

*Minutes*

# **Board of Finance Meeting**

**January 17, 2012**

Room 119 6:30 PM

## **CALL TO ORDER**

The meeting was called to order by Chairman Liz Mao at 6:33 pm. All members of the Board of Finance were present. Also in attendance was Kate Clarke Buch, Finance Director. The meeting was taped for broadcast over Channel 79.

## **DISCUSSION OF UPCOMING BOND SALE**

Mr. Mark Chapman, of Independent Bond and Investment Consultants, LLC, joined the meeting to provide the Board with perspectives on the state of the bond financing market. He reported that options are being developed to execute the upcoming bond sales on the best terms possible. He also indicated that the interest rate environment is extremely favorable, and is likely to remain so, for this sale.

## **OTHER BUSINESS – BOARD OF EDUCATION BUDGET**

The Board briefly discussed the proposed Board of Education budget. Members expressed concern about certain elements of the budget, including the hiring of social workers and psychologists as well as the addition of the elementary school language program. Particular unease was expressed over growth in Special Education spending, now 22% of the overall school budget. There was also a discussion about what guidance the Board should provide regarding increases in the education budget.

Board members then adjourned for a review of the Board of Education budget. This discussion was covered by Channel 79 and took place in the Board of Education meeting room.

## **TRANSFERS OVER \$5,000, TRANSFERS UNDER \$5,000 AND SPECIAL APPROPRIATIONS**

- None

## CONTINGENCY TRANSFERS

- **Department of Public Works – extra personnel** – \$4,321

The FY 2012 operating budget reduced DPW clerical staff from two full-time positions to two 20 hour-per-week positions. The department has been struggling to provide services with this level of staffing and requested funding for additional help.

Gwen Mogenson moved approval; passed 7-0.

- **Registrar of Voters – referendum** – \$11,803

This transfer was to cover the costs of the Shuffle referendum. In total, the referendum cost \$19,367; the balance was covered from other accounts.

Joe Duwan moved approval; passed 7-0.

## DISCUSSION OF TEACHER’S CONTRACT

Kate Buch provided an overview of the recently finalized contract for the teacher’s union. Items discussed included the overall process as well as increases (steps and salaries). The Board did not formally vote on the contract (not required to do so) but expressed its general support.

## SET INTEREST RATE FOR ELDERLY TAX DEFERRAL PROGRAM

Section 17-4 of The Town of Darien Code of Ordinances requires that the Board of Finance set the deferred tax interest rate for the Elderly Tax Deferral Program as of December 31<sup>st</sup> at one half of one percent above the December investment earnings rate of the State of Connecticut Investment Fund (STIF), which for December 2011 was 0.18%, implying that the rate should be set at **0.68%**. In addition, the Code requires setting a second-tier deferral program rate at one percent above the STIF rate, or **1.18%**.

Gwen Mogenson moved approval of the updated rates; passed 7-0.

## FINANCIAL REPORT

Kate Buch presented the monthly financial report. Highlights as follows:

- FY 2011 audits are ready to be reviewed by the Audit Committee. Jon Zagrodzky indicated that he would set up a Committee conference call with the auditors.
- FEMA paperwork and applications for funding have been submitted.

- Joe Duwan, joined by the rest of the Board, congratulated Kate Buch for once again earning the Government Financial Officers Association's *Certificate of Achievement for Excellence in Financial Reporting*.

## **MINUTES**

Review/approval of the December minutes deferred to the February meeting.

## **SPECIAL ASSIGNMENTS, COMMITTEE REPORTS, CHAIRMAN'S REPORT**

- Chairman Liz Mao will circulate FY 2013 budget assignments.
- Martha Banks requested a list of all town vehicles with assigned departments and drivers.

## **ADJOURNMENT**

There being no further business, Joe Duwan made a motion to adjourn; passed 7-0 at 8:41 pm.

Respectfully submitted,

Jon Zagrodzky  
Clerk