

Minutes

Board of Finance Meeting

June 19, 2012

Room 119 7:30 PM

CALL TO ORDER

The meeting was called to order by Chairman Liz Mao at 7:33 pm. All members of the Board of Finance were present. Also in attendance was Kate Clarke Buch, Finance Director. The meeting was taped for broadcast over Channel 79.

DISCUSS AND TAKE ACTION ON SETTLEMENT WITH TOWN HALL EMPLOYEES UNION

Karl Kilduff, Town Administrator, joined the meeting to provide an overview of the recently negotiated contract with the Town Hall Employees Union. The Board of Selectmen discussed the contract and referred it to the Board of Finance for its review and report. The contract is to be discussed at the RTM meeting scheduled for June 25th.

The contract included a salary settlement provision that raises salaries by 1.75% in FY 2012 and 2.25% in both FY 2013 and FY 2014. Another feature of the contract is that all union and nonunion employees will be on one healthcare plan.

In total, the contract settlement increased town employee costs by 2.39% for FY 2013. This amount was slightly less than the 2.5% increase anticipated in the budget.

Jon Zagrodzky moved that the Board of Finance recommend RTM approval of the contract; passed 7-0.

FINANCIAL REPORT

Kate Buch presented the monthly financial report. She offered the following highlights:

- The Assessor's Office will have higher-than-expected overtime costs due to short staffing.
- The Public Works Department incurred heating fuel overruns, driven by price increases, but this was offset somewhat by lower Town Hall energy costs, driven by the switchover to lower-cost natural gas.

- The Darien Fire Department indicated that all 13 of the Department's air bottles have reached the end of their permissible life (all are more than 15 years old). The Chief indicated that they would have to be replaced, and that he would be submitting a request for additional funds soon. Some of the bottles will be replaced in the current fiscal year, and some in the following fiscal year. Each bottle costs \$1,100. The Department did not have a regular replacement schedule in place.
- Ms. Buch indicated that the Town would likely end the fiscal year with a favorable balance. She indicated that the state ECS grant came in, and that it was about \$100,000 more than expected. She also indicated that about \$100,000 had been received from FEMA.
- Chairman Liz Mao offered her compliments to both Ms. Buch and the Board of Education for their prudent financial management and oversight. Ms. Buch said that department heads work hard to stay within their budgets.

DISCUSS AND TAKE ACTION ON REFUNDING BOND STRUCTURE

Joe Duwan and Jamie McLaughlin provided an update on efforts regarding selection of an underwriter. As discussed at the May 15th Board meeting, there was a desire to solicit revised scenarios from three of the four firms being considered. Mark Chapman of IBIC felt this was unnecessary, but he did encourage focusing on each underwriter's discount spread, plus their creativity, responsiveness and proposed refunding structure.

In the end, everyone felt that any one of the four firms could be chosen as the town's underwriter. The final decision boiled down to price, so the subcommittee recommended appointment of Roosevelt & Cross.

Jamie McLaughlin moved the appointment, passed 7-0.

Joe Duwan also presented an overview of possible refunding scenarios. Recognizing that no decision would need to be made until the fall, he proposed considering a refunding structure that would level out principal and interest payments over the next several years, particularly in fiscal years 2015 and 2016, when planned principal and interest payments will spike.

MINUTES

The Board reviewed minutes from the May 15, 2012 meeting. Lori Bora moved approval as drafted; passed 5-0-2, with Liz Mao and Gwen Mogenson abstaining due to absence at this meeting.

SPECIAL ASSIGNMENTS, COMMITTEE REPORTS, CHAIRMAN'S REPORT

- Lori Bora reported that Weed Beach is open and that approximately \$100,000 from the project will be returned to the Town. Contributions will be solicited to pay for benches to put near the main facility. There have been some complaints about the guardhouse at the entrance, which some nearby residents have felt is excessively lighted.
- Joe Duwan and Martha Banks met with Robert Locke to discuss delinquent taxes and collection rates. He provided them with a schedule of real estate, motor vehicle and personal property taxes originally billed along with amounts ultimately collected.
- Martha Banks presented a reformatted capital report for other Board members to review. One initial comment made was to consider quarterly instead of monthly reporting.
- Chairman Liz Mao suggested following up with the City of Stamford, which used Matrix Consulting to help optimize the police and fire department vehicle fleets (Darien is considering a similar project).

ADJOURNMENT

There being no further business, Joe Duwan made a motion to adjourn. The motion was seconded and approved 7-0 at 9:17 pm.

Respectfully submitted,

Jon Zagrodzky
Clerk