Minutes

Board of Finance Meeting

June 17, 2014

Town Hall Room 206 7:30 PM

CALL TO ORDER

Jon Zagrodzky, Vice Chairman, called the meeting to order at 7:31 pm. All members were present except Chairman Liz Mao, Dave Lopiano and Jamie McLaughlin. Also in attendance was Finance Director Kate Clarke Buch. The meeting was taped for broadcast by Channel 79.

TRANSFERS OVER $5,000

- **Public Works – seasonal & temporary – $5,040**

  Darren Oustafine requested a transfer of funds to allow hiring of two seasonal/temporary employees for the remainder of fiscal 2014. The department is short-handed.

  Frank Huck moved approval; passed 4-0.

FINANCIAL REPORT

Kate Buch provided the monthly financial report, with the following highlights:

- The Board of Finance Special Education audit is running over-budget
- Police administrative costs are under-budget due to a Captain position vacancy
- Police overtime will likely be $100,000 over-budget for fiscal 2014
- Bob Steeger's retirement payout (sick and vacation time) caused the Employee Benefits – Accrued Leave Redemption account to go over-budget. Additional expenditures of $10,000-$12,000 for another retirement are expected
- Kate will review the Reserve for Capital and Non-Recurring Expenses (RFCNRE) for potential unspent funds to be returned

DISCUSS AND APPROVE SUSPENSE LIST

Kathleen Larkins, Darien Tax Collector, joined the meeting to present her list of tax accounts she deemed uncollectible, in accordance with §12-165 of the General Statutes of the State of Connecticut:

60	Personal accounts	$16,788.79
142	Motor vehicle accounts	10,720.83
22	Motor vehicle supplement	1,171.60
1	Real estate account	76,447.16
224	**Total**	**$105,128.38**

The uncollectible real estate account was discussed at length. The tax amount in question pertains to an undeveloped tract of land and represents assessments accumulated over 15 years. The developer has long maintained that he does not owe the tax, and the land is such that it makes no sense to foreclose.

Separately, Ms. Larkins stressed that moving uncollectible accounts to the Suspense Tax Book does not mean that collection efforts stop; she noted that $4,000 had been collected this year from accounts deemed "uncollectible" in previous years.

MINUTES

The Board reviewed the draft minutes for March 11th, March 18th, March 25th, April 1st and April 3rd. Bruce Orr moved approval without edits; passed 4-0. The May 20th minutes were reviewed and edited, but there was no vote to approve since Gwen Mogenson was absent from this meeting. There will be a vote to approve the May 20th minutes at the July BOF meeting.

SPECIAL ASSIGNMENTS, COMMITTEE REPORTS, CHAIRMAN'S REPORT

Liz Mao provided some comments in advance for inclusion in the meeting:

- Kate Buch confirmed that the BOF has $100,000 in the SPED reserve
- Seth Morton would like to come to a future BOF meeting to talk about budget increases
- Teacher contract negotiations will begin soon

Jon Zagrodzky provided a brief update on the SPED audit. He indicated that 15 families have now been interviewed by the auditor, thanks to the invitation letter sent by Dr. Lynn Pierson. The auditor is working on a final report, which will likely be presented to the full Board and the public in September.

OTHER BUSINESS – DISCUSS AND APPROVE SALE OF BONDS

Gwen Mogenson moved to discuss Other Business; passed 4-0.

Kate Buch presented an overview of the upcoming 2014 bonding, which will cover the Short Lane property acquisition. The proposal entails a series of one-year notes, repaid in installments, which is less costly than issuing bonds. The notes, which she hopes to sell in August, will have an initial maturity of August, 2015. The plan is to repay 25% of the outstanding notes annually over four years out of Fund Balance.

Bruce Orr moved the following resolution, which passed 4-0:

> Be it resolved:
>
> That $1,925,000 bond anticipation notes of the $1,925,000 bonds of the Town authorized to be issued for the purchase of property located at 4 Short Lane shall be issued and sold as $1,925,000 Town of Darien Bond Anticipation Notes. The notes shall be sold on or about August 12, 2014. The notes will mature on or about August 20, 2015.

ADJOURNMENT

As there was no further business, Bruce Orr made a motion to adjourn; passed 4-0 at 8:17 pm.

Respectfully submitted,

Jon Zagrodzky
Acting Clerk