

BOARD of SELECTMEN BUDGET MEETING – MARCH 3, 2009

TOWN HALL/LARGE CONFERENCE ROOM – 7:00 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, B. Manners, D. Masters, J. Plock

Agenda

7:00 Parks & Recreation Department Update

7:30 Public Works Department Budget

8:00 Board of Education Budget

General Budget Discussion including Youth Services Bureau

R. Marconi called the BOS Budget Meeting to order at 7:00 p.m.

Parks & Recreation Department Update –

Paul Roche, Director of Parks & Recreation, Phil Kearns, Chairman of the Parks & Recreation Commission, and Gina Carey and David Thaxter, Members of the Parks & Recreation Commission, came forward to discuss with the BOS their department's proposed 2010 budget.

Phil Kearns reviewed a booklet he passed out to the BOS outlining the proposed Operating Budget Highlights, Where are the expenses and where is the revenue?, Capital Request: Park and Recreation Highlights, Truck Replacement Plan Timetable, and Supporting Tables – Operating Expenses vs. Revenue by Category. The Parks & Recreation Dept. is presenting zero budget growth with an actual budget reduction in -\$6,433. This will result in a \$77,902 less in net cost to town vs. prior years. They feel this can be achieved through lower costs and higher revenue:

5% increase in membership fees, 3-5% increase in program fees, stable membership assumptions, and 10% field user fee increase. They are requesting full park ranger program funding reinstatement of \$13,000. The park ranger program was cut last year and it is felt that it needs to be reinstated. This provides for ranger coverage for Ballard Park during the summer concert series and nights and weekend coverage in the town parks. The provisional budget approved included only \$6,500 of the \$13,000 requested. They are now asking for the remainder \$6,500.

The Parks & Recreation Department's Share of Expenses includes School Grounds for 9.7% (4 years ago this was only 6.7% - 2 schools have been added; one elementary and one new middle school), Revenue Producing Expenses 56.5% which includes the Recreation Center programs, Town Asset Maintenance for 19.4%, and Administrative for 14.4%. The net cost to the town of the Revenue Producing portion is budgeted at only \$40,030. The Parks & Recreation Department is responsible for so much more than just the Recreation Center and its programs. Their "must have" for capital expenses includes \$17,600 for P&R equipment.

The Truck Replacement page shows how the Department has 11 trucks currently. There is a snowballing effect – a "pile up" when do not replace 2 trucks/year. They had planned to spread out their replacement

program, but it continues to bunch up. They do trade-ins and accept hand-downs from the Highway Department and other departments as well. The Highway Department is looking at going up in the size of a truck purchase because they have had so many transmission replacements.

Andy Bodner inquired about the increase in field user fees by 10% but not a corresponding increase in projected revenues. Why is this? Paul Roche responded that they estimate the number of participants and are assuming lower participation this coming year. They are taking a less aggressive approach to revenue this year. They aren't forecasting a decrease in revenue, but hope to break even. The surcharge on the fuel has been taken out.

What about Barlow Pool? A. Bodner commented on how two years ago we deferred major improvements to the pool. The response was a description of how the crack was fixed with epoxy so that the pool is no longer losing water. A scuba diver went down and repaired the crack. They also replaced the filters. Right now everything is working OK with the pool. The future plan is to apply a marcite cover to the concrete which acts as a protection to the concrete from the chemicals. At that time, they will attempt to permanently repair the cracks. Another idea was to look into a rubber liner, but this would cost about \$20,000. Another thought is to have someone else operate the pool. A. Bodner inquired about the possibility of setting up a fund for emergencies. The Parks & Recreation Department had not thought about this, but it would be a good idea.

The main expense they are asking for is a return of \$6,500 which would result in the return of two park rangers to cover the parks at night. Vandalism has been a problem in the more remote areas of the parks.

B. Manners congratulated the Parks & Recreation Department for the quality of services they provide.

Public Works Department Budget –

Mike Clark, Ellen Rossini and Bert Motta came forward to discuss the Highway Department's proposed budget. Peter Hill is still out under doctor's orders. Kevin Redmond started by reviewing capital requests first – capital non-bonding items. The dollar amount used to have to be \$100,000 to bond. K. Redmond indicated that he thinks the dollar amount now needs to be \$50,000 to bond and a life expectancy of approximately ten years.

Peter Hill had talked about a paver. We can borrow Redding's; not always convenient to do so, but more economical. This process is OK for now for this budget season.

What about the falling price of oil? There has not been a reduction yet this year in the price of asphalt. The reductions seem to be only in house heating oil and vehicle fuel. Asphalt was \$62/yd. two years ago. The price now is about \$98/yd. We bid on the State price. Prices in the past have gone up every week.

M. Clark pointed out that the Highway Dept. does not often know what to do about drainage until a road is opened up. A. Bodner asked if this year we are going to fall behind in the road program? The answer is yes – we are not keeping up, and yes, this will create a problem sometime in the future.

D. Masters asked if the Highway Dept. can pre-order the sand and Magic Salt now for next winter? The answer is yes – once the budget is approved. If there is an early delivery date, can we stockpile? The answer is yes.

The Highway Dept. currently charges \$50 for a driveway cut. They have surveyed what is charged by nearby towns and we are in the middle. Some charge only \$25. Is there any other service the Highway Dept. can charge a fee for? The response is no – they cannot think of any other source of income.

Regarding the savings in utilities, diesel and gas, they are currently locking in the price for next year similar to what has been done by the Board of Education and the Town of Ridgefield for heating oil. Such a locked-in price will have to be approved by a Public Hearing, a Town Meeting and Board of Finance approval.

It is felt that this year the Highway Dept. will be able to in-source sweeping of the roads. This is a benefit of the use of Magic Salt and less sand. The thought is to hire more part-time employees rather than outside contractors. The Highway Dept. currently hires ten outside contractors. M. Clark indicated that they could probably eliminate only about four of these contractors because we do not have enough trucks to replace all ten.

The Board of Selectmen expressed a thank you to the Highway Department for all their hard work on the roads this winter – a job “well done”.

Board of Education Budget Update –

Debbie Low, Superintendent, and the following members of the Board of Education – Paul Sutherland, John Palermo, Rich Steinhart, Kathy McGerald, and Austin Druckker, Chairman of the BOE, came forward to discuss the proposed Board of Education budget for fiscal year 2010.

Ms. Low commented on her PowerPoint presentation. She stressed how this budget proposal has been a team effort. They were well aware of the challenges of the economy and looked at all aspects. The main points of Ms. Low’s PowerPoint presentation are as follows:

1. Approach to the challenge
2. Supports Financial Target – goal of 0% mill rate increase. The school budget is at approximately a 2% increase.
 - a. Did not restore reductions from last year
 - b. Deferred priorities
 - c. Reduction in texts, supplies – nothing more than adequate
 - d. Slowed schedule of technology replacement
 - e. No increase in certified general education staff – about 59 less across all schools and grades
 - f. Reduced contingency teachers
 - g. Decreased non-certified staff
 - h. Reduced staff development
 - i. Reduced facilities maintenance
 - j. Significant energy savings – About a \$500,000 savings from the current year
 - k. Special education expenses will be level – Out-of-system placements are down
 - l. Revised the transportation system – Going to a four-tier system instead of 3 tiers. This should result in a \$500,000+ savings\A
 - m. Asking the Athletic Department to do more. Increase the charge for profit groups using the sports facilities – This should result in an increase of about \$15,000+.
 - n. Reduction in estimate of cost reimbursement from the State and Federal government because of the tighter budget on the State and Federal level.
 - o. New hires are replacing retirees at a lower cost
3. Maintain quality – existing programs and class sizes remain. There are still some monies dedicated for professional development and training. Salaries are 61% of the budget. The budget includes a \$1.5 million increase; 3% for all employees. On the benefits side, health insurance

costs are up \$1 million. Transportation costs are going down year to year with the outplacement of transportation needs. Energy costs are budgeted as down \$400,000.

4. The budget totals out at an increase of +2.29%. There are risks involved in this proposed budget, but the Board of Education's mission statement remains the same.

Austin Drukker stated that everyone had worked very hard to arrive at this 2% budget increase. They are all very aware of the current economic situation and worked closely with the unions and insurance costs to arrive at this total.

J. Plock commented on how the teacher's contract last year called for a 5% increase. What is next year's proposed increase? The answer is 4.74%.

It is expected that the Special Education reimbursement dollars from the State will be higher than what is budgeted. Ridgefield received \$1.2 million last year. This year the expectation is for approximately \$1 million to be returned to Ridgefield, but \$650,000 is what is budgeted. Ridgefield has a decrease in Special Education needs. The \$650,000 is not the result of President Obama's incentive amounts. If the stimulus package goes thru, it is thought that perhaps Ridgefield could get up to \$500,000 for special education grants. If this package comes thru, would our income from the Federal and State governments be cut in other areas? The answer to this is not known at this time. Nothing has been said to this effect.

B. Manners commented on how enrollment projections are about 60 less students. If the economy continues to downturn, there may be a return of students to the public schools from the private schools. This could result in an upturn in the enrollment.

Andy Bodner commented on how these are extraordinary times with the many challenges facing the Town. He commended the Board of Education on their well thought-thru budget. They squeezed the labor costs from an increase of 5% to 2%. He asked how can the school system get an increase in efficiency? Are they on a path for the following year if we cannot afford to spend even at this conservative budget level? Ms. Low responded that they have set the stage this year whereby all options need to be examined. A lot of work went into this budget proposal with much talk about how to make it happen. The trend in enrollment is decreasing. We have to keep our eye on this. It is OK to talk about a K-5 configuration. We will look at options after this budget cycle is over. We will look carefully at all options in the fall. Our approach has been to cut everything that will not affect the children. That is our focus. She is in agreement with D. Masters – no more cuts for the children or supplies. The approach has to be to continue to maintain the programs.

B. Manners thanked Ms. Low and the Board of Education for all their work and careful consideration that went into this budget. Ms. Low commented on how she is the team leader for a team effort. Insurance is a problem. Each Board of Education employee wants to know about their individual plan – how the increased cost of insurance will affect them individually.

Youth Services Bureau – John Katz reported that the Youth Services Bureau approved continuation of last year's budget.

Women's Center – was at a lower figure when the budget was approved last year. Previously it was budgeted for \$18,500; it is hoped that this figure of \$18,500 will be the approved number for this year as well. R. Marconi commented that his request has been heard and duly noted.

General Budget Discussion – R. Marconi indicated that he has had in-depth discussions with all departments. Eight employees were laid off the beginning of February. Some departments will need to restructure. Numbers have been given to the unions and they have been asked to work within the perimeters of their contracts. Only one union has voted so far and they voted to lay off one full-time employee rather than a pay cut for all effective July 1. Insurance costs and unemployment costs need to be covered. The Highway Department may need to suggest some retirements, which may not help enough. There may have to be a lay-off there. He has yet to hear back from the Police and Fire Departments. The Board of Selectmen budget is at 0% increase, the Board of Education is at 2.9% - It will be the Board of Finance decision about using fund balance to bring the total down to a 2.35% increase.

Andy Bodner indicated that \$1 million is anticipated from the bond refunding, but this will result in only about \$100,000 in actual debt service savings. This will be an annual savings. We need to move on this quickly. Are there any other revenue assumptions? R. Marconi responded that everything has been adjusted down for the balance of this current fiscal year. January was \$20 million in sales; February was down to \$6 million. We are hoping for a stabilization and have set our numbers at \$15 million. November and December sales were \$20 million. Other revenue numbers are “flat to the forecast” – we do not see any changes to date. There may be a change in appraisal numbers for Boehringer Ingelheim. Chef’s Warehouse and Children’s Corner numbers are completely flat – did not adjust for any increase. Our assumption with ECS is for \$300,000. A. Bodner asked where do we stand with the reimbursement from the State regarding the asbestos removal? John Mannuzza responded that we expect to receive about \$120,000. The projects are closed out but the Board of Education needs to submit the paperwork to the State. We are watching closely property tax payments. There has been a decrease this year in the amount paid in the first quarter. People are paying but not ahead of time.

R. Marconi indicated that there are a couple of areas that could bring in revenue – closing out of school projects is one of these. The total return could be about \$2 million, but we are at least getting \$1 million. The State is throwing out change orders; O&G is working with us on this. The other issue is Bennett’s Pond application to Affordable Housing. If there is a settlement, there is revenue there. Looking ahead, next year is not going to be any better. The pension fund has taken a beating. We hope the unions will recognize that there has to be a cut in the town’s contribution.

Kevin Redmond, Director of Finance, commented on Ridgefield’s receipt of AAA bond rating just today – one of the few towns in Connecticut to receive this. The question is how well are we going to manage the fund balance? There is a \$1.2 million increase in the Grand List per Al Garzi, but next year’s increase is estimated at about .5% increase. A. Bodner inquired as to the possibility of having a conversation as to what are we going to do if the Board of Finance does not want to cut into the fund balance? R. Marconi responded that we would then have to cut into the basic services. Mr. Bodner asked if the BOS needs to determine ahead of time what these cuts would be?

D. Masters responded that we want residents to want to stay in Ridgefield. We want to be proud of our town and the services we provide. We do not want to cut so deeply that we destroy why we are here. We do not want to have this happen.

R. Marconi indicated that if the Pension Fund is down, the Town has to increase our allocation. We are asking for a report from the Pension Committee.

The March 4 meeting tomorrow evening starts at 6:30 with the Fire Commission Meeting, 7:30 for a Public Hearing and the BOS Meeting, followed by possible Executive Session relative to the police contract.

J. Plock moved and D. Masters seconded a motion to adjourn the Board of Selectmen Budget Meeting at 9:25 p.m. Motion passed 5-0.

Respectfully submitted,

Janet L. Johnson