

Minutes

Board of Finance Meeting

April 12, 2012

Room 206 7:30 PM

CALL TO ORDER

The meeting was called to order by Chairman Liz Mao at 7:35 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 DISCUSSION AND FINAL VOTE ON BUDGET

Kate Buch provided updated information from the actuary. The Actuarially Required Contribution (ARC) for the Board of Ed OPEB (Other Post-Employment Benefits) is \$342,043. The Implicit Subsidy which the BOF can draw back from the trust is \$214,784, which nets to \$127,259. The BOE budgeted an ARC of \$453,228 and an Implicit Subsidy of \$151,000, which nets to \$302,228. Therefore the reduction that can be made in the BOE's budget for OPEB is \$174,969, up from the approximately \$150,000 discussed on April 10th. The reason for the change in the amount from the prior estimate was primarily due to when the contributions are made. The original numbers assumed making the contribution at the end of the fiscal year, rather than the beginning. That difference amounted to roughly \$25,000.

On the Town side of the budget, for non-police OPEB, the amount budgeted was \$20,850. The Town's ARC for non-police OPEB was \$19,157. This year there is also an implicit subsidy which can be drawn back in the amount of \$8,495, which nets to \$10,662. Therefore, the Town's budget could be reduced by an additional \$10,188.

The BoF deliberated the final budget resolution. Joe Duwan offered two suggestions:

- He noted that the town's tax collection rate had not been less than 99.3% in recent years. He proposed raising the assumed rate in the budget from 98.9% (which itself was up from 98.5% last year). After some discussion, it was decided to stick with the 98.9% assumption as a cushion against unforeseen budget pressures.
- He also proposed using some of the funds in the BOF infrastructure reserve (a capital account) to fund some of the proposed capital projects in the FY 2013 budget. It was

agreed to use \$110,000 in this account (current balance of \$456,998) to fund the fire training drill tower project.

The BOF elected to adopt the following final cuts:

- BOE OPEB contribution: \$175,000
- Town OPEB contribution: \$10,188
- BOE operating budget: \$165,000
- Drill tower – capital expenditure: \$110,000
- **Total: \$460,188**

Jon Zagrodzky moved adopting these budget reductions; passed 7-0.

These changes resulted in total appropriations of \$120,234,536 and a mill rate of 12.68. Kate Buch presented a draft budget resolution, which she completed during the meeting to reflect the newly adopted changes. Joe Duwan moved approval of the final resolution, which is reproduced at the end of these minutes; passed 7-0.

SUB-COMMITTEE APPOINTMENT

The Board discussed appointing a sub-committee to consider the Request for Proposal (RFP) process for the Town’s underwriter. Joe Duwan, Jamie McLaughlin and Jon Zagrodzky agreed to serve on this sub-committee and report back to the Board.

ADJOURNMENT

There being no further business, Jamie McLaughlin made a motion to adjourn. The motion was seconded and approved 7-0 at 8:47 pm.

Respectfully submitted,

Jon Zagrodzky
Clerk

The foregoing budget was approved by the Board of Finance of the Town of Darien at its meeting held April 12, 2012. The following resolutions were adopted at said meeting.

A RESOLVED, that an appropriation of \$ 2,079,481 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 \$ 40,250,354 is hereby made in the General Fund for the Selectmen's Operating Budget.

C RESOLVED, that an appropriation of \$ 79,984,182 is hereby made in the General Fund for the Education Operating Budget.

D RESOLVED, that the above appropriations, totaling \$ 120,234,536 are for the purpose of meeting the expenses of the Town of Darien for the fiscal year commencing July 1, 2012 and ending June 30, 2013 as shown by the budget this day approved.

E RESOLVED, that a tax of 12.68 mills is hereby levied upon the last complete grand list of the Town with a total net assessment of \$ 8,856,217,761 on property as of October 1, 2011, payable in two equal semi-annual installments, the first installment to become due and payable on July 1, 2012 and the second installment to become due and payable on January 1, 2013, provided however that:

1. Any taxpayer may pay both of said installments on July 1, 2012;
2. The personal property tax on motor vehicles in said Town shall become due and payable in one single installment on July 1, 2012
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, 2012

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 14, 2012, 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, 2013.

G RESOLVED, that the following appropriations for other funds are hereby made as detailed below for the 2012-2013 fiscal year as shown by the budget this day approved.

2,867,764	Sewer Operating Fund for the purpose of meeting expenses of the Town of Darien, Sewer Commission
550,000	Sewer Assessment Fund
74,889	Sewer Capital Fund
671,500	Parking Lot Administration Fund
263,597	Parking Lot Capital Fund

Jon Zagrodzky, Clerk
Board of Finance