

**MINUTES
REPRESENTATIVE TOWN MEETING
STATE OF THE TOWN MEETING
DECEMBER 7, 2015**

**RECEIVED
DEC 10 2015
TOWN CLERK'S OFFICE
DARIEN CT.**

CALL TO ORDER

The Regular State of the Town Meeting was called to order at 8:05 p.m. by Donna Rajczewski, Town Clerk.

Upon Roll Call, the following members were present:

From District I, there were 6 members present, 8 absent.
From District II, there were 6 members present, 4 absent.
From District III, there were 9 members present, 7 absent.
From District IV, there were 11 members present, 4 absent.
From District V, there were 13 members present, 3 absent.
From District VI, there were 13 members present, 3 absent.

The absentees from District I were: Buchesky, Butler, Conze, Dweck, Ezbiansky, Hayes, Schneider, van der Kieft.

The absentees from District II were: Bacon, Finn, McNally, Sawitsky.

The absentees from District III were: Cardone, Coyle, Coyle Downs, Hageny, Hegarty, Hite, Schulz-Amatruda.

The absentees from District IV were: Haidinger, Hardison, Morrison, Peters.

The absentees from District V were: Bayne, Boulton, Fead.

The absentees from District VI were: Cantavero, McDermott, Natale.

The Moderator, Sarah Seelye, assumed the Chair.

ACCEPTANCE OF THE AGENDA

**** THE AGENDA WAS ACCEPTED BY UNIVERSAL CONSENT.**

APPROVAL OF THE MINUTES OF THE NOVEMBER 9, 2015 ANNUAL MEETING

**** THE MINUTES WERE ACCEPTED BY UNIVERSAL CONSENT.**

ANNOUNCEMENTS

The Moderator welcomed everyone who had attended the meeting and everyone watching on Channel 79. She also welcomed the members of Boy Scout Troop 53, who are working on their Citizenship in the Community badge.

The Moderator introduced Olive Hauser, Director of Human Services, who asked everyone to let her know of any people in the community who need their help. She also noted the "Giving Tree" in the lobby and asked for assistance in filling it.

STATE OF THE TOWN REPORTS

CHAIR, PLANNING & ZONING COMMISSION

Susan Cameron , Chair, read the Commission report (attached).

CHAIR, BOARD OF EDUCATION

Michael Harman, Chair, read the report of the Board of Education (attached).

CHAIR, BOARD OF FINANCE

John Zagrodzky, Chair, read the Board report (attached).

FIRST SELECTMAN

First Selectman Jayme Stevenson read the report of the Board of Selectmen (attached).

**** UPON MOTION MADE AND SECONDED FROM THE FLOOR, IT WAS UNANIMOUSLY VOTED TO ADJOURN AT 9:05 P.M.**

Respectfully submitted,

Cheryl Telesco Blois
Telesco Secretarial Services

STATE OF THE TOWN ADDRESS
SUSAN CAMERON, CHAIRMAN
DARIEN PLANNING AND ZONING COMMISSION
DECEMBER 7, 2015

Good evening Madame Moderator, Members of the RTM, other elected and appointed officials, and people of Darien. I am pleased to be here this evening to give this annual State of the Town address.

This year was an election year for Planning & Zoning, but the commission did not change. The commission members remain myself, Steve Olvany, Vice Chair, Eric Voigt, Secretary, Kevin Cunningham, Dick Didonna and John Sini.

Throughout 2015 Planning & Zoning has been working diligently on updating the Town's Plan of Conservation and Development. This is a process which began in October of 2014. The Town Plan is an important guidance document for decisions by P&Z, the Board of Selectman and other Town boards and commissions. It is required to be updated every 10 years by State Statute. The Statutory goal for adoption of this update is June 30, 2016.

P&Z has been working with Glenn Chalder of Planimetrics on updating the Town Plan. He delivered the first draft to us before Thanksgiving, and we will begin discussion of it tomorrow night at 8 pm in Room 206.

The draft is available on the town website. In fact, with many thanks to Jeremy Ginsberg, our Planning & Zoning Director, as well as TV 79, all materials received relating to updating the plan, as well as videos of meetings, are available on the town website. The specific website address is darienct.gov/townplanupdate. You will also find a link on the Town home page.

We have started putting together the schedule of remaining meetings relating to adoption of the Town Plan. The conceptual schedule is available online. Some key dates are:

February 9, 2016 when we will hold a public information meeting.

April 5th or 12th, when we will finalize the document and schedule a public hearing. This will begin the 65 day waiting period.

Then, in early June, we will hold one or more hearings with the goal of having the Town Plan adopted by June 30th.

In addition to Planning & Zoning's scheduled meetings, we anticipate a presentation before the Board of Selectmen, as well as a presentation to members of the RTM. The League of Women Voters has also offered to host a public information session at the Darien Library utilizing some of the Library's innovative technology.

As you read through the Town Plan, you will see it contains policies and action steps to help realize the vision for Darien. Following the adoption of the Plan, we anticipate an Implementation Committee will be formed to help with this process.

In addition to finalizing the Town Plan, in 2016 Planning & Zoning will see applications for unprecedented redevelopment in commercial areas of Town. We have already been given a first look at proposals for five substantial projects.

First, there is a proposal for a complete redevelopment of the downtown block anchored by the Post Office, the Corbin building and the Bank of America building back to I-95. This project proposes a mix of retail, office and residential. It also includes a large green public space.

Second and third, we have seen preliminary plans for the redevelopment of the commercial area along Heights Road from owners on the east and west ends of the street. These developments propose a mix of retail and residential, with the possibility of some office and include some outdoor public spaces.

Links to these three proposals are on the Town home page as well as links to the TV 79 broadcast of the meetings on Vimeo.

Fourth, P&Z recently received an informal look at a self-storage facility proposed for the Duhaime property, which is the strip between I-95 and Avalon. This property is currently zoned for residential use, but a study of the property has revealed that access to a sewer line may not be viable. A self-storage facility would be a new use in Darien.

Last but not least, the Housing Authority has presented a preliminary proposal to tear down and replace Old Town Hall Homes located at 719 Post Road. The existing buildings were built in the 1980's and contain 30 units, mostly efficiencies. The new proposal is for 55 units – 53 of which will be one bedroom

and two of which will have two bedrooms. The developer chosen by the Housing Authority for this project is the same group who redeveloped Allen-O'Neill.

The new building should be a huge improvement for the residents, most particularly in my mind as they will have indoor elevators to get to upper floors rather than walking up stairs attached to the outside of the buildings. I know the residents are concerned about being displaced during construction. I have been assured that the Housing Authority will work diligently to accommodate them during this period as best as they can.

The Kensett II proposal received a lot of attention from P&Z this past year, but in the end I believe a very good project was approved resulting in a small expansion of the Kensett development to properties at the end of Wakemore Street.

While only two affordable units were required, the developer offered to provide three affordable housing units offsite in an existing multi-family house on Hoyt Street. Once the deed restrictions are in place, these units will give Darien the 4-1/2 points needed to apply for a second moratorium in 2016.

The senior housing project at the old Knobel Brothers property on Settlers Trail is moving along. This project will provide much needed senior housing as well as additional affordable housing units for the Town. Importantly, it also corrects a very poor sight line at the intersection of Settler's Trail and Locust Hill.

In addition to reviewing the commercial regulations, including signage in 2016, P&Z remains committed to reviewing our existing zoning regulations in residential areas as well with an eye toward limiting the massing of structures, particularly on the smaller lots by adding total developed site area or floor area ratio to our existing regulations.

In closing, I want to thank my fellow commissioners for their time and dedication. I also want to thank our brilliant Planning & Zoning staff who keep things running so smoothly not only for P&Z but for our other land use boards - ZBA, EPC and ARB.

Thank you.

2015 State of the Town - Board of Education Report

Good Evening, Madame Moderator, members of the RTM, fellow elected officials and the Town of Darien. I rise to speak to you as the new Chairman of the Board of Education and on behalf of my colleagues on the Darien Board of Education (BOE); I welcome the opportunity to update our community on the changes that have been taking place in the past year, in the Darien Public Schools.

At the end of the past school year, the District transitioned leadership from Interim Superintendent Dr. Lynne Pierson to our new Superintendent, Dr. Dan Brenner. Dr. Brenner comes to our district from the Roslyn Public Schools in New York, where he was Superintendent of Schools since 2009. Dr. Brenner is an honors graduate of Tufts University, and earned both his Master's degree and Ph.D. from Hofstra University.

Dr. Brenner arrived in Roslyn in July of 2005 as the Assistant Superintendent of Curriculum, Instruction and Technology shortly after a terrible scandal over financial matters. Together with his team, Dr. Brenner successfully regained the trust of the community while building academic programs, rehabilitating neglected buildings, facilitating the passage of school budgets that supported creative educational initiatives and working collaboratively with the Board of Education and the entire school community.

In short order, the transition continued with the District also hiring the following permanent Central Office administrative employees:

- Ms. Shirley Klein, Assistant Superintendent of Special Education and Student Services
- Ms. Marjorie Cion, Director of Human Resources
- Dr. Susie Da Silva, Assistant Superintendent of Curriculum and Instruction
- And most recently, Dr. Scott McCarthy, Program Director, K-12, Special Education and Student Services (SESS)

Even though the new Administration has been in the District for just a few months, I would like to take this opportunity to highlight what has been accomplished by building on the foundation that our Interim administrators had put in place.

The most logical place to start is **Community Relationships**, an area that in times of transition never can get enough attention. Our new Superintendent has sought to enhance the relationships with local governments and entities, and has

probably met with most town and school organizations at least once. The Administration has embraced a dialogue with the parents through Curriculum newsletters, information sessions, the News of the Week e-mail blasts (which highlight school activities), and the new district website with its increased presence including more pictures, and even including a "Whom Do I Contact?" flow chart.

Lest we forget, the Board of Education's first focus is excellence in our educational system for the children of Darien and the Administration is unwavering in its commitment to all of our students' academic, social and behavioral success.

Special Education has been a major area of discussion this past year, and the cadence of improvements has continued through this transition with little interruption. From a financial side, there has been heightened accountability for excess cost students. The District is continuing to move beyond compliance and focusing on BEST practices: costs are to be accurately reflected in our budget, and how costs are allocated can easily be tracked by student and service in part with the use of EasyTrac software. But a more fundamental change has been the focus on increasing communications: weekly calls are made to homes at the secondary level from case managers and/or administrators, an increased emphasis on structure of PPT's, and just as important a significant increase in Professional Development, or PD, for all staff members involved in the PPT process. A key tenet for the Administration is the importance of PD, and moving beyond the consideration of PD as a nice to have, but understanding it is an investment in the future of the District.

Just as critical as PD is the concept of planning, implementing and monitoring new programs. At the High School, the Administration is evaluating new ways for the delivery of 200/300/400 level classes. Team teaching and Lab classes that support ELA, Math and Social Studies are being piloted and the results will be used to develop future options to improve the efficiency and efficacy of instructional methods.

Special Education and General Education cannot be viewed as two distinct programs, but need to complement each other, and a key link in that effort has been reinvigorating **SRBI** (scientifically research-based interventions). SRBI is a tiered intervention program in our General Education classes: from Tier 1 (classroom level, differentiated instruction with progress monitoring), to Tier 2 (support level program with increased level of frequency, and smaller teacher to student ratio) to Tier 3 (support level instruction with increased frequency, and

reduced ratio of teacher to student). The program requires processes and protocols to ensure consistency across schools and the district, and PD is being used to develop and support the SRBI structure.

In **General Education**, the Administration is rolling out of a normed universal screener across K-8 in reading and math to allow short snapshot tests for quick assessments. The Administration has restructured the positions of Math and Literacy Coordinators, raising these to an administrative level, and giving them supervisory and evaluator responsibility to build the capacity of the district's math and reading interventionists, with responsibility to build and support curriculum across K-5, and plan the required PD.

Common core and alignment to Common Core Content Standards (CCCS) have been an ongoing major focus of the District's curriculum review. The reading/writing units of study are aligned to CCCS, and Teachers College, Columbia University PD has been increased. However, now Administrators are a part of the work through Principal Academies at Teachers College. The Mathematics program review is in place and the Administration is building up our teachers' capacity and ownership of math practices and curriculum. A basic goal is to achieve coordination among grade levels across all domains.

With regard to **Technology**, the new Smarter Balance Assessment Consortium (SBAC) test administration for Grades 3 through 8, and 11th was a success both in the administration of the new electronic test format as well as the results that our students achieved. One of the proposed Budget Initiatives that the Superintendent has already revealed is a greater integration of Technology into the curriculum and teaching that takes place in the classrooms. The Vision would be for Darien to become a 1:1 school district, grades 5-12 over the next 3 years. It would include optimizing the use of Chromebooks (which the district was required to use for SBAC testing) and to create a sustainable model where teachers lead PD. If the District wants to develop 21st century skills, those must include technology and digital citizenship.

The District still faces a number of challenges but I want to highlight a particular concern regarding **Facilities**. The official October 1, 2015 enrollment, including the ELP Pre-Kindergarten program, was 4,847 students, a decrease of 52 students this year; but for 2016-17, the current projection has another increase of 10 students. However, total enrollment does not tell the whole story. Elementary classroom capacity remains an issue, with the number of sections at our elementary schools at the current level of 117. In 2016, Middlesex Middle School

(MMS) is forecast to see a slight enrollment decrease to 1,147, but Darien High School (DHS) is again facing classroom space concerns as enrollment moves closer to the maximum building capacity of 1,400 students, a number which is forecasted to be exceeded in 2018.

Back in September 2014, the Board engaged Milone and MacBroom to conduct a School Facility Utilization Plan to determine the existing and future facility needs of the District. The study included a thorough analysis of our enrollment projections, taking into account the declining in-town birth rate, an increasing move-in rate, and the redevelopment of properties such as Kensett and Noroton Heights. This analysis helped to give the previous persistence-based projections more robustness; but in the short-time since that study, several new developments that have the potential to impact the student population have been mentioned. The follow-up study regarding facility utilization raised classroom concerns at the elementary schools, team structure limitation at MMS, current cafeteria capacity constraints and future classroom requirements at DHS. At present, the District has very limited capacity to accommodate any future growth, without attempting to address either elementary class size policy or use of aging portables. The final presentation of the study including any suggested course of action and indicative costs was to be presented at tomorrow's Board of Education meeting but has now been postponed to January. However, all indications are that any recommended course of action could entail some type of facilities project and/or significant capital expenditure.

The Board of Education thanks the RTM and our community for supporting our school budget every year. The Administration was successful in implementing a new zero-based budgeting philosophy last year, and this year's Superintendent's Budget will build on the experience gained. However, there will be a change in the BoE Budget Calendar this year; the budget season will start on January 5th but instead of meeting on weekday evenings throughout January, the Board will review the full budget book on Saturday, January 9th (snow-date Jan 23) including a discussion of all RCs and Q&A sessions. The Darien Board of Education invites all RTM members and elected officials to join us at 35 Leroy to hear first-hand our school district leaders explain their financial requests for the 2016-2017 school year. The Board of Education hopes the community shares our commitment to support what we value.

On behalf of the Board of Education, we would like to thank and acknowledge a number of people:

The Board extends a special thanks to all our parents, volunteers, and donors who contribute so much to our children and to our schools. As we have moved through this last year, the support of our community, the RTM and Town officials have helped the District continue to move in a positive direction. The Board would like to thank the staff at our schools and our Central office. We entrust our children to them every day and we need to acknowledge the outstanding job they do in educating the young people of Darien. We want to express our deepest gratitude to Dr. Lynne Pierson, our former interim superintendent, who helped revitalize our schools and staff during a trying period and helped set the stage for our new Administration.

We would like to acknowledge the Darien Athletic Foundation. The completion of the Center Oval at Darien High School has been an iconic addition to the campus, and the new Upper Oval turf field and Lower Oval grass fields are significant additions to support both High School and Youth Athletics. The Board thanks the DAF for their generosity and hopes to continue the successful partnership with the Administration.

Personally, I want to thank my fellow Board members: Vice Chair, Mrs. Betsy Hagerty-Ross, Secretary, Mrs. Sarah Schneider-Zuro, Mr. Michael Burke, Mr. David Dineen, Mr. Dave Martens, Mrs. Christa McNamara, Mrs. Katie Stein, and Mrs. Callie Sullivan. It is a privilege to work with this group of volunteers. This Board has been challenged over the past two years but continues to have the well-being and education of Darien's children at the heart of every decision it makes.

To the parents of all Darien Public School children: the Board of Education and the administrative team are making significant strides to move the district forward. One of the goals of our Board of Education and our Administrative team is excellence in our educational system for the children of Darien. Our schools exist for our children and the Board expects everyone involved to have our children's best interests at the forefront of their minds.

Finally, on behalf of the Darien Board of Education, we wish you and your families a joyous holiday season, and a healthy and prosperous New Year.

Michael A. Harman
Chairman
Darien Board of Education
RTM State of the Town Meeting
December 7, 2015

STATE OF THE TOWN ADDRESS
DARIEN BOARD OF FINANCE
JON ZAGRODZKY, CHAIRMAN
MONDAY, DECEMBER 7, 2015

Good evening. My name is Jon Zagrodzky, and I'm the new chairman of the Board of Finance. I'm glad to have the opportunity tonight to offer a few perspectives relevant to the town's finances.

Before doing this, however, I wanted to recognize a few individuals:

- First, congratulations to Kate Buch, who was recently promoted from Director of Finance to Town Administrator. Words can't describe how grateful I am to Kate for her work during the years I've been on the Board. She is the complete professional – dedicated, highly experienced, extremely competent. I'd also like to welcome Jennifer Charneski, our new Director of Finance. She was very impressive during the interview process, and we're looking forward to working with her.
- Second, congratulations to Jim Palen, newly elected to the Board of Finance. He was a long-time member of the RTM, and chair of F&B, so I know he's going to make a fine addition to our Board. Jim, thanks for signing up. I'm sure you'd still rather be chairing the RTC, so I appreciate making the sacrifice to join our Board!
- Finally, I'd like to personally thank our former chairman, Liz Mao. The Darien Times is not known for having headlines in the spirit of the New York Post, but they came close when after she took on the role five years ago, they announced her as Chairman Mao. Anyway, I can tell you that Liz worked tirelessly in this job, often behind the scenes, on all kinds of issues, many of them complicated or contentious. She's terrific, and I sincerely hope she will find another way to continue serving the town.

Let me start off with a couple of comments about last year. It was a tough year for taxes – we had budgeted a mill rate increase of 5.8%, which was really high. Fortunately, we ended the year on June 30th with better-than-expected results. Tax collections were higher, driven in part by the aggressive efforts of Kathy Larkins, our tax collector, who was able to bring in nearly \$1.6 million in uncollected taxes, interest and liens from prior years. This was offset by a \$146,000 reduction in our education cost sharing grant, which is what the State decided to deduct as a result of the problems with Special Education excess cost reimbursements. On the expense side, costs were lower than expected by about \$850,000, so in all, fiscal year 2015 ended up much better than we had feared.

Our current fiscal year started off on a good note, with a mill rate increase of just 2.3%. Contributing factors included lower debt service, which was the result of our continued efforts to refinance debt at lower rates. Actually, we've refinanced nearly \$64 million over the last five years, with a savings net present value of nearly \$5.5 million. This has all been great, but unfortunately, the well may be dry now – nearly all of our debt is low cost, which means there aren't many more such savings opportunities.

As for the budget overall, it remains on track this year. We're not seeing any materially adverse trends, although the potential for higher legal and education expenses is always out there.

I did want to highlight one change we made this year regarding pensions. In addition to my Board of Finance role, I also serve on the town and police pension boards. Many of you know that a key driver of the pension underfunding crisis in the United States is that many pensions have an unrealistically high rate of return assumption on their investments, which means that less can be contributed out of current spending to support future pension liabilities. A common return assumption is 7.5%, which is what we used until recently.

The pension boards undertook an effort with outside experts to review all this. Based on their professional recommendations, we reduced our return assumption to 6.5%. This change, along with other updates, will help ensure that we fund our pension obligations in the most prudent manner possible. Rest assured that our pension assets remain well-managed, with no investments in volatile emerging markets or risky alternatives like hedge funds. In addition, we never short the recommended annual contributions, as many towns under financial pressure have done, so our funding levels remain healthy.

I did want to talk briefly about the five-year forecast, which has been distributed to you. In terms of major capital expenditures, this forecast includes about \$9 million for school expansions and \$4 million for the Town garage. But it does not include other prospective projects, like plans for Weed Beach following the Short Lane acquisition or a renovation of Pear Tree Point Beach, both of which I understand the Parks and Recreation Commission is considering. Nor does it contemplate some of the broader school

facility expansion that Michael Harman just mentioned. The good news is that our debt is dropping – it's about \$70 million now, but we're looking at \$35 million in five years. So, we'll have the debt capacity we need to support these projects.

The forecast also includes preliminary spending increases for next year, which show 3.6% for the Town, 2.2% for debt service and 4.4% for the Board of Education, for a mill rate increase of 3.5%. These are all placeholders at the moment, as we have not begun our budget process, which by the way we hope to streamline and coordinate ever further than we've done recently. But the increase overall certainly looks to be higher than last year.

Looking ahead, I'd like to talk about some things that might help us financially over the long-term.

We have a lot of arguments about local government. Spending, capital projects, taxes – nothing is safe from heated debate or pointed editorials. But the reality is that Darien is a rich Fairfield County town. We're not going to under-invest in schools, we're not going to neglect our roads or infrastructure, and we're not going put up with sub-standard town facilities or parks. When you combine all this with strong unions and state-mandated spending, it means that there's not a whole lot we can do, or really would want to do, to bend the government cost curve in a material way.

Which begs the question: what financial goals should we aspire to?

We're always going to be in the top tier when it comes to spending and investment, so I think our goal should be figure out how we can be the most cost-effective town within that top tier. My sense is that there are a few themes, if we focus on them consistently, that will help us accomplish this over the long term.

The first has to do with capital projects.

Walk into either of our two newest schools, and you can't help but be impressed. Really terrific. But today, as Mr. Harman indicated, we're faced with overcrowding at both schools. The high school is barely 10 years old, and already we've spent more than \$100,000 creating new classroom space, and we're not done. I'm told that Tokeneke has similar problems, made worse by the fact that classrooms, the cafeteria and the gym are all too small. It's even more frustrating when you consider that the projects combined cost the town nearly \$100 million. For that amount of money, we should not be having these problems.

Why did this happen? Quite simply, we focused on costs and value-engineering, but we didn't do enough to make sure we wouldn't end up with inadequate capacity.

Another example: the Shuffle incurred some major cost overruns when a key contractor and the performance bond that guaranteed his work both failed.

Why did this happen? State law requires that we select the lowest bid on projects like this. So again we focused on costs, but we didn't do enough to make sure our process excluded potentially weak bidders.

I don't mean to be critical of these efforts – many dedicated professionals and talented volunteers devoted their time to them. But if we aspire to be the most cost effective top-tier town, we have to get better at delivering major capital projects. People should say then it comes to capital projects, no one manages them better than Darien.

The second theme has to do with staffing.

We took a look at the long-term costs of two hypothetical employees, one new police officer and another new union employee, making \$63,000 and \$56,000 respectively. Assuming they stayed 20 years, and including healthcare, pension contributions and wage increases, what do you think these two employees combined would cost over this time period? Believe it not – and I looked at the math a few times – more than \$7.5 million. I realize that this is over a long time – but it's still a huge number.

We need to pay to attract and retain top talent, particularly given the high cost of living in this area – I get that. But when it comes to *adding* talent, we should hold such decisions to a very high standard. To put it in perspective, we argued endlessly about the Shuffle, which will cost us more than \$7 million over the time period we financed it. Adding just two employees costs about as much – shouldn't we debate hiring decisions like this just as vigorously as we did the Shuffle? People should say that when it comes to staffing levels, no one manages them better than Darien.

A third theme: retirement benefits.

In August this year, the Yankee Institute issued a report about municipal spending. One point they made is that Darien has done a good job in managing post-retirement costs relative to other towns. For example, we have 125 taxpayers supporting each retired worker, but Westport has just 63. The report attributes this to more generous retirement eligibility in Westport, which certainly has

been costly for them. So, we should continue to keep a sharp eye on the liabilities associated with pensions and other retirement benefits. People should say that when it comes to retiree liabilities, no one manages them better than Darien.

A final theme: shared services.

I realize that the Town and the Schools are separate entities. It should and must always be the case that education is overseen by the Board of Education without interference – I can assure you that the Board of Finance gets this completely now. But we have to ask ourselves whether it makes sense that things unrelated to education like employee benefits, building maintenance and even lawn care must also be managed and staffed separately. We have already had some good results in exploring shared services under the leadership of Frank Huck and others, but I think there are a lot of savings opportunities where agreement has yet to be reached. People should say that when it comes to shared services, no one manages them better than Darien.

In summary, we are privileged to live in a town like this. We'll never be low cost, but with persistent focus over the long-term on just a few themes that matter – capital projects, staffing levels, retiree liabilities and shared services – we should be able to remain more cost effective than any of our peers.

Before I close, I want to offer one more thought.

The state's deteriorated financial condition has reached truly alarming proportions. According to an editorial from the Norwalk Hour that Terri Wood forwarded around this weekend, Connecticut has the highest per capita debt of any state. It has the third highest state and local tax burden, with the two highest tax increases in state history having been passed just since 2011. We have the third worst funded state pension program.

I'm not saying any of this to score a partisan point. Frankly, both parties have had a hand in our current situation, and over a long period of time. And the difficulties we face are really complicated. But it seems to me that solution development is unbalanced – and the evidence for this is all around us. Important groups, like many affluent taxpayers and businesses employing people in well-paying jobs, have quit Connecticut. They're departing at a fast clip, and they're taking leadership, opportunity and tax dollars with them.

What can we do? To the extent you haven't done so, I would urge you to pay attention to what's going on in Hartford. Get as much information as you can. Get involved where it makes sense. Don't give up on Connecticut like others have – help our state office holders with your best ideas. Help them find balanced solutions that work for Connecticut – and for Darien. And call them to account when they don't deliver. To motivate your involvement, let me offer this: what's going on in Hartford has the potential to significantly affect our town's finances, swamping everything we've done to carefully manage our affairs, and without actually resolving the problems I've mentioned.

Now, I don't want to end on depressing note! There are countless positive things going on here, and we should be thankful and happy. I'm hopeful that our esteemed First Selectman's address will be overflowing with mirth and merriment so that we all can leave on a high note.

That's all I have to say. I appreciate your attention, and I look forward to working with everyone here.

Happy Holidays. JZ

Town of Darien

Five-Year Financial Forecast 2017-2021

Assumptions

Note - This is a forecast. It is not the adopted budget. It is provided for financial planning purposes only.

1. The general rate of inflation is expected to be approximately 2.2% over the term of the forecast. Personnel costs are projected to increase at a rate of 2.5%, based on current contracts. As of June 30, 2015 there were about 140 Town employees and 790 Board of Education full time employees.
2. Medical insurance rates are projected to increase for the Board of Selectmen from 8% to 10% over the period covered by this forecast. Liability insurance costs are projected to increase 10% in the next year but then increase at a lesser rate over the remainder of the five years.
3. The Grand List is projected to have modest growth over the period covered by this forecast. The estimated Adjusted Grand List assumes a property tax collection rate of 98.9%.
4. Sewer bonds issued will be repaid by an assessment levied on the benefiting property owners. The Sewer Operating and Sewer Assessment Funds transfer money to the General Fund each year, shown in the forecast as income item labeled Transfers-In, representing repayment of debt that was incurred by the General Fund on their behalf.
5. The forecast reflects \$13 million in bonding for the anticipated elementary school expansion projects and drainage projects. The forecast assumes these bonds will be 20 year bonds with level principal payments, issued at a rate of 3.85-4.35%.
6. General Fund Fund Balance may be adjusted from year to year to help level tax rate increases or to maintain reserves in accordance with the fund balance policy adopted by the Board of Finance. This forecast projects that the Fund Balance will decrease from \$16.3 million to \$16.1 million at the end of the five-year period.
7. Post-retirement benefit plan contributions are expected to increase 6.7% per year.
8. For purposes of this forecast, projected capital expenditures are based on the Board of Selectmen capital forecast date 02/15 and Board of Education capital forecasts dated 02/15. Some projects, not identified individually, are deferred to later years in this forecast.

Exhibit B

Town of Darien, Connecticut
Five Year Financial Forecast
Expenditures & Transfers (000's)

Expenditures & Transfers	Actual	Budget		Projections				
	14/15	15/16	16/17	17/18	18/19	19/20	20/21	
Board of Selectmen Operating	\$ 23,632	\$ 24,543	\$ 25,120	\$ 25,710	\$ 26,314	\$ 26,933	\$ 27,566	
Town Energy Exp.	720	753	791	830	872	915	961	
Pension & Police Retiree Medical	2,089	1,761	1,879	2,005	2,139	2,283	2,435	
Town Prop & Liability Insurance	422	456	502	527	553	581	610	
Town Workers' Comp	625	718	826	888	932	969	1,008	
Town Medical & Dental (note 2)	2,658	2,975	3,213	3,470	3,748	4,085	4,493	
Total Operating	30,146	31,206	32,330	33,429	34,558	35,765	37,073	
		3.5%	3.6%	3.4%	3.4%	3.5%	3.7%	
% increase								
Debt Service (notes 4-6)								
Existing:								
Schools	7,423	7,025	7,683	7,210	6,432	5,760	5,271	
Town	3,351	3,589	3,059	3,521	3,273	3,199	3,078	
Sewers	708	686	804	819	700	705	778	
New:								
new debt 1					443	807	788	
new debt 2				39	220	358	349	
Total Debt Service	11,482	11,300	11,546	11,589	11,068	10,829	10,264	
% increase		-1.6%	2.2%	0.4%	-4.5%	-2.2%	-5.2%	
Total Board of Selectmen	41,628	42,506	43,876	45,018	45,626	46,594	47,337	
% increase		2.1%	3.2%	2.6%	1.3%	2.1%	1.6%	
Board of Education	88,089	90,723	94,711	99,122	103,710	108,570	113,836	
Total Board of Education	88,089	90,723	94,711	99,122	103,710	108,570	113,836	
% increase		3.0%	4.4%	4.7%	4.6%	4.7%	4.9%	
Transfers to RFCNRE /Other Capital	3,742	4,249	3,500	3,600	3,700	3,800	3,800	
TOTAL EXPENDITURES	\$ 133,459	\$137,478	\$ 142,087	\$ 147,740	\$ 153,036	\$ 158,964	\$ 164,973	
		3.0%	3.4%	4.0%	3.6%	3.9%	3.8%	
Estimated Outstanding Bonded Debt as of 06/30	77,430	68,711	59,432	56,536	53,154	44,087	35,225	
	14/15	15/16	16/17	17/18	18/19	19/20	20/21	

Exhibit C

Town of Darien, Connecticut
 Five Year Financial Forecast
 Revenues & Transfers
 (000's)

Revenues & Transfers In	Actual	Budget	Projections				
	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Licenses & Permits	3,698	3,408	3,400	3,434	3,468	3,503	3,538
Intergovernmental	2,810	2,544	2,340	2,340	2,340	2,340	2,340
Charges for Services	1,599	1,563	1,594	1,626	1,675	1,725	1,777
Fines & Forfeits	23	24	24	24	25	25	26
Investment Income	129	100	100	110	125	150	175
Miscellaneous	423	352	356	359	363	366	370
Transfers In	638	639	804	819	700	705	778
Appropriated Fund Balance		1,100		150			
Total Revenue & Transfers In	9,320	9,730	8,618	8,862	8,696	8,814	9,004
Prior Years' Property Taxes	522	600	600	618	637	656	675
Interest and Lien Fees	524	400	400	412	424	437	450
Supplemental Taxes	-	450	450	464	477	492	506
Telecommunications Property Tax	58	70	70	70	72	74	76
Total Supplemental Taxes	1,104	1,520	1,520	1,564	1,610	1,659	1,708
Total Income Before Current Property Taxes	10,424	11,250	10,138	10,426	10,306	10,473	10,712
Current Property Taxes	115,534	121,844	131,949	137,315	142,729	148,491	154,261
TOTAL INCOME	\$ 125,958	\$ 133,094	\$ 142,087	\$ 147,740	\$ 153,036	\$ 158,964	\$ 164,973
Adjusted Grand List (note 3)	8,120,985	8,225,210	8,307,775	8,391,165	8,475,391	8,560,459	8,646,379
Mill Rate	15.01	15.35	15.88	16.36	16.84	17.35	17.84
% Increase			3.47%	3.03%	2.91%	3.00%	2.85%
Available General Fund Fund Balance as % of Revenues	17,710	16,310	16,310	16,160	16,160	16,160	16,160
		12.9%	12.3%	11.4%	10.9%	10.6%	10.2%

Exhibit D

Town of Darien, Connecticut
 Five Year Financial Forecast
 Board of Selectmen and Board of Education
 Capital Projects Schedule
 (000's)

	Budget Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Total
Per Selectmen's Six Year Projection	2,207	5,505	3,628	2,439	2,202	1,730	17,711
Per Board of Ed Projection	2,065	102	376	1,351	565	856	5,315
(Deferred)/Reinstated Projects		(2,083)	(380)	(65)	1,058	1,240	(230)
Total Capital Projects	4,272	3,524	3,624	3,725	3,825	3,826	22,796
Capital Costs Applied for Funding:							
Reserve Fund for Capital Exps.	4,272	3,524	3,624	3,725	3,825	3,826	22,796
Total	4,272	3,524	3,624	3,725	3,825	3,826	22,796

Note: for FY 16 - the BOE estimate is from FY 15 budget and includes the FY 15 projects that did not get put forward by the BOE for FY 15. The Selectmen's estimate is from the Selectmen's 6 year plan.

Exhibit E

Town of Darien, Connecticut
 Five Year Financial Forecast
 Capital & Non-Recurring Expenditure Fund
 (000's)

	Budget Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020
Beginning Available Capital Balance	-	-	-	-	-	-
Capital Added (A)	4,249	3,500	3,600	3,700	3,800	3,800
Other Transfer	-					
Interest Income	1	2	2	3	3	4
Inter Governmental	-					
Bond Proceeds	-					
Miscellaneous	22	22	22	22	22	22
Ending Available Capital Balance	4,272	3,524	3,624	3,725	3,825	3,826
Appropriations	(4,272)	(3,524)	(3,624)	(3,725)	(3,825)	(3,826)
Undesignated Balance	-	-	-	-	-	-

(A) Transfer from the General Fund.

State of the Town Address
Jayme Stevenson, First Selectman
December 7, 2015

Good evening Madame Moderator, RTM members, fellow elected officials and folks watching from home. It's an honor to be here again this year. On behalf of my fellow Selectmen Susan Marks and our new teammates, Kip Koons, Marc Thorne and Rob Richards, we're looking forward to working with you in 2016.

I'm delighted to extend an official welcome this evening to our new Superintendent of Schools, Dr. Dan Brenner. We're very pleased you've joined our team and we take great comfort in the expertise you bring to help shepherd us through continued improvements in Special Education and our school facilities puzzle. The Board of Selectmen is here to partner with you and the Board of Education to insure our public school system has the infrastructure necessary to maintain excellence in our public education system. Personally and as a town leader, I'd like to see us move the ball – pun intended – on bringing lights to Darien High School.

On behalf of my board and the town, I want to express my deepest gratitude to Former Selectmen Jerry Nielsen, Kip Hall and Reilly Tierney as well as former Board of Finance Chair Liz Mao for your years of dedicated service to the town. Thanks to Jim Cameron and Dave Deever our former colleagues can stay engaged from home through Vimeo on-demand video service.

2015 has been another very productive and dynamic year but I first want to address a topic on the top of our minds - public safety and the threat of acts of terrorism here at home. Our country is struggling to find our footing in response to acts of violence that stem from hatred completely foreign to our American value system. Not since Pearl Harbor and 9/11 have we felt this vulnerable. Our new normal is that state and local law enforcement officials are now specially trained, equipped and routinely collaborate to protect us and prepare for events we pray will never occur. As a community, we can do our part by staying vigilant, staying rational and supporting our law enforcement professionals. In the words of FDR 74 years ago, "No matter how long it may take us to overcome this premeditated invasion, the American people in their righteous might will win through to absolute victory." Let's hold on to that thought.

Since last we met, along with 81 appointments to boards and commissions, the Board of Selectmen has welcomed several outstanding new management professionals. With Karl Kilduff's departure, we seized the opportunity to promote Kate Buch to Town Administrator. Kate's long and exemplary tenure as Finance Director and her in-depth understanding of our organization have made the transition seamless. I'm very pleased to announce that, Jennifer Charneski officially joined our team today as Finance Director. Jennifer comes to Darien with a Master's Degree in Public Affairs and 13 years of local government experience. Most recently Jennifer served as Budget Director and Comptroller for the Town of New Canaan. Jennifer, welcome to the Home of the Blue Wave!

The Board of Selectmen also welcomed Mr. Lee Palmer as our new Human Resources Director. In his short time here, Lee has settled 3 union contracts, updated key policy documents and is in the process of developing a new employee review system. Lee's 30 years of experience in Human Resources and Labor Relations for local, state and educational systems is a great benefit to our town.

We also welcomed Ms. Pam Gery as Director of Parks and Recreation. Many of you have already met Pam and will, I'm sure, agree that with her 19 years of experience, energy and enthusiasm for our parks and our recreation programs she is a great new member of our management team. Pam's experience is already proving to be a big asset as the Commission develops new plans for the Short Lane parcel at Weed Beach. If you haven't already taken the Weed Beach Expansion Survey, please take a few minutes to do so. You can find the survey on the home page of the Town of Darien website.

Project highlights from 2015 include the collaborative work on the 10-year update to the Town Plan of Conservation and Development. I want to thank Chairman Susan Cameron, her Commission, Planning and Zoning Staff as well as consultant Glenn Chalder from Planimetrics for the inclusive, comprehensive and transparent update process. Tomorrow night begins the final draft review process. I encourage everyone to stay engaged as the Town Plan serves as our guidepost for some exciting changes coming to our town. More on that later.

Along with the Town Plan Update, we've updated our Emergency Operations Plan. Our plan update now reflects the State of Connecticut's Emergency Support Function (ESF) format breaking down responsibility centers into 15 functions critical to effective emergency response. I want to thank Emergency Management Director Marc McEwan and my fellow Emergency Operations Teammates for your work on the plan update.

The Town of Darien is now a Clean Energy Community. With the assistance of the Recycling Center Advisory Committee taking on a new role as the Clean Energy Task Force, we have pledged to reduce our town's energy consumption by 20% by the year 2020. This is a town wide initiative that includes municipal facilities, schools, homes and businesses. The Board of Selectmen is currently considering the significant cost saving and energy conservation potential of acquiring and converting to LED our roadway streetlights and other light fixtures on town owned property. We've done admirable work on this already but we must continue to employ best practices in energy conservation to do our part to protect the environment.

We are nearly finished with the "shuffle" project. The property at 30 Edgerton is gone, the Board of Education has adjusted to their new administrative space and the Senior Program in the beautiful new Mather Center is a model for senior center's statewide. As of November there are 1328 members of our Senior Program - clear evidence that if you build it, our seniors will come! Let's work together to finish the administrative details of the 35 Leroy transfer in the new year. Please drive by the Edgerton site when you have a chance. It's good to be reminded that we've removed an expensive building that outlived its useful life from the town's operating budget. This property holds great potential for the future.

Looking forward, we have many important projects and issues to address in the coming year. We're on the eve of significant commercial redevelopment in both our downtown and Noroton Heights neighborhoods. The town plan update will steer these developments so we can preserve our small town character while welcoming new housing choices and an expanded retail base. Providing housing choice for empty nesters, young professionals, developmentally disabled adults and seniors with limited means would be welcome additions to our community. Thanks to the work of the Planning and Zoning Commission, we will soon be resubmitting an application for a moratorium from CT Statute 8-30g.

In conjunction with the proposed redevelopments, the town will need to partner with developers and the state to expand and update town infrastructure. Work has already begun to bring natural gas to

more town facilities and neighborhoods and we are discussing the feasibility of undergrounding powerlines in areas of new development. We're making significant progress in these areas in large part because we've worked diligently during my administration to build trusting and collaborative relationships with utility and state government partners. Connecticut Department of Transportation has recently committed \$10 million dollars to replace the platforms at the Noroton Heights Train Station. We're in discussions to partner on a redevelopment of the station building and commuter access points to bring the entire facility up to 21st century/ADA standards and to expand rail service to the station.

We've just completed a comprehensive parking study that we will use to improve downtown and commuter parking management systems and a study is currently underway to review our Emergency Medical Service. We must insure that these key services continue to meet the demands of our residential and business community.

There's growing community support to improve pedestrian and bicycle access and safety town-wide - particularly around our schools and downtown area. The Board of Selectmen is eager to receive the Pedestrian Infrastructure Advisory Committee report on December 14th and to begin the work of prioritizing and budgeting for recommended improvements.

I'm pleased to report that the Town of Darien was awarded funding under the Open Space and Watershed Land Acquisition Program to acquire 1.24 acres of vacant land adjacent to Town Hall along the Stony Brook River. With the support of the RTM in 2016, the town has the opportunity to partner with the Darien Land Trust to preserve this uniquely situated parcel of open space.

The long-awaited Upper Gorham's Pond dredging and dam replacement project should be underway later this week. I will be seeking support for setting aside funds to dredge the sedimentation basin below the Upper Pond Dam and here in front of town hall. The health of the Stony Brook and Goodwives River are at stake by not doing so.

Echoing Board of Finance Chairman Zagrodzky's comments regarding cost effective government, history shows that we have, on more than one occasion, lost sight of long term cost efficiency to satisfy a short term budget goal particularly in the area of building construction. I urge us to adopt a much longer vision when constructing or renovating our schools and other public facilities. High quality construction by dependable contractors and building flexibility in to facility design should be a priority even if it costs us a bit more up front. We will employ this standard as we finalize renovation plans for the town garage.

Regarding personnel, the municipal side of town government is adequately staffed. We're able to provide today's menu of town services with existing personnel. New program offerings or new state mandates may require additional hiring. When possible, we should look to offset personnel costs with new program revenue. Important structural changes were bargained into the most recent employee contracts. We must continue to seek changes that limit financial exposure while at the same time offering employees a competitive wage and reasonable benefits.

With the collaboration between the town and the schools, we may be able to find additional taxpayer savings by consolidating non-educational services. I encourage us to continue this important dialogue started by the Consolidated Services Working Group. Healthcare is an area we should study.

Just a word about state government mandates...tomorrow, the Connecticut Legislature is meeting in special session to define a deficit mitigation strategy. I call this state government "Wack-A-Mole". Legislators scurry to find short term budget fixes only to see ballooning costs in areas of state government that are seemingly untouchable. I've written to our legislative delegation objecting to unfunded municipal mandates and the impacts of mid-cycle reductions in municipal aid. Our new regional organization, WestCOG, has also written on behalf of our membership discouraging cuts in municipal aid. One of the benefits of our new region is the combined lobbying power of our 18-member towns. When the regular legislative session begins in February, we will again hear state leadership proposals for commercial and residential property tax revenue sharing and other wealth redistribution ideas and new taxes to help fund transportation projects.

While we should continue to be wary of how state leadership plans to use the new COGs, I find my fellow Chief Elected Officials are all very like-minded in our interest to preserve local control. Several very worthwhile regional initiatives are underway. We've convened a multi-discipline task force to help address the opioid abuse epidemic; staff is organizing a regional GIS database available to all towns and is coordinating a National Flood Insurance Community Rating System project that may save Darien residents money on their flood insurance. Darien has already benefitted directly from WestCOG support of the \$250,000 Noroton Heights Station access study. My role as Vice Chair of WestCOG allows me to protect Darien's interests at the regional table.

Thank you for the opportunity to speak to you this evening. As you can see, we have many accomplishments and much more to do. Let's make 2016 a year of positive collaboration as we embark on new and exciting projects for our town.

I wish you and your family a safe, peaceful and joyous holiday.

Respectfully,
Jayme Stevenson
First Selectman