost of bad decisions.

Andy Bodner pointed out how the Town has made cuts and has held increases to the cost-of-living numbers. The population of Ridgefield has grown and the residents demand more. The town's infrastructure has to be maintained.

Peter Gomez stressed the need to work together and reap the benefits of combined purchasing. Let's identify products and services where combined purchasing will work. R. Marconi agreed that this is an approach to pursue, but such agreements will not come thru in only a couple of weeks. We should expand the gas main so we can tie in additional buildings, but we are still waiting for the numbers on this from Yankee Gas.

D. Low responded that the athletic fee structure has been looked at; they are confronting energy costs and special education costs, but feel they cannot dare to go lower in these areas.

J. Plock pointed out how in the past Special Education dollars from the State were factored into the budget lowering the amount needing to be funded. They are not doing this now. Ms. Low responded that these numbers are not for sure and they do not factor anything into the bottom line until they know the dollars are for certain. J. Plock commented on how some Special Education costs are repetitive. Reimbursement comes at the end of the school year, but the taxpayers have to pay up front. K. Miller pointed out that this is just shifting the numbers around and not really reducing the numbers – just a different way to count the dollars. Ms. Low responded that they can put in current projections for current students only. Special education dollars have to be spent only on Special Education expenses.

Keith Miller moved and D. Masters seconded a motion to adjourn the Special Meeting of the Board of Education, Board of Finance and the Board of Selectmen at 7:42 p.m. Motion passed by unanimous vote.

Public Hearing

R. Marconi called the Public Hearing to order at 8:00 p.m. and read the call for the Public Hearing relative to granting of an easement on Conservation Commission Open Space property at 176/178 Old Branchville Road. An 8-14 has been requested from Planning & Zoning. Betty Brosius, Town Planner, indicated that the establishment of such an easement will be less disruptive to the area. To move it would be disruptive to the wetlands. This is only a small sliver of land. The current access way is located outside of the present easement and goes across Conservation Commission Open Space property. R. Marconi closed the Public Hearing at 8:05 p.m. A Town Meeting on this issue is scheduled for March 4, 2008.

Board of Selectmen Meeting (continued immediately following the Public Hearing)

R. Marconi reconvened the Board of Selectmen Meeting at 8:05 p.m.

1. Ridgefield Youth Service Medical Insurance Coverage

Laurie Scholl, Director of Human Resources, came forward to discuss the issue of adding non-Town employees to the Town health insurance who wish to pay for themselves and their dependents. She had prepared a memo outlining information to the BOS dated February 5, 2008, regarding this issue. Does this have an impact on Town rates? Currently some of the employees of the Library, Founder's Hall, the Housing Authority, and The Ridgefield Playhouse participate

in the Town's insurance coverage in this way. They pay their full cost. Now there is this request from an employee of the Youth Service Bureau to be able to do likewise. Is this something that we want to continue doing? L. Scholl pointed out that if we have high utilization rates, this can affect our rate charges at a later date. We have no way of knowing about the health status of these individuals who are signing onto the town policy. We cannot screen for diseases. We either cover people or not.

D. Masters asked, "What spikes our insurance rates"? L. Scholl responded that it is not usually family illness, but employees who are near the end of their employment and choose to do elective surgery before they are no longer employed, particularly knee, hip and other replacement parts surgery. Is there an economy of scale if our pool coverage grows? Ms. Scholl responded that we are already pooled with the Board of Education; we have already reached the threshold for the size of the pool covered. If we ever decide to become self-insured, we cannot separate out those who are paying themselves and are not direct employees of the Town, non-municipal employees. The Library alone has about 20 employees who pay to participate in the Town's insurance coverage. Town employees must work 30+ hours/week to be eligible for Town coverage and can participate as a single, two-person or family option.

Andy Bodner reported that he is familiar with the CBIA coverage which is what is used by his employees, and an individual plan costs about \$4,000/year. His recommendation is that the Town gets away from insuring outside groups. J. Plock stated that we can do this if we give due notice. R. Marconi responded that now is the time to give such notice when we are working on our budget for the new fiscal year. We will be meeting with the Library next week and can ask why insurance coverage thru the Town is important to them. L. Scholl pointed out that outside groups' utilization blends into that of the Town's – we cannot separate out for example what the Library's utilization is. We are not in the insurance business. There are administrative costs which the Town absorbs in providing this service to outside groups. R. Marconi responded that we need to stop and think very seriously about this. We do not want these people to become uninsured as a result. He suggested that the Town's insurance broker come to our next BOS meeting. A. Bodner indicated that it would be very helpful if we had our insurance costs for the new fiscal year at the end of the calendar year instead of in March or April, before rather than after our budget planning sessions.

2. VNA Lease Amendment –

Bill Wyman and Theresa Santoro came forward to represent the VNA. They responded to the previous topic and indicated that the VNA provides insurance for about 15 of their 45 employees. It is their experience that insurance brokers will not quote rates more than four months ahead.

R. Marconi reviewed the proposed lease amendment with the change in square footage. The coverage dates need to be changed from '07 to '08. Mr. Wyman indicated that they prefer that the Town gives the VNA an abatement on their rent as this helps with their cash flow. He also inquired about the rate being charged for the basement storage area – the same rate as for upstairs? The answer is yes as the basement area is being painted, carpeted, dehumidified, etc. – money is being spent to fix up this area for the VNA. If the Town is abating the rent, the amount charged for the basement area does not really matter. It was suggested that the VNA review the lease amendment and report back with their comments.

J. Plock moved and D. Masters seconded a motion to set a Public Hearing and a Town Meeting on Wednesday, March 5, 2008, at 7:30 P.M., Town Hall Large Conference Room, for approval of the proposed amendment to the Ridgefield Visiting Nurse Association (VNA) Lease. Motion passed 4-0.

3. RSO Lease Amendment –

No one from the Ridgefield Symphony Orchestra was able to be here for the meeting. The proposed lease amendment has been sent over for their review.

J. Plock moved and D. Masters seconded a motion to set a Public Hearing and a Town Meeting on Wednesday, March 5, 2008, at 7:30 P.M., Town Hall Large Conference Room, for approval of the proposed amendment to the Ridgefield Symphony Orchestra (RSO) Lease. Motion passed 4-0.

3. Delinquent Taxes Discussion

Jane Berendsen-Hill, Tax Collector, came forward to discuss this issue. She distributed a copy of Statute 12-222 which covers this situation. There are some seniors who are delinquent on their property taxes. They cannot participate in the deferment program as they have to be caught up with their taxes before they can participate. One owes 15 years of back taxes plus interest. By law, we can charge interest of up to 18%. In the early to mid-90's, the BOS abated their interest in an effort to encourage payment. Jane indicated how she is looking for advice on a creative way to solve this situation. One proposal is to have the homeowner sign a note for the back taxes and then have them participate in the deferment program. The deferred interest rate can be added into the calculations to determine the total amount owed. This would be a lien against their equity. All these individuals are elderly living in their homes. There is value there even if we separate the land from the house. Some of these individuals thought they had a deal with the Town when the interest was previously abated. They thought then they were part of the deferment, but they are not. Many of them would accept whatever interest rate is charged just to get this matter settled so they can remain in their homes. We want to keep them in their homes, but we want to protect our interest and the tax amounts owed. It was agreed to go ahead with all three homeowners in this situation and authorize the First Selectman to negotiate a lien against the property which will convert back taxes into this lien. Such a lien needs to be drafted by Town Counsel. R. Marconi will have such an agreement drafted and will speak with the homeowners involved to make sure they are in agreement. These homeowners will then be eligible for the deferment program.

5. Approval of Tax Refunds

D. Masters moved and J. Plock seconded a motion to approve the list of refunds submitted by Jane Berendsen-Hill in her memo to the BOS dated 2/15/08 for a total of \$11,347.05. Motion passed 4-0.

6. Selectman's Report –

Jay Whelan, Molly McGeehan and Maureen Kozlark came forward as members of the Ridgefield Action Committee for the Environment (RACE) to present their Anti-Idling Program which they would like to launch on Earth Day, April 22, 2008. This educational awareness program is being planned as a multi-faceted approach, and they are seeking BOS support for this program.

J. Plock moved and D. Masters seconded a motion to support the Anti-Idling Campaign as described in the February 15, 2008 memo received from Jay Whelan, President, of the Ridgefield Action Committee for the Environment (RACE). Motion passed 4-0.

7. Meeting Minutes Approval: 2/6/08

J. Plock moved and D. Masters seconded a motion to approve as amended the minutes of the February 6, 2008 Public Hearing & Board of Selectmen Meeting. Motion passed 4-0.

J. Plock moved and D. Masters seconded a motion to adjourn the Board of Selectmen Meeting at 9:15 p.m. Motion passed 4-0.

Respectfully submitted,

Janet L. Johnson