

Town of Redding
Board of Finance Special Meeting Minutes
Monday, 4/22/2024
6:30PM via Zoom

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Kimberly Keil, Assistant Redding Town Clerk
4 pages

Filed subject to approval.

Present:

- Ward Mazzucco, Chair
- Karen Gifford, Vice Chair
- Jamie Barickman
- Robert Dean
- Jenifer Wyss
- Roger Van Ausdal

Also Present:

- Jim Sanders, Finance Director
- First Selectwoman Julia Pemberton
- Peg O'Donnell, Selectwoman
- Members of the Public

Chair Mazzucco called the meeting to order at **6:31PM**.

1. To Approve the Minutes of the Board of Finance Regular Meeting held on Monday, 4/8/2024.

Motion:

Ms. Wyss made a motion to approve the minutes of the Board of Finance (BOF) regular meeting held on Monday, 4/8/2024. Ms. Gifford seconded the motion. The vote was unanimous, and the motion carried.

2. Public Comment.

Chair Mazzucco opened the floor to Public Comment. There was no Public Comment.

3. Treasurer's Report.

Jim Sanders presented the Treasurer's Report to the BOF. See below for relevant slides:

Operating Cash Balances Monthly Trends Fy 2023-2024

	July	August	September	October	November	December	January	February	March	April	May	June
FISCAL 2021-22	\$ 27,196,810	\$ 31,964,481	\$ 28,706,336	\$ 25,786,232	\$ 22,485,830	\$ 20,548,216	\$ 32,324,479	\$ 32,225,704	\$ 28,243,824	\$ 25,477,556	\$ 19,958,042	\$ 18,349,252
FISCAL 2022-23	\$ 29,803,587	\$ 33,149,457	\$ 29,447,907	\$ 26,951,130	\$ 22,658,697	\$ 23,060,661	\$ 33,814,106	\$ 35,211,738	\$ 30,513,275	\$ 26,682,352	\$ 23,968,439	\$ 22,595,297
FISCAL 2023-24	\$ 38,265,710	\$ 37,120,269	\$ 33,767,951	\$ 29,473,835	\$ 26,480,162	\$ 27,880,763	\$ 39,422,640	\$ 37,623,611	\$ 34,001,938			

Monthly Interest Received Monthly Data, Fiscal Year 2023-24

<i>Interest Income</i>	July	August	September	October	November	December	January	February	March	April	May	June
Fiscal 2023	\$ 22,662	\$ 42,731	\$ 41,207	\$ 63,053	\$ 52,519	\$ 102,166	\$ 73,665	\$ 80,090	\$ 80,251	\$ 119,023	\$ 154,776	\$ 92,202
Fiscal 2024	\$ 74,392	\$ 122,738	\$ 95,195	\$ 122,908	\$ 126,176	\$ 142,712	\$ 124,483	\$ 125,940	\$ 100,776			
Budget(revised)	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167	\$ 34,167
cumulative income	\$ 74,392	\$ 197,130	\$ 292,325	\$ 415,233	\$ 541,409	\$ 684,121	\$ 808,604	\$ 934,543	\$ 1,035,319			
cumulative budget	\$ 34,167	\$ 68,333	\$ 102,500	\$ 136,667	\$ 170,833	\$ 205,000	\$ 239,167	\$ 273,333	\$ 307,500	\$ 341,667	\$ 375,833	\$ 410,000
Cumulative Vs Budget 2023-24	\$ 40,226	\$ 128,797	\$ 189,825	\$ 278,567	\$ 370,576	\$ 479,121	\$ 569,437	\$ 661,210	\$ 727,819			
To date, YOY comparison	\$ 51,730	\$ 131,737	\$ 185,725	\$ 245,580	\$ 319,237	\$ 359,783	\$ 410,601	\$ 456,450	\$ 476,976			

Mr. Sanders stated that Wes Higgins (Treasurer) had a discussion with Matt Spoerndle. Mr. Spoerndle has advised the Town of Redding in the past with bond issuances. Mr. Spoerndle stated that regarding credit ratings, an unassigned fund balance around 20% would be beneficial for future bond issuances. Discussion followed concerning the appropriate amount of unassigned fund balance for the Town of Redding.

4. Discussion and Possible Action: FY24 Board of Selectmen Budget Line-Item Transfer to Fund Police Department Overtime.

Mr. Sanders presented the request for a FY24 Board of Selectmen (BOS) Budget Line-Item Transfer to fund Police Department Overtime. See below for details:

At the Board of Selectmen's meeting on April 16th, the Board reviewed the year-to-date status of police overtime through March 31st. Based on this review, they approved a \$170,000 FY24 line-item budget transfer from Pension expense to Police Overtime expense. The Board of Selectmen are now requesting the Board of Finance's approval of this line-item transfer.

The Police Department has been operating at an increased level of overtime due to the following situations:

1. One police officer has been out on Short-Term Disability since October 30th.
2. One police officer resigned effective Nov 22nd. The open position is being filled by a new recruit, who will be sworn in later this month and head to the Police Academy.
3. One police officer has been on maternity duty (i.e., administrative duty and no longer on patrol) since Jan 17th.
4. The JRMS SSO resigned effective Mar 25th.

Given the above situations, Police overtime has already exceeded the full-year budget, and we expect the variance to continue to grow significantly through year-end:

- Through the end of March, police overtime was over budget by \$78,000.
- Over the past three months it has been averaging approximately \$18,500 per payroll cycle.
- We have seven more payrolls until the end of FY24. With the continued staffing constraints, we are likely to expend an additional \$130,000 in overtime April - June, resulting in Police overtime over budget by \$208,000 by year-end.

The Police Department does have some partial offsets:

- The resignation of the SSO mid-March is expected to result in \$16,500 in salary savings through the end of the FY2024. (The open position has been posted.)
- The officer on short-term disability leave is now receiving salary benefits from the Town's insurance carrier, Mutual of Omaha. Assuming that the officer returns at the end of the STD period, the Town will see \$22,000 in associated salary savings.
- These offsets total \$38,000.

The net impact to the FY24 Police budget is estimated to be a \$170,000 overrun.

Over the course of the fiscal year, we have seen significant underruns in Retirement expense, primarily due to reduced CMERS employer contribution rates recommended by a state task force last year after approval of the FY24 budget. Additionally, as employees retire, their replacements are covered under the less costly Town defined contribution plan. Based on our analysis of March year-to-date expenditures, we expect this account to underrun budget by approximately \$230,000.

Based on the above, the Board of Selectmen requests Board of Finance approval of a \$170,000 FY24 budget transfer from the Retirement line to the Police Overtime line. Discussion and possible action on this request is included on the agenda of the April 22nd Board of Finance meeting.

Mr. Van Ausdal asked Mr. Sanders what the Short-Term Disability (STD) situation stems from. Mr. Sanders said this is a personal health issue and is unrelated to Workers Compensation.

Ms. Wyss asked First Selectwoman Pemberton about proper succession planning. First Selectwoman Pemberton stated that succession planning would require one of two options: hiring during this fiscal year or expanding the Police Department with an extra position in FY25. There are currently 15 officers in the Redding Police Department, whereas in the past there were 17 officers.

Motion:

Mr. Van Ausdal made a motion to approve the FY24 Board of Selectmen (BOS) Budget Line-Item Transfer to fund Police Department Overtime. Vice Chair Gifford seconded the motion. The vote was unanimous, and the motion carried.

5. Public Comment.

Chair Mazzucco opened the floor to Public Comment. There was no Public Comment.

Motion:

Mr. Barickman made a motion to adjourn the meeting. Mr. Van Ausdal seconded the motion. The vote was unanimous, and the motion carried.

The meeting was adjourned at **6:51PM**.

*Submitted by,
Zachary Smith*