

**UNAPPROVED MINUTES OF BOARD OF FINANCE REGULAR MEETING
TUESDAY, NOVEMBER 18, 2008**

A regular meeting of the Board of Finance was held on Tuesday, November 18, 2008 in the Veteran's Park School Auditorium at 8:40 p.m.

Members Present: Marty Heiser, Chairman; Kevin Walsh, Vice Chairman; David Ulmer, Peter Gomez, and Robert Cascella

Town Officials: Kevin Redmond, Finance Director; John Mannuzza, Assistant Controller

A G E N D A

1. Approval of Prior Meeting Minutes
2. Tax Collector's Report
3. Controller's Report
 - a. Financial Review
 - b. Transfers
4. Kostin Ruffkess Progress Bill
5. Draft 2009 Meeting Schedule
6. GASB 45 Discussion
7. Old Business
 - a. New Business
 - b. Communications & Correspondence
8. Adjournment

Mr. Heiser called the meeting to order at 8:40 p.m.

APPROVAL OF PRIOR MEETING MINUTES

Mr. Walsh moved, and Mr. Ulmer seconded a motion to approve the Minutes of the BOF's October 21, 2008 meeting with corrections.

VOTE: 4-0-1 (Mr. Gomez abstained) Motion **APPROVED**.

TAX COLLECTOR'S REPORT

Tax Collector's Report

Fiscal Year Ending June 30, 2009

						Prior YTD
(in millions)	Budget	Q1	October	Y-T-D	% Cltd	% of Actual
Current Taxes	\$ 105.6	\$ 31.6	\$ 21.3	\$ 52.9	50.11%	50.88%
Supplemental MV	\$ 0.8	\$ -	\$ -	\$ -	0.00%	0.00%
Prior Year Collections	\$ 0.5	\$ 0.3	\$ -	\$ 0.3	61.81%	51.63%
Interest & Lien Fees	\$ 0.3	\$ 0.1	\$ -	\$ 0.1	24.66%	27.72%
As of October 31, 2008	\$ 107.2	\$ 32.0	\$ 21.3	\$ 53.3	49.73%	50.82%

Tax Collector's Report
 Fiscal Year Ending June
 30, 2008

	Budget	Q1	Oct.	Y-T-D	% Cltd	Prior YTD as % of Actual
Current Taxes	\$ 102.1	\$ 32.1	\$ 20.4	\$ 52.5	51.42%	49.80%
Supplemental MV	\$ 0.8	-	-	-	0	0
Prior Year Collections	\$ 0.5	\$ 0.2	\$ -	\$ 0.3	52.88%	50.93%
Interest & Lien Fees	\$ 0.3	\$ 0.1	\$ -	\$ 0.1	26.92%	30.18%
As of October 31, 2007	\$ 103.7	\$ 32.4	\$ 20.5	\$ 52.8	50.95%	49.74%

TREASURER'S REPORT

Investments as of 10/31/2008

	<u>Amnt Invested</u>	
MBIA	\$ 306,863.15	1.85
Ridgefield Bank	\$16,999,751.70	2.06
STIF	\$ 951,088.42	2.13
Union Savings	\$ 3,315,566.25	2.10
Wachovia	<u>\$ 2,108,723.68</u>	1.67
	\$23,681,993.20	

YTD Interest
 Earned:

MBIA	\$ 1,920.18
Ridgefield Bank	\$ 91,180.12
STIF	\$ 3,916.06
Union Savings	\$ 36,554.99
Wachovia	<u>\$ 11,143.06</u>
	\$ 144,714.41

Mr. Gomez suggested that Mr. Redmond confer with the Treasurer regarding her allocation of funds among banks and inquire if a better rate of interest could be realized if larger amounts were allocated to fewer banks. Mr. Redmond agreed to discuss the matter with the Treasurer.

Mr. Gomez further suggested that a request for proposals be considered as it has been many years since the last one was sent out. He asked for information regarding how cumbersome and complex that process is.

Mr. Ulmer reminded everyone present that a lot of the \$24MM invested as of October 31, 2008 does not belong to the Town, that it is various trusts.

CONTROLLER'S REPORT

Mr. Redmond said the property tax revenue looks pretty good, trending a little bit lower than last year. The Building Department looks as though it too is trending lower than last year, but he thinks it will hit budget because of the Boehringer Ingelheim project which could generate an additional \$100k/\$200k depending on how they break it up in phases. "Without that, we are in trouble."

Conveyance taxes are off. The year-to-date amount indicates a short fall of about \$300k at fiscal year end.

Mr. Walsh asked about the changes in the last column of the report which were suggested at the October meetings. *(Mr. Walsh said he thought the Financial Report's far right column which currently reads "Prior YTD as Percent of Budget" should be changed to "Percent of Actual" as soon as possible.)* Mr. Mannuzza said the Munis version used by the Controller's Dept. does not have that option. Mr. Redmond added that the needed upgrade would cost about \$30k initially and \$3k/\$5k annually.

Mr. Redmond said the ambulance figure looks soft because of the timing of the posting. He said the Town received a check for \$120k this week.

Mr. Redmond said the golf course and parks and recreation appear to be running fairly well and, at this point in time, look as though they will make their revenue targets.

Parking Authority number is driven by the position vacancy which was filled this week.

Mr. Heiser summarized saying conveyance taxes are short \pm \$800k and interest revenue is short \pm \$250k.

On the expense side:

Police overtime was mostly caused by special duty work which has a revenue component as well.

Mr. Redmond has spoken with the Fire Chief about Fire Department overtime. The Chief noted that there are currently three firemen in the academy and she is confident that she will hit the \$130k budget number for the year on overtime. The three firemen return to duty in December, so the benefit should be visible in January.

Mr. Walsh asked about police cruisers and Mr. Redmond said the Town went out for bid on two police cruisers and an under-cover vehicle.

Mr. Gomez asked if the various department salary line items could be changed to include the cost of benefits "...so that we can see a fully-loaded cost structure by department"?

Mr. Walsh added that the BOF had discussed this with the Controller about a year ago.

Mr. Ulmer added that benefits are a particular percentage of salaries, and if it is not possible to add the exact amount to the monthly report, then it would be helpful to know the percentage.

Mr. Cascella said he did not understand the utility entries for the Highway Department. He said the electric bill seems to be extra low and the telephone bill is always over budget. He also questioned the vehicle fuel entry for the Highway Department saying "... there are negative numbers in there. Was that a transfer?" Mr. Mannuzza explained that there has been only one delivery (in October) so far. The Finance Department bills the various Town Departments for fuel consumed, much like a credit card.

Transfer #200904

Water at the Barlow and Scotland schools is not potable. Under a temporary consent order, we are able to provide bottled water in those buildings. That consent order expires July 31, 2009. Options to supply potable water to those schools include: (a) extend the North Street water main line; (b) install and maintain a water purification system (reverse osmosis system); or (c) drill new wells. Option (c) is the least costly of the three options.

This request is for the costs associated with option "C" which is for exploratory drilling and testing of water.

As a result, the Town Engineer is requesting approval for an increase in capital appropriation with a corresponding charge to general contingency to cover the shortfall.

INCREASE:

30251-56922	Barlow/Scotland Water Capital Project	\$42,000
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DECREASE:

10890-59101	General Contingency	\$42,000
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Mr. Heiser asked how much money is currently in General Contingency. Mr. Redmond said that Transfer #200904 will "finish it".

Mr. Gomez said the Board of Finance has a low tolerance for this kind of transfer and that this project should be part of the operating budget as opposed to capital projects. Mr. Redmond

asked for the criteria distinguishing operating from capital, to which Mr. Ulmer responded, ten year life and \$50k.

Mr. Cascella made and Mr. Gomez seconded a motion to approve Transfer #200904.

Vote: 5-0. Motion **APPROVED.**

Mr. Heiser asked if the check for the Ridgefield Boys & Girls Club has been cut and Mr. Mannuzza responded in the affirmative.

Mr. Cascella asked if it was the will of the Board of Finance that the \$50,000 for the Ridgefield Boys & Girls Club be taken from Fund Balance, and was told that the Board of Finance cannot override a Town Meeting that already took place.

Transfer #200905

The Board of Selectmen wishes to contribute \$50,000 to the Ridgefield Boys & Girls Club for Construction costs associated with renovation projects. The Town has also negotiated an easement for the use of pool water in case of a fire emergency. A Special Town Meeting was held on August 20, 2008 and the contribution was approved.

The Board of Selectmen is requesting approval for the special appropriation of \$50,000 from Fund Balance.

INCREASE:

10220-00000	Ridgefield Boys and Girls Club	\$50,000
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DECREASE:

10907-44800	Utilization of Fund Balance	\$50,000
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KOSTIN RUFFKESS PROGRESS BILL

The \$10,000.00 Kostin Ruffkess bill would put the year-to-date outlay at \$26k for the internal auditor. Mr. Cascella said that he would like to have the internal auditor's report finished before the 2009/2010 budget deliberations begin in January 2009. Mr. Heiser chose this moment to quote Deuteronomy 25:4 which says "Don't muzzle the ox while he is threshing."

DRAFT 2009/2010 MEETING SCHEDULE

Mr. Cascella made and Mr. Heiser seconded a motion to accept the meeting schedule as presented by the Finance Director.

VOTE: 5-0. Motion **APPROVED.**

GASB 45 DISCUSSION

GASB 45 requires municipalities to report their OPEB (other post-employment benefits) in their annual reports. The requirement is phased in depending on each municipality's total annual revenue. Ridgefield is required to disclose this information in its 2009 annual report. Municipalities have options regarding the funding of the obligation. If it is not fully funded, the amount not funded must be shown as a liability on the annual report.

Mr. Redmond indicated he needed to increase his understanding of how the various funding options would affect the Town's finances.

Mr. Ulmer said the funding (and the cost of the actuary to define same) would be part of the Selectmen's budget. He asked about the number of employees the Town is contractually obligated to for OPEB, saying he doesn't think he has ever seen/heard that number.

OLD BUSINESS

Mr. Cascella asked about an email address through the Town's website for members of the Board of Finance.

Mr. Redmond said there would be a cost of \$3.00 per person per month. He said the Selectmen were concerned that, if the BOF did this, other boards and committees would want it as well. Mr. Gomez said that the Board of Education did this years ago. The Board of Finance agreed to fund the email costs out of its budget.

ADJOURNMENT

Mr. Heiser made and Mr. Walsh seconded a motion to adjourn the meeting at 9:55 p.m.
Vote: 5-0. Motion **APPROVED**.

Respectfully submitted,

Karen Rodgers
Recording Secretary