

Minutes

BOARD OF FINANCE REGULAR MEETING

**April 20, 2009
7:30 PM – Room 119**

The meeting was called to order by Chairman Murry Stegelmann at 7:34 PM. All members of the Board of Finance were present except for Thomas Volpe. Finance Director Kate Clarke Buch was also present.

BUDGET DISCUSSION AND VOTE ON BUDGET

Martha Banks made a motion that the Board of Finance approves the following budget resolution:

The foregoing budget was approved by the Board of Finance of the Town of Darien at its meeting held April 20, 2009. The following resolutions were adopted at said meeting.

A RESOLVED, that an appropriation of \$ 6,989,485 is hereby made from the Reserve Fund for Capital and Non-Recurring Expenditures for the purpose of meeting expenses of the Town of Darien as shown by the budget this day approved.

B RESOLVED, that an appropriation of \$ 38,141,964 is hereby made in the General Fund for the Selectmen's Operating Budget.

C RESOLVED, that an appropriation of \$ 68,700,458 is hereby made in the General Fund for the Education Operating Budget.

D RESOLVED, that the above appropriations, totaling \$ 106,842,422 are for the purpose of meeting the expenses of the Town of Darien for the fiscal year commencing July 1, 2009 and ending June 30, 2010 as shown by the budget this day approved.

E RESOLVED, that a tax of 11.32 mills is hereby levied upon the last complete grand list of the Town with a total net assessment of \$ 8,740,903,404 on property as of October 1, 2008, payable in two equal semi-annual installments, the first installment to become due and payable on July 1, 2009 and the second installment to become due and payable on January 1, 2010, provided however that:

1. Any taxpayer may pay both of said installments on July 1, 2009;
2. The personal property tax on motor vehicles in said Town shall become due and payable in one single installment on July 1, 2009
3. Any property tax in any amount not in excess of one hundred (\$ 100.00) shall become due and payable in one single installment on July 1, 2009

F RESOLVED, that the Town of Darien, acting through its Board of Selectmen, and subject to the approval of said Town at the Annual Budget Meeting of the Representative Town Meeting to be held May 11, 2009, be authorized to borrow on the note or notes of the Town the sum of \$ 5,000,000 or so much thereof as may be necessary for the general expenses of the Town pending the collection of either or both of said semi-annual installments of taxes on or prior to June 30, 2010.

G RESOLVED, that the following appropriations for other funds are hereby made as detailed below for the 2009-2010 fiscal year as shown by the budget this day approved.

\$ 3,894,177	Sewer Operating Fund for the purpose of meeting expenses of the Town of Darien, Sewer Commission
\$ 1,110,597	Sewer Assessment Fund
\$ 70,987	Animal Control Fund
\$ 668,841	Parking Lot Administration Fund
\$ 137,377	Parking Lot Capital Fund

Elizabeth Smith Mao, Clerk
Board of Finance

Kate Buch explained that the increase is a 2.98 % increase in dollars of taxation.

The motion was seconded and approved by a vote of 6-0.

DISCUSS AND TAKE ACTION OF CREATION OF OPEB TRUST FUNDS

Members of the Board of Finance then discussed the need to establish the trusts for OPEB (Other Post-Employment Benefits) and the language of the proposed resolution:

**AMENDMENT
TO THE
TOWN OF DARIEN ORDINANCES**

Effective as of _____, 2009, the “Town of Darien Ordinances” are amended as follows:

Amend the ordinances by adding the following new Section:

§_____. **Retiree Health Care Trusts.**

- A. In accordance with Conn. Gen. Stat. § 7-450(a), the Town shall establish two Trust Funds (collectively “Trusts”) to hold and invest all contributions and assets of the Town’s retiree health care plan (“Plan”). The Board of Selectmen of the Town shall have the authority to amend or terminate the Trusts.
- B. The Trusts shall be for the purpose of funding current and future postemployment health care benefits for eligible retired employees and eligible retired police officers in accordance with the Plan. The Trusts may also be used for the purpose of funding any other postemployment health and life plans as the Town may establish.
- C. The Trusts shall be administered by the Pension Board described in § 50-52. The Pension Board shall have such powers and duties as set forth in the terms of the Trusts, including directing the investment of the assets of the Trusts.
- D. The Finance Director, Human Resources Director, and Administrative Officer shall serve as the trustees (“Trustee”). The Trustee shall have such powers and duties as set forth in the terms of the Trust, including, but not limited to, making payments or other disbursements in accordance with the Plan and the terms of the Trusts.
- E. The Human Resources Director shall serve as the Plan Administrator of the Plan and shall have such powers and duties as set forth in the Plan and the Trusts with respect to the administration of the plan, including, but not limited to, providing all proper instructions and directions to the Trustee regarding disbursements from the Trusts.

Jon Zagrodzky made a motion to make the following change in language to be inserted into both Trust Documents:

“The Investment Manager shall have the authority to hire outside professionals as it deems necessary.”

The motion was seconded and approved 6-0.

Lorene Bora then made a motion to motion that the Board of Finance recommends the approval of the ordinance by the RTM. The motion was seconded and approved 6-0.

DISCUSS AND TAKE ACTION ON REQUEST TO FUND OPEB LIABILITY

Martha Banks made a motion to authorize the transfer of the sum of \$1,081,160 (one million, eighty- one thousand and one hundred and sixty dollars) from the Fund Balance to the OPEB Trusts from the Fund Balance to the OPEB trusts to fund Fiscal Year 2009 and Fiscal Year 2010 liabilities. The motion was seconded and approved 6-0.

APPROVAL OF MINUTES

March 3, 2009:

It was suggested that the following language be changed. On page 3 , include words indication that the \$4.5 million in the Capital Budget was for funding for the Baker Flood Mitigation project. On page 6, capitalize “If” and note that funding was for this year –FY 2009--rather than next year.

Lorene Bora made a motion to approve the minutes as amended. The motion was seconded and approved 6-0.

March 10, 2009:

It was proposed to amend the draft minutes by naming the two students, Sophie Watters and Sophie Doering, who spoke in favor of approving the Town’s funding of The Depot.

Gwen Mogenson made a motion to approve the amended minutes and the motion was seconded and approved 6-0.

March 12, 2009:

Lorene Bora made a motion to approve the minutes. The motion was seconded and approved 6-0.

March 17, 2009

Gwen Mogenson made a motion to approve the minutes. The motion was seconded and approved 5-0 (Martha Banks abstaining.)

March 19, 2009:

The Board agreed to amend the minutes to include the language “agreed to put the following items on the proposed cut list.” and “ The Board was able to reduce the employee benefits number.”

Martha Banks made a motion to approve the minutes as amended. The motion was seconded and approved 6-0.

March 24, 2009:

It was suggested that the draft minutes be changed to reflect the fact that only some members supported the proposal to cut funds for security at Weed Beach. Also, the Board agreed to note that it was proposed that the Board of Finance cut \$303,000 for paving.

Lorene Bora made a motion to approve the minutes as amended, and the motion was seconded and approved by a vote of 6-0.

March 26, 2009:

Gwen Mogenson made a motion to approve the minutes. The motion was seconded and approved 6-0.

March 31, 2009:

It was agreed to defer the approval of the minutes until the May meeting.

April 2, 2009:

It was suggested that the minutes include the number of appeals of the tax assessments to date and the number of adjustments. Martha Banks made a motion to approve the minutes as amended and the motion was seconded and approved 6-0.

April 14, 2009:

it was suggested that the minutes include language indicating the Board of Finance tested various scenarios using the Excel model prepared by Kate Buch. Jon Zagrodzky made a motion to approve the minutes as amended and the motion was seconded. It was approved by a vote of 6-0.

April 16, 2009:

Lorene Bora made a motion to approve the minutes. The motion was seconded and approved 6-0.

NEW BUSINESS

Murry Stegelmann requested a motion to move to new business. The motion was made by Lorene Bora, was seconded and approved 6-0.

Following discussion about the setting of the First Selectwoman's (or First Selectman's) salary for the terms commencing after next fall's election, it was proposed that there be no increase for the first year of the term, but an increase in the second year. Accordingly, Liz Mao made a motion to set the salary level at \$80,000 for the first year of the new term and \$85,000 for the second year. The motion was seconded and approved by a vote of 5-1 (Jon Zagrodzky voting against the motion.)

RESOLUTION TO APPROPRIATE \$50,000,000

Liz Mao made a motion to recommend the Sewer Resolution as amended. The motion was seconded and approved 6-0.

Bruce Orr requested that the Board of Finance send a representative to the RTM's Finance and Budget meeting on Thursday, April 28th. Jon Zagrodzky and Liz Mao agreed to volunteer.

There being no other business, Chairman Stegelmann called for a motion to adjourn. Liz Mao made a motion to adjourn the meeting. The motion was seconded and approved 6-0.

Respectfully submitted,
Elizabeth Smith Mao, Clerk