

Minutes

Board of Finance Meeting

March 20, 2012

Room 206 7:30 PM

CALL TO ORDER

The meeting was called to order by Chairman Liz Mao at 7:34 PM. All members of the Board of Finance were present. Also in attendance was Kate Clarke Buch, Finance Director. The meeting was broadcast live over Channel 79.

BUDGET REVIEWS

Darien Public Library. Gwen Mogenson and Jon Zagrodzky met with the Library leadership to review the proposed budget. For the Board's budget discussion, Louise Berry and Alan Gray were in attendance.

Their budget proposal called for expenditures of \$3,266,386, an increase of \$80,329, or 2.5%. The budget made a provision for a 4% increase in staff and administrative salaries, after two years of restricted increases and one year of no increase for staff, and three years of no increase for administrators.

No changes were recommended to the proposed budget. Both Gwen and Jon commented on the thoroughness and quality of the Library's budget, and they commended the leadership team for their work.

Fire Departments

Lori Bora and Jon Zagrodzky reviewed the fire station and related budgets.

- **Darien.** The proposed budget of \$151,119 represented a nearly 8% increase over last year's budget. The largest increase was in the Town Grant, which increased \$5,000 to \$49,957.

The Board discussed two topics at length, the first being D&O liability insurance. Historically, all three fire departments covered the cost of this insurance out of their own funds. This year, they proposed that the town begin covering the cost of this insurance. Advisers to the town recommended against doing this because it would create an exposure for the town. Instead, an additional \$1,000 was added to the Town

Grants for each department. For the Darien department, this amount was insufficient to cover the liability insurance cost of \$1,400. The sense of the Board was that an additional \$400 should be added to each department's grant to cover the liability insurance cost.

Another area discussed at length was the Town Grant. In the case of the Darien department, the Town Grant has been increasingly insufficient to cover the expenses that it was meant to cover. The Board discussed revisiting Town Grants, and the relevant budget policies. Jon Zagrodzky and Lori Bora agreed to study this further, and will present additional recommendations in April.

No other changes to the operating or capital budgets were proposed.

- **Noroton Heights.** Other than liability insurance and the Town Grant, no other changes were proposed to the operating budget. On the capital budget, the department requested \$12,000 for updated lighting on one of the trucks. This amount had been cut by the town administrator, but the Board felt that it should be restored.

Separate from next year's budget, the department's leadership let members of the Board know that there are some potential problems with the concrete floor in the firehouse. These problems stem from cracks in the concrete, which allowed water to penetrate the floor over a long period of time. The department would like to conduct tests of the floor to determine whether there has been any damage that needs to be repaired. Assuming there is no damage, the total cost of the tests plus the cost of sealing the floor to prevent future damage will be approximately \$40,000. The sense of the Board was that these costs should be covered in the current fiscal year out of Contingency. This was also discussed with the town administrator.

- **Noroton.** Other than liability insurance and the Town Grant, no other changes were proposed to the operating budget.
- **Fire Marshal.** No changes to the budget. Bob Buch believes that his budget adequately provides for fire inspections, despite the fact that he is somewhat behind.
- **Fire Commission.** This budget covers vehicle replacement for all three fire departments, vehicle radios and the drill tower.

For vehicle replacement, the original request for this year's accrual was \$625,000, but this was cut to \$400,000 by the Board of Selectmen. There was considerable discussion about this budget, which will entail several million dollars' worth of vehicle replacement in the coming years. The Board agreed to leave the reduced \$400,000 budget for the

next fiscal year in place, but they agreed to review our overall approach to capital budgeting for fire vehicles this summer.

For the drill tower, it was reported that the town administrator had secured a grant for \$210,000 from the state, which would cover most of the construction costs of a new fire training structure at the site of the current drill tower. The additional funding of \$110,000 provided in the town's budget would cover the remaining costs of the new structure as well as repairs to the current drill tower.

- **Fire Hydrants.** No changes to the budget – charges set contractually with Aquarion Water. It was noted that this year's budget of \$339,000 is actually short of the ultimate amount that we will be required, which is estimated to be about \$366,000.

Human Services

- **Social Services, Social Services – Outside Assistance.** No changes to the budget. The increase is due to additional services being provided and the incidence of longer-term hardships. The director of social services coordinates getting funds from other sources and grants to supplement the outside assistance budget.
- **Senior Center.** To be discussed the week of March 27.
- **Senior Transportation.** No changes.
- **Youth Services.** No changes to the operating budget or planned revenue from summer programs
- **Youth Services Grant.** Includes the Depot. To be discussed the week of March 27.
- **Other Outreach Services.** No changes to the budget.
- **Public Health.** No changes to the budget.

General Government

The General Government budgets were discussed briefly. These budgets include the Board of Selectmen, the administrative officer, human resources, RTM, the finance department, the treasurer, Board of Finance, tax assessor, board of assessment appeals, legal counsel, the town clerk's office, voter registration, elections, information technology and probate court. All budgets were discussed except IT and probate, which will be discussed later. No changes were made to any of the proposed budgets discussed.

One capital budget item that was discussed specifically was the \$500,000 that was planned for the 2013 revaluation effort, which begins in the fall of 2012. Board members discussed

whether this expense (for the next revaluation in 2018) could be accrued in advance (i.e., \$100,000 per year) as opposed to being incurred all at once in the year of the revaluation.

Community / Environment

The Community / Environment budget includes Development Planning & Management, Planning & Zoning, Zoning Appeals, Environmental Protection, Regional Planning, Beautification, Celebrations and Observances, Harbormaster, and Downtown Revitalization. All of these budgets were discussed, and no changes were recommended.

TRANSFERS

Nancy Markey, Director of Human Resources, indicated that she had exceeded the budgeted amount for professional services in this fiscal year due to arbitration hearings held in connection with the Public Works collective-bargaining effort and arbitration scheduled with the Town Hall employees union. She asked that \$10,000 be transferred from Contingency to cover these additional expenses.

Jon Zagrodzky moved approval; passed 7-0.

MINUTES

Minutes from the February 15th meeting were reviewed and edited. Lori Bora moved approval of the edited minutes; passed 7-0.

OTHER BUSINESS

Jon Zagrodzky moved taking up Other Business; passed 7-0.

Liz Mao reported on discussions underway regarding the potential transition from the South Western Regional Planning Agency (SWRPA) to a Council of Government (COG) form of governance for regional transportation planning.

Also discussed briefly was the recent town bonding of \$14 million. The rate was 2.56%, the lowest rate the town has ever gotten on such bonds. It had been hoped, however, that the rate would be even lower, but market interest rates ended up being firmer than expected.

ADJOURNMENT

There being no further business, Jon Zagrodzky made a motion to adjourn. The motion was seconded and approved 7-0 at 10:45 PM.

Respectfully submitted,

Jon Zagrodzky

Clerk