

**APPROVED/BOARD OF FINANCE MINUTES – REGULAR MEETING
TUESDAY JANUARY 16, 2007**

A regular meeting of the Board of Finance was held on Tuesday, January 16, 2007 in the lower conference room in Town Hall at 7:30 p.m..

Members Present: Marty Heiser, Chairman; Kevin Walsh, Vice Chairman; David Ulmer, and Glenn Cordelli
Members Absent: Peter Gomez
Town Officials: Jay Wahlberg, Controller; John Mannuzza, Asst. Controller
Guests: George E. McLaughlin, Jr., Connecticut Municipal Consortium for Fiscal Responsibility

AGENDA

1. Approval of Prior Meeting Minutes
2. Tax Collector's Report
3. CT Municipal Consortium for Fiscal Responsibility – George McLaughlin
4. Bond Resolution – Acre Lane Public Water
5. Controller's Report:
 - a. Transfer Requests
 - b. Financial Review
6. Old Business
7. New Business
8. Communications & Correspondence
9. Adjournment

Mr. Heiser called the meeting to order at 7:31 p.m. ,

CT MUNICIPAL CONSORTIUM FOR FISCAL RESPONSIBILITY – GEORGE MCLAUGHLIN

Mr. Heiser introduced Mr. McLaughlin saying that State Representative John Frey referred Mr. McLaughlin to the BOF. Connecticut Municipal Consortium for Fiscal Responsibility, is looking for the BOF's endorsement of its agenda dealing with the following: 1) Compulsory Binding Arbitration; 2) Connecticut's Prevailing Wage Rate Law; and 3) State Mandates on Towns and Cities; which it sees as legislatively-created problems that cost Connecticut's municipalities millions of dollars each year. Mr. McLaughlin represented to the BOF that, as of

this date, 108 of Connecticut's 169 municipalities have endorsed the group's agenda, as have 182 various boards and commissions, boards of education, boards of selectmen and aldermen.

Mr. McLaughlin said Connecticut Municipal Consortium for Fiscal Responsibility is a grass roots organization and does not want to become a political action committee (PAC). Its members are all volunteers who believe in the consortium with a passion. He praised the work of Connecticut's Council of Small Towns (COST); the Connecticut Association of Boards of Education (CABE); and The Connecticut Conference of Municipalities (CCM); adding that all three organizations have endorsed the same message endorsed by the Connecticut Municipal Consortium for Fiscal Responsibility and have nice legislative agendas, but are not getting anything done.

Mr. McLaughlin reviewed the information contained in the attached Connecticut Conference of Municipalities bulletins citing instances in various towns where the legislation currently in place has inflicted financial hardships. He said that in 2006, eighty-one (81) budgets in Connecticut were rejected, and, further, that there has been a 400% increase in budget rejections in the last five years. He cited Massachusetts' 2.5% proposition which capped annual real property tax increases to 2.5% annually regardless of revaluations. He said Connecticut Municipal Consortium for Fiscal Responsibility's goal was to gain local control of local budgets.

Mr. Ulmer asked if John Frey had an opinion on Connecticut Municipal Consortium for Fiscal Responsibility's agenda.

Mr. Heiser answered that John Frey was very much in favor of the organization and had introduced him (Mr. Heiser) to the group.

Mr. Ulmer asked about Representative Judith Freedman and Mr. Heiser opined that she would also be in favor of the group. Mr. Ulmer cautioned that the BOF sometimes oversteps its mandate and gets into policy and that this might be one of the times. He said the Connecticut Municipal Consortium for Fiscal Responsibility needs the endorsement of the Ridgefield Board of Selectmen, and the BOE. Mr. Ulmer stated: "This Board does not make policy."

Mr. Walsh asked Mr. McLaughlin what kind of responses he had received from other municipalities. Mr. McLaughlin responded that BOE's had been the most responsive. Their budgets are 80% labor, which "hammers" their budgets.

Mr. Cordelli said, as a former BOE member, he was familiar with the arbitration process and it has come to the point where it's built into the system, with a certain number of people involved in the process. He said it has become a game where all those involved look at the settlement reached by the first town that negotiates a new contract and that becomes the base line or "the bar". Municipalities are advised to settle by legal counsel because they know how the game works. Mr. Cordelli said: "they are all part of the problem, so that we have to change the game." He informed the BOF that Governor Rell has formed a commission on unfounded mandates which has not reported out yet.

A motion was made by Mr. Heiser and seconded by Mr. Walsh to give Connecticut Municipal Consortium for Fiscal Responsibility's agenda a "general endorsement" without specifics. **Vote 4-0. Motion APPROVED.**

BOND RESOLUTION – ACRE LANE PUBLIC WATER

Michael Bucciero (64 Acre Lane), and Steven Mello (79 Acre Lane) appeared as representative of the homeowners on Acre Lane and Mr. Wahlberg presented the following resolution:

RESOLVED, That the Board of Finance recommends that the Town of Ridgefield appropriate \$400,000 for water quality improvements for the residences on Acre Lane; and authorize the issue of bonds and notes to finance the appropriation.

Acre Lane is a 2,218 foot cul-de-sac off Wilton Road West in the southern part of Town. The twenty-three (23) residences are on well water. The water has unacceptably high uranium levels (running annual average 87 ug/L; maximum contaminant level is 80 ug/L). The Town seeks to remedy the problem by installing a water line (2,345 ft) on Acre Lane with supply piping to each resident's property line. The project will bring five fire hydrants to the road for improved fire protection. The cost of the project will be repaid by the residents over a 15-20 year period. Mr. Wahlberg said it is similar to a sewer assessment. The BOS has already approved the project.

Mr. Heiser asked Messrs. Bucciero and Mello if they were aware of the uranium problem when they bought their houses and they said no, that the State sent them the first warning in March, 2006.

Mr. Wahlberg said he anticipates the next bond will be issued in 2009, and, until then the \$400k will be part of a bond anticipation note.

A motion was made by Mr. Walsh and seconded by Mr. Ulmer to approve the Resolution presented (supra) by Mr. Wahlberg. **Vote 4-0. Motion APPROVED.**

APPROVAL OF MINUTES

A motion was made by Mr. Heiser and seconded by Mr. Cordelli to approve the October 17, 2006 Minutes with the additional text provided by Mr. Gomez. **Vote: 4-0. Motion APPROVED.**

A motion was made by Mr. Cordelli and seconded by Mr. Walsh to approve the December 19, 2006 Minutes after the correction of two typos on pages 8 and 9. **Vote: 4-0. Motion APPROVED.**

TAX COLLECTOR'S REPORT

TAX COLLECTOR'S REPORT (\$ in millions)

							%
	BUDGET	Q1	Oct.	Nov.	Dec.	Y-T-D	Clctd
Current Taxes	\$ 98.1	\$ 30.8	\$ 19.5	\$ 1.9	\$ 3.5	\$ 55.8	56.83%
Supplemental MV	\$ 0.8		\$ -	\$ -	\$ -	\$ -	0.00
Prior Year Clctns	\$ 0.5	\$ 0.2	\$ -	\$ 0.1	\$ 0.1	\$ 0.3	0.67
Int. & Lien Fees	\$ 0.3	\$ 0.1	\$ -	\$ -	\$ -	\$ 0.2	0.68
As of 12/31/06	\$ 99.8	\$ 31.1	\$ 2.0	\$ 2.0	\$ 3.7	\$ 56.3	56.46%

TREASURER'S REPORT

Investments as of 12/31/2006

Bank of America	\$	177,203.41	2.35
MBIA	\$	286,848.50	5.00
Ridgefield Bank	\$	1,642,533.34	5.40
STIF	\$	2,025,049.57	5.47
Union Savings	\$	4,744,476.24	5.62
Wachovia	\$	8,685,037.73	5.17
	\$	17,561,148.79	

YTD Interest Earned

Bank of America	1,718.51
MBIA	6,914.42
Ridgefield Bank	246,169.01
STIF	52,981.95
Union Savings	105,032.09
Wachovia	<u>107,787.20</u>
	520,603.18

CONTROLLER'S REPORT

Mr. Wahlberg informed the BOF that the Supplemental Motor Vehicle Tax bills were sent out late.

Mr. Cordelli noted that Ridgefield has dropped from #1 in per capita debt in the State to #4 or #5.

Mr. Wahlberg said the Town received a check for \$210k from CL&P for overcharges in prior years which will go into miscellaneous revenues. He also said the money received from the bus settlement will go into the miscellaneous revenues fund. Mr. Cordelli said that Irv Goldman, the Attorney who represented the BOE in the litigation, was very good. He went after the corporate officers personally. The original settlement offer was considerably lower.

Mr. Wahlberg said he would be ready with his mid-year estimate of revenues and expenses at the February meeting, noting it has changed considerably. He opined that expenses are under control. He sees weaknesses in licenses and permits revenues which are down \$102k. He anticipates that the Town Clerk will come in \$150k under budgeted revenues for conveyance taxes and recording fees. There is a problem with building rentals. Air Age has cost the Town about \$135k. There will be a vacancy from April through June, and he is contemplating that it will be six months to get somebody into the space. On the bright side, investment revenues are up.

Mr. Wahlberg explained the costs incurred on account of the Town's obligation to move and store the belongings of people evicted from their homes. The Town has experienced several very costly evictions in the recent past

Mr. Walsh asked about the Venus Building, if there has been any discussion of the Town claiming the building for Town use. Mr. Walsh said that the Town is not a landlord and should not be in that business.

Mr. Wahlberg said: "We were taken."

Mr. Walsh responded: "This is exactly why we should not be in the landlord business."

Mr. Ulmer noted the \$46k in legal fees incurred in December and said he hoped it was not going to continue.

Mr. Wahlberg said the fees were for on-going P & Z litigation.

Mr. Ulmer noted some extraordinary Parks & Recreation expenses on page nine and Mr. Wahlberg said: "they did a lot of fencing." Mr. Wahlberg promised he would get more information on it for the February meeting.

In response to Mr. Walsh's observation that Police Dept. electric bills were higher, Mr. Wahlberg said: "We control that centrally.... We monitor the kilowatt hours."

OLD BUSINESS

Mr. Cordelli spoke about the Volunteer Tax and responded to the BOF's inquiry as to where the funds would go. He said a special revenue account would be suitable for the monies collected, and that they could be disbursed from that account. He recommended the monies be split between the Town and the BOE based on percent of budget. Mr. Cordelli said that the places he had researched put the money into the general fund.

A motion was made by Mr. Cordelli and seconded by Mr. Heiser that the Board of Finance approve the concept of the Ridgefield Voluntary Added Tax and that the concept be brought to the Board of Selectmen at its earliest convenience. **Vote: 4-0. Motion APPROVED.**

NEW BUSINESS

Mr. Cordelli said there will be a presentation by the Economic Development Commission next Monday in the Town Hall at 7:30 p.m. by one of the firms that it hired with the money allocated to them by the BOF.

Mr. Ulmer noted that was the same day as the BOE presentation that, Mr. Heiser added, would be televised.

Mr. Cordelli said he has spoken with Tax Assessor, Al Garzi, who wants to wait another week or so before making any public projections regarding the grand list.

Mr. Walsh said that he and Mr. Wahlberg discussed the internal auditor proposal and concluded that they would put the cost center into the BOS's budget and make the presentation during its deliberations and asked Mr. Ulmer to assist them in that presentation.

Mr. Ulmer asked about capital projects and Mr. Wahlberg said the Town has finished its capital plan and that Police Headquarters is part of that plan, the library is not. Mr. Ulmer said all capital projects should be in one plan, to be looked at collectively and presented at one time for the full impact. "Let the voters decide what to finance."

ADJOURNMENT

A motion was made by Mr. Heiser and seconded by Mr. Cordelli to adjourn the meeting at 9:25 p.m. **Vote 4-0. Motion APPROVED.**

Respectfully submitted,
Karen Rodgers, Recording Secretary