

**REPRESENTATIVE TOWN MEETING  
TOWN OF DARIEN, CONNECTICUT  
FINANCE & BUDGET COMMITTEE**

**Minutes of a Regular Meeting Held on May 6, 2013  
“DRAFT”**

On May 6, 2013, a meeting of the RTM Finance & Budget Committee was held in Room 119 of the Darien Town Hall with thirteen of fifteen members present.

**Present were:**

Bill Ball  
John Boulton  
Rob Cardone  
Jack Davis  
Terry Duffy  
Kip Hall  
Kirk Hoffman  
Bruce Orr  
Jim Palen  
Deb Ritchie  
Anita Rycenga  
Marc Thorne  
Reilly Tierney

**Absent were:** Mari Lu Cleary, Werner Domittner

**Audience included:** Jayme Stevenson, Karl Kilduff, Dick Huot, Dr. Falcone, Betsy Haggerty-Ross, Mr. Lynch, Sarah Seelye, Clara Satori, Heather Shea, and various other members of BOE and BOF.

The Chairman, Bruce Orr, called the meeting to order at 7:35 p.m.

The agenda for the meeting was modified by moving resolution 13-7 authorizing acceptance of a gift from the Darien Fireman’s Foundation to after the BOS operating budget discussion. John Boulton moved to accept, seconded by Marc Thorne and unanimously approved.

Jayme Stevenson opened the discussion by pointing out variances that exceeded 3% from last year’s budget per Mr. Orr’s request. Those included:

- Public Safety – hiring of PT maint. person due to larger police dept. facility
- Increased operating costs for new police dept.
- Software upgrades and maintenance across the board
- Cost allocation changes, such as credit card fees, etc.
- Mather Ctr. – 1 PT building maint. person
- Workers comp increases due to claim experience
- 25% increase in health care costs due to claim experience

Terry Duffy asked if a utilization study had been conducted for police dept. operations and Jayme Stevenson said “no” that perhaps he was thinking of the electrical usage study. Karl Kilduff said he was not sure about such a report and that perhaps it was part of the building committee’s role.

Next year there will be an added “tax” to healthcare costs in connection with the Healthcare for America plan. 3%. Employee contribution to coverage is appx. 15%. Mr. Kilduff said that they are trying to educate participants in the plan as to their options to try and incentivize them to choose lower cost plans that will be advantageous to all. Jayme Stevenson pointed out that health care cost needs to be a focus during any future contract negotiations.

Regarding capital projects Mrs. Stevenson said she is comfortable with what is in the budget for this year but wishes for an analysis to be done of future needs so planning can commence. She feels technological initiatives for operational efficiencies are extremely important. An apparatus study for the fire departments was mentioned as well. The Town Hall generator cost of \$332,000 will be offset by grants so Darien’s share will be \$83,000.

Mr. Orr requested that an operating expense analysis be done for the new police dept. comparing old facility costs to new.

Motion made to vote on resolution 13-11 “A” for appropriation in the General Fund to the Selectman’s budget of \$42,466,624. Moved by John Boulton, seconded by Kip Hall and unanimously approved.

Next agenda item up was discussion of 13-7 resolution for the acceptance of the gift of \$16,635 for software and training for the office of the Fire Marshal from the Darien Fireman's Fund. This to include iPads which eliminates the duplication of effort when data can be entered in the field. This is an upgrade of existing software and future software maintenance is included in the operating budget.

Mr. Hall moved to accept, seconded by Mr. Thorne and unanimously approved.

Next agenda item was the BOE budget increase of 4.05% and Ms. Haggerty-Ross pointed out large variances which include:

- Personnel \$729k variance as four sections were added
- Campus monitors \$156k (6 added to budget)
- 1 FTE at \$65k for reading/writing/math MMS&DHS – state mandated
- Equipment purchases specifically chairs and desks of \$221k
- Health insurance increase in premiums of 13%
- Pay to play

Mr. Boulton asked if they were participating in health insurance HSA's and the answer was "yes" and they changed from SIGNA to AETNA to save premium dollars.

Mr. Orr asked why the desks and chairs were being classified as operating items instead of capital and Ms. Haggerty-Ross said it was due to the low per item cost and amortization of same. Mr. Huot said they bought the best on the market so useful life expectancy is good. When asked about a replacement cost schedule for capital items it was mentioned that Mr. Huot is working on that.

Mr. Davis asked about cost to fill rooms with furniture if at full capacity and Dr. Falcone said it is section driven and cost is appx. \$5,000 per classroom and with four rooms that equals appx. \$20,000.

Mr. Duffy asked about rationale of hiring campus security monitors vs. outsourcing to a vendor. Main reasons include:

- Less transient having permanent employees with an allegiance to the Darien school system "family"
- Direct management of the staff
- Potential issue of morale problems with outsourced staff getting less than staff existing at DHS
- Familiar faces and the ability to get to know parents, regular visitors and students

The difference pointed out from a financial perspective is that all benefits get added to the cost and with an outside vendor you can terminate the contract if so desired in contrast to having an employee that has been added to the overhead who we now have a contractual obligation to. Dr. Falcone suggests that with a paraprofessional classification there is some flexibility with that.

Mr. Tierney pointed out that \$36 per hour plus benefits vs. \$13 the outside vendor employee would get makes it apparent we are paying over market. Dr. Falcone says they based their compensation on what the DHS monitor is earning.

Special education budget is flat as pointed out by Kirk Hoffman and he asked what happens if legal expenses increase or children with new special needs come into the system. Dr. Falcone feels they have adequate funds in the budget for the legal consultant hired and anything else they are aware of. He said they do not build contingencies into the budget. They can go to the BOF for more money if necessary, take from another SPED line item or go outside the SPED budget to cover overages if incurred. Mr. Davis would like to see an offset for cost savings in connection with out placements, which is appx. 60%. Excess cost reimbursement was discussed and Dr. Falcone said they are measuring for better management. This has resulted in better scheduling, hiring in house vs. using outside consultants and watching to see that contracts limits are not being exceeded and if they are find out why.

Mr. Orr pointed out that due to ½ step and low increase in teacher salaries in first year of new contract, we are in for a different experience next year and asked what planning the BOE and administration has done for that. Mr. Falcone said the cost will be twice the increase seen this year so if for example \$480k this year of will be \$960k next. Ms. Haggerty-Ross said that they added capital items this year so as not to have them in next year's budget. Ms. Rycenga mentioned that we will also be entering into negotiations for a new contract for the administration which will likely be associated with increased costs. Ms. Haggerty-Ross hopes to have the two more generators on their wish list at some future date. The Tokeneke and Royle facility changes will roll into future budgets as well. New facilities in connection with growing student population could be in the range of \$8-10 million. General sense of

committee members was that this is disappointing coming off the heels of rebuilding efforts over the past several years.

Hindley was chosen as the recipient of the new generator.

Mr. Orr called for a vote on 13-11 item "B" an appropriation in the General Fund to the Education operating budget of \$83,224,929. Moved by Mr. Boulton, seconded by Mr. Thorne. All in favor with the exception of Mr. Orr who voted "no". No abstentions.

Discussion turned to the Weed Beach tennis courts resolution 13-9 requesting \$460,000 for the reconstruction of the back three courts. The front courts will be covered by FEMA as damage was Storm Sandy related but these courts just require resurfacing and were not Storm Sandy related. The BOF felt that the concrete material being proposed for this project is far superior to others and will have a life expectancy of 25-30 years making it a prudent choice. Given the asset life they decided bonding was appropriate and it spreads the cost to taxpayers over time vs. in one year. The NTA has a grant available to help mitigate cost of \$25,000 which we anticipate receiving. Mr. Palen asked about bonding and assigning life and BOF said it is interest rate driven. Deb Ritchie moved and motion was seconded by Marc Thorne and unanimously approved.

Next up resolution 13-8 for the Intervale Road drainage improvements. Mrs. Seelye said this was a priority item in the flood mitigation report conducted several years ago and that the BOF was on board and decided to issue bonds for this. Mr. Duffy requested that the report be revisited and reviewed by the full RTM at some point in the near future so we can analyze progress and future course of action if any. General sense was that we were lacking answers and some committee members wanted to defer the vote but they were in the minority. Motion was made to accept 13-8 by Mr. Hall and seconded by Mr. Palen.

**Yes votes:**

Bill Ball  
John Boulton  
Jack Davis  
Kip Hall  
Kirk Hoffman  
Bruce Orr  
Jim Palen  
Deb Ritchie  
Anita Rycenga  
Marc Thorne

**No votes:**

Reilly Tierney  
Rob Cardone  
Terry Duffy

**No abstentions.**

The BOF was asked about 4.4% debt service in budget and they said that it peaks out in fiscal 15. With rescheduling debt, prudent capital spending and not any major foreseeable projects on the horizon the future looks bright. Some mentioned the possibility of facility costs in connection with student population growth as impacting this scenario.

This led to a motion by Anita Rycenga to accept the resolution 13-10 appropriating \$60,000,000 to refund outstanding bonds taking advantage of favorable interest rates. Seconded by Deb Ritchie and unanimously approved. This negates the need for them to come to RTM for approval so no windows of opportunity are missed and has been a standing resolution over the past few years.

Minutes of the 4/22/13 meeting were approved by all with the exception of Mr. Boulton, Mr. Cardone and Mr. Palen who abstained as they were not present at that meeting.

Anita Rycenga reviewed resolution 13-11 with Mr. Orr and it was noted that the committee did not take action on item "F" so the committee will have to gather to vote on it prior to the 5/13 RTM meeting. Mr. Orr will communicate a place and time.

Meeting adjourned at 9:40 p.m.

Dated: May 7, 2013  
Respectfully submitted,  
Anita M. Rycenga, Clerk  
RTM Finance & Budget Committee

