

**BOARD of FINANCE, BOARD of EDUCATION, & BOARD of SELECTMEN**  
**BUDGET REVIEW MEETING – NOVEMBER 18, 2008**

VETERAN’S PARK SCHOOL AUDITORIUM – 7:00 P.M.

REVISED/APPROVED MINUTES

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

In attendance: BOS - R. Marconi, A. Bodner, B. Manners, D. Masters, J. Plock  
BOF - M. Heiser, D. Cascella, P. Gomez, N. Perna, D. Ulmer  
BOE - Austin Drukker, Deborah Low

M. Heiser, Chairman of the Board of Finance, called the special Budget Review meeting to order at 7:00 p.m. to discuss the current economic downturn and the effect this is having economically on the State of Connecticut and in particular, the Town of Ridgefield relative to the 2009 Fiscal Year.

Nick Perna presented an overall view of the economic downturn and how it is affecting the State of Connecticut and the State budget. The forecast is for an 80,000 job loss, which will impact the State for awhile to come. In Hartford, all proposed expenditures are up for review. The impact will undoubtedly result in lower reimbursements from the State rather than higher.

R. Marconi commented on the Town budget and his recent discussions with the Director of Finance, Kevin Redmond:

- 1) Decrease in conveyance tax income. Al Garzi, Tax Assessor, was also present at the meeting. Instead of the average income in taxes from \$50-60 million in real estate sales/month, it is expected, hopefully, that November’s sales will total approximately \$25 million. This situation results in a decrease from \$900,000 to about \$600,000 for the Town.
- 2) Decrease in interest income of about \$200,000.
- 3) There are a couple of open positions that will not be filled.
- 4) Reduction in travel – Employees will not attend some of the pre-planned seminars; hope this will save about \$180,000 to \$200,000.

It is necessary to also review closely projected income for next year’s budget – Fiscal Year 2010; conveyance tax income, interest income, review of the Grand List – value of all the properties in the Town, personal property tax numbers. A 1-1.3% growth is expected as Boehringer Ingelheim is continuing their expansion program, banks that have been built in Town will be paying real estate taxes, and a couple of ongoing condo projects are continuing toward completion and sales. Toll Bros. has only 9 properties left to sell.

Al Garzi, Tax Assessor, commented on the types of tax income: motor vehicle taxes (list obtained from the State once each year); personal property taxes from businesses (there is a current increase in the trend to file for extensions); and building projects. By the end of January/early February 2009, we should be able to predict fairly accurately the projected tax revenue. There is an increase in those not paying their full tax payments but are paying the minimum payment instead. This is having an effect on the Town’s cash flow. Right now, the Town is doing OK, but do not know what to expect for one year from now. If a significant number of residents lose their jobs, how that will affect the Town, we do not know.

State reimbursements – we do not know what is going to happen with these. There will probably be a decrease “across the board” – probably about a 10% decrease in the Board of Education cost sharing

revenue. Fairfield County communities do not receive as much from the State as do other areas of Connecticut.

Energy costs – fuel oil, electricity, fuel for trucks and buses. The BOS agreed with the Board of Education on November 12<sup>th</sup> to move forward on a “group purchase” of energy expenses, and would like to lock in a fuel price for 2009-10. The current rate is \$3.08. At this rate, even if it doesn’t go lower, the savings could be about \$100,000 on this year’s budget. If the rate goes down to \$2.10/gallon, then all the better. Board of Finance approval is being requested and a Town Meeting will be scheduled to approve the “process” to secure a locked-in group purchase price. Oil and electricity costs are a big part of the Town budget.

Marty Heiser asked for clarification that no new employees are to be hired? The response is that any new hire must be pre-approved. Mr. Heiser also requested that the BOS sign off on the Master Building accounts so these accounts can be closed. The process is for sign-off by the Master Building Committee, approval of such by the Board of Selectmen, and then to the Board of Education for their approval. The signed-off Educ. Specs are then sent to the State of Connecticut for their approval. These approvals will free-up the reimbursements and building fund surpluses.

R. Marconi expressed the desire to have a 0% increase in the tax rate for Fiscal Year 2010. Another area that can again be reviewed is for the Town to be “self-insured”. Peter Gomez, Board of Finance, commented that the total Town budget grows annually at about \$5 million. The Grand List grows at about \$1.2 million. How do we cover the gap? – this is the question. Most comes from property taxes. Another source would use of fund balances – hoping for favorable surpluses from both the School and Town budgets.

Austin Drukker, Chairman of the Board of Education, commented on how the Board of Education is fully committed to providing first-class education to the youth of Ridgefield. They will work closely with the Board of Selectmen and the Board of Finance to come up with a consensus as to what expenses to curtail, not fill open positions, energy conservation, plan carefully the 2009-10 budget, and list expenses that can be postponed. They will look at redistricting or closing a school if necessary. They have reduced their energy consumption in the last few years, have developed an Energy Committee, are looking at alternatives and procedures, studying enrollment projections, reviewing busing and schedules, and looking at some of the medical plans.

R. Marconi indicated that Human Resources is reviewing pension plans. Right now, no new cuts in personnel are being requested. Contractual obligations have to be dealt with.

Robt. Cascella inquired if the BOS would be willing to look at the concept of the possible sale of some Town properties? R. Marconi replied that he has no intention of doing this – Mr. Cascella is probably referring to the Old High School, a building which does need some work, and in particular roof repairs. This is a 1917 building of historical significance. A lot of Town offices are housed in that building. We have entered into an agreement with Chef’s Warehouse for the rental of 22,000 sq. feet. Once the abatements are finished, we will receive about \$30,000/month in income. If this building can be fully rented, why would we sell off an asset? Twenty years from now, we would be sorry.

Andy Bodner stressed the need for the BOS to make “good decisions”. In the end it costs more to defer maintenance. We need to look at the consequences of our decisions.

A resident of Richardson Drive commented on how strong schools make a strong Ridgefield. She requested that “sound decisions” to cut programs should not be made behind closed doors. She supports a

moderate increase in staffing to maintain a status quo in our schools. The forecast is for a drop of about 80 students. It is hard to be sure of the enrollment because of the effects of the economy downturn. She suggests using some of the Town's fund balance and close out the school building projects.

Dave, a Ridgebury School parent, stressed the need for decisions that do not negatively affect the quality of Ridgefield's education. He would choose a modest tax increase rather than a cut in programs and feels other parents would do likewise.

Mr. Held, a Ridgefield Dad, indicated that he had organized the 300 emails. He applauds A. Bodner's comments and agrees that times are difficult but the Town should not take "knee-jerk" actions. Quick decisions cause long-term effects. The demographic projections are not accurate. We do not know the values to assign such a report because of today's economy. He urges the Board of Finance to fund the schools appropriately. A rush decision to restructure is not the way to go. We need to grow the revenue – reinvigorate Main Street, large stores on Route 7, corporate sponsorships, partnerships, and endowments. We need to focus on revenue development.

M. Heiser commented that tonight's meeting is not a scheduled public hearing, but a discussion between the three Boards regarding revenue and budget issues. He encourages the public to attend meetings and be informed. The meeting was adjourned at 8:25 p.m. The Board of Finance will reconvene for their meeting in five minutes.

Respectfully submitted,

Janet L. Johnson