

MINUTES OF MEETING

FINANCIAL ADVISORY COMMITTEE

APRIL 5, 2010

The Financial Advisory Committee conducted a regularly scheduled meeting on Monday, April 5, 2010 in room 213 of Stratford Town Hall, 2725 Main Street, Stratford, CT pursuant to notice duly posted.

I CALL TO ORDER — by Chairman Ed Rodriguez at 6:33 p.m.

Members present: Council Members James Connor and Kimberly Meuse; Electorate members Thomas Moore, Arthur Stengel, Ed Rodriguez, Thomas Angelo, John Fahan; Alternate members Justin Hawthorne, Benjamin Barnes, Steven Dyer

Members absent: Eric Wilkins

II APPROVAL OF MINUTES – Minutes of Regularly scheduled meeting of March 1, 2010. CHAIRMAN DEFERRED THE APPROVAL UNTIL NEXT MEETING.

III BUSINESS

A. TOWN COUNCIL UPDATES/REPORT

1. Feedback from prior FAC meetings — The following was discussed:
 - An overview of the Pension Board meeting of March 2010. Mr. Angelo felt that not enough time was allocated to conduct an informative meeting in order to handle issues. The pension fund is underfunded.
 - The current budget process and budget work sessions.
 - Purchasing procedures.
2. New requests being proposed. — None

B. WORK GROUPS — updates from last meeting

1. Retirement and Pension Obligations Group. Reported by: Mr. Angelo — The pros and cons of the Mayor's pension fund "audit" that was mentioned in the newspaper was discussed. Also discussed: Investment advisory to Pension fund, union negotiations. A subcommittee of the Pension Board is suggested to preview the advisors' reports and recommendations. More informed decisions could then be made.
2. Capital Expenditure and Improvements Group. — No report.

3. Financial Transparency and Working Capital Group. — The RFP and RFQ process was assessed after review with Mr. Bonnar (Town's Purchasing Agent).

4. Revenue and Revenue Enhancement Group. Reported by: Mr. Stengel — He reported the issue that arose previously that all the town's money should not be in one institution. He questions which projects are part of the \$600,000,000 bonding – which project are complete, which are incomplete.

Mr. Angelo formulated the following questions to forward to the Mayor:

- Why do these bank accounts need such high balances?

Short Beach	\$327,116
Dog Fund	\$152,560
Seniors	\$27,785
Special projects	\$277,808
Total	\$785,269

These balances have been constant for some time and should have been moved to the general fund to offset tax increases.

- It appears that the town has approximately \$40+ million on hand at all times, even at the end of fiscal half years. Why is this money not put in a CD at better than ¾% interest it now gets? Past administrations did this. Banks are offering from 1.5% to over 2% on Super jumbo CDs with less than 1-year maturity. This would equate to \$300,000 to \$500,000 additional interest, which can be used to reduce tax increases.

Ms. Meuse will pose the foregoing question to Mayor.

C. NEW BUSINESS/OLD BUSINESS — None

IV ADJOURNMENT — Hearing no additional information, Mr. Rodriguez called for a motion to adjourn at 7:40 p.m. A MOTION WAS MADE BY MR. ANGELO SECONDED BY MS. MEUSE TO ADJOURN THE MEETING. THE MOTION PASSED UNANIMOUSLY.

Respectfully submitted, Carol Cabral