

BUDGET MEETING – Board of Selectmen, Board of Education, Board of Finance
NOVEMBER 19, 2007

TOWN HALL/LOWER LEVEL 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:

Board of Selectmen - R. Marconi, A. Bodner, B. Manners, D. Masters, J. Plock

Board of Education – Deborah Low, Superintendent, Joseph Buczek, Dan Carlin, Finance Director, Austin Drucker, Russell Ketz, Katherine McGerald, Lyn Merrill, Keith Miller, Sandi Rose, Richard Steinhart, Paul Sutherland

Board of Finance – Robert Cascelli, Peter Gomez, Kevin Walsh, Dave Ulmer
Controller – Jay Wahlberg

Agenda

General Budget Discussion – Board of Selectmen, Board of Education and Board of Finance

R. Marconi called the meeting to order at 7:00 p.m. The purpose of the meeting is to have a budget discussion prior to the budget cycle outlining goals for the 2008-2009 budget process. In the past, it has appeared to the public that the Board of Selectmen, the Board of Education and the Board of Finance are “at odds” over budget issues. This meeting is an attempt for all three organizations to work together seeking the best budget possible. J. Wahlberg has prepared an outline as to “where we are at today”. The numbers for the three-year forecast reflect requests from the various departments. These requests would result in an estimated 5.19% increase in the mill rate; prior to bond analysis, this estimated increase was 6.34%. This estimate includes adjustment in debt service down and increase in EDC payment. This is a forecasted document subject to change and has not been seen previously by either the Board of Finance or the Board of Education. Any default goes to property tax reduction. The Board of Selectmen is trying to get a feel for what the voters will accept, how does everyone feel about the upcoming budget cycle, what are the opinions of the Board of Finance and the Board of Education?

J. Wahlberg commented on how he had reviewed the Town’s obligation of debt service – the value of the bonds currently outstanding. The fixed rate bonds are at 3.8 to 5% interest. We are paying down about \$8 million/year on the principal – this is important to note. Board of Finance revenues are from general property taxes with nothing left over to default to general property tax reduction. Fund Surplus is approximately \$9.4 million with \$820,000 in encumbrances. With the utilization of the fund balance of \$1 million, this leaves about \$7.7 million – about 6 to 6.5% of next year’s budget. A. Bodner pointed out that the goal is to be in the 5 to 7% range, so this 6% number is neither low nor high. The goal is to keep this number up and not down to the 5% range. If the desire is to get the mill rate increase down in the 3% range, we will have to find approximately \$2.1 million in reduction or a corresponding increase in revenue.

J.Plock asked on what are these numbers based? On the Town side, there are increases in salaries, fuel and utilities, health insurance and possible new positions.

If the Grand List went thru a real evaluation, the percent likely to come up with would be 1/3 up, 1/3 down and 1/3 would probably stay the same. Any large increase would come from the building of a large subdivision, the Boehringer Ingelheim construction project, etc. The Grand List in the last five years has had an ongoing growth of about 1.6%. Last year was a 1.4% increase. The Board of Finance stressed the need for the budget to reflect operations expenses as operations and capital expenses as capital. \$300,000 in the capital reserve fund is the goal; the fund is now down to \$50,000 and thus will have to be refunded. If the mill rate increase is down to 3.19 this year, what expenses are being put off to another year and is this really desirable? J. Plock indicated that the BOS is talking about moving ahead more slowly, not wishing to not move ahead. The Board of Education members indicated that a 5% increase for the Board of Education budget would be “treading water” – not moving ahead at all. Salary increases average out at 5% and they are being hit hard with the increase in fuel and electricity costs.

R. Marconi asked what do we all think a good mill rate will be and how do we get there?

Debbie Low, Superintendent of Schools, passed out a list of the Ridgefield Public Schools District Priorities for 2008-09, approved by the Board of Education 11/13/07. This list included the following assumptions that the district will:

- Adhere to class size practices;
- Address imminent health and safety concerns;
- Regularly review, revise and assess curriculum;
- Comply with federal and state mandates, including NCLB and IDEIA
- Continuously examine and implement cost efficiencies;
- Honor all collective bargaining agreements

District Priorities included academic skills, professional development, staffing, curriculum review and changes, Special Education programs, health, safety and wellness issues, security enhancements, an updated comprehensive data management system, updated budget forecasting to address utility costs, reduced reliance on the Pay for Play Program, to name a few. Ms. Low provided an overview of these priorities. Dollars have not been put to this list of priorities. An assumption is that current class size will be retained and the curriculum will be in compliance with NCLB (No Child Left Behind).

J. Plock inquired as to the elimination of a sequential course if there are less than twelve students enrolled and whether this is the case also for the middle school level? Ms. Low indicated that there is a need to look into this.

R. Marconi stated his previous request that the Town and the Board of Education work together on a possible self-insurance program and IT needs.

Keith Miller indicated that a 3.19 mill rate would be difficult without some kind of fund balance reduction. They will check revenue flow to see if anything is expiring, any surplus in June, additional requests out there? They do want to respect the budget process and stay within it.

The Board of Finance's responsibility is to adjust current revenues for current expenses. If there is a surplus, they need to look carefully at how this surplus is being used. They need to look at a reduction in debt service. The sooner projects are closed out, the better off we are financially.

Dan Carlin indicated that the schools have reduced their utilities consumption by approximately 15%/year.

R. Marconi pointed out how the Town has also made strides in their consumption of utilities. D. Masters stressed the need for "belt tightening" by all the different Boards.

Glenn Cordelli indicated that there is a lot of information available regarding overtime, contingencies, staff development, teachers out of the classroom too much, transfers of dollars, etc. – many topics to focus on for savings in line with priorities.

Andy Bodner moved and Joan Plock seconded a motion to adjourn the Budget Meeting at 8:12 p.m. Motion approved by unanimous vote.

Respectfully submitted,

Janet L. Johnson