



Town of Ridgefield Board of Finance

Approved BOF Meeting Minutes Tuesday August 15, 2023

I. Call to order

Dave Ulmer called the Board of Finance meeting to order at 7:00 PM on August 15, 2023 in the Town Hall large conference room. Board Members Dave Ulmer, Mike Rettger, Joe Shapiro, Greg Kabasakalian and Andrew Okrongly present.

Others Participating: Kevin Redmond, Controller; Molly McGeehin, Treasurer; Jane Berendsen Hill, Tax Collector.

II. Public Comments

None

III. Approval of Minutes

Motion by Mr. Shapiro to approve the minutes of June 20, 2023 as amended. Seconded by Mr. Rettger. All in favor.

IV. Treasurer Report

Ms. McGeehin reviewed the Treasurer's Report, which was distributed prior to the meeting**. July was strong, but there are no predictions or changes to be made as it's just one month into the year.

V. Tax Collector Report

Ms. Berendsen Hill reviewed the Tax Collector's Report, which was distributed prior to the meeting**. She reported that the town had an excellent July, partly because more residents are paying the full year up front. More people are also using auto payments, which pays at the start of the month, so month to date for August is also ahead.

Minutes of the August 15, 2023 Board of Finance Meeting, Final Approved

VI. Controllers Report

Mr. Redmond reviewed the Controller's Report, which had been distributed in advance of the meeting**. He reported that July looks good, but that there is not much to judge from just one month. At a recent revenue meeting it was noted that taxes, real estate and building are strong, with an increase in the amount of building permit applications. IT is high for July but largely a timing issue with annual subscriptions being paid up front.

The members reviewed initial drafts of the year end results in the format of RSI 1 and RSI 2. Expenses are still being paid from 2023 so these reports are not finalized. Tentative transfers are reflected in the report. The initial reports indicate an even larger surplus for the year than forecast previously.

Both Mr. Redmond and Jill Browne from BOE have met with the auditors in preparation for the audit which will begin in September.

VII. Old Business

1) Discussion of Reserve Policy Development

Members continued their discussion of reserve policy ideas. They discussed the examples of policies from other towns that had been provided by Mr. Redmond, noting both similarities and differences in parameters and approach. Mr. Okrongly discussed a financial model he is developing to compare the potential budgetary costs of maintaining a AAA rating via reserve position, versus the potential added borrowing cost that would result from a credit downgrade. He will distribute the model to the other members for their use after he meets with Mr. Redmond on a few questions. The members discussed the relative tradeoffs between maintaining a higher reserve position and running a lower reserve balance that might result in a lower rating and corresponding higher borrowing costs. The members agreed it will be very helpful to understand the budgetary results of each option. The members also requested Mr. Redmond to arrange for the Town's bond advisor to participate in the discussion at the next meeting. There was general agreement that the Board is a few meetings away from settling on a specific policy for discussion and possible consideration, as it gathers additional information.

2) ARPA / WPCA

Mr. Rettger distributed information about the timing issues facing the Town in conjunction with the recently approved the sale of the sewer plant land for \$441,000, which should result in a recovery to the benefit of the ARPA account. The closing is conditional on WPCA completing environmental remediation of the property, which may not be completed until the end of 2024. However, ARPA funds must be spent or committed to active capital projects by that time, or the Town could lose the funds affected. He suggested that as part of next year's budget process, the BOS identify qualifying capital projects to which the remaining ARPA funds could be applied by the end of 2024. This will be further discussed at the Tri Board meeting. Mr. Rettger will draft a communication for Mr. Ulmer to alert the First Selectman as to the timing issues involved.

VIII. New Business

Minutes of the August 15, 2023 Board of Finance Meeting, Final Approved

Mr. Ulmer met with auditors recently to follow up on the Board's recent discussion of fraud assessment. The auditors did not have many specifics regarding a possible engagement, but did discuss the use of conflict of interest standards and certifications. Mr. Rettger summarized the conflict of interest provisions currently in the Town Charter, as well as changes proposed by the current Charter Revision Commission to strengthen the standards.

IX. Adjournment

Motion to adjourn at 8:15 p.m. by Mr. Rettger, seconded by Mr. Okrongly. All in favor. Next meeting September 19, 2023.

Respectfully Submitted by,
Mia Belanger

** Materials that were distributed in advance of the meeting in the BOF members' packets are maintained on file in the Controller's office.