

Minutes

Board of Finance Meeting

February 15, 2011

Rooms 119 7:30 PM

CALL TO ORDER

The meeting was called to order by Chairman Liz Mao at 7:40 PM. All members of the Board of Finance were present. Also in attendance was Kate Clarke Buch, Finance Director. The meeting was broadcast over Channel 79.

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 January 31st at one half of one percent above the January investment earnings rate of the State of Connecticut Investment Fund (STIF), which for January 2011 was 0.23%, implying that the rate should be set at 0.73%. The new deferral program requires setting a second-tier deferral program rate at one percent above the STIF rate, or 1.23%.

Kate Buch mentioned that inquiries about the program are made in January, and that it would be helpful if the interest rates could be set as of December 31st each year. She also mentioned that the State requires setting this interest rate only once every two years, not every year as specified in the Ordinance.

Murry Stegelmann moved that the rate be set appropriately versus the January STIF rate (as indicated above) and that the Town Ordinance should be amended to require (1) setting the rate once every two years and (2) making the rate effective December 31st instead of January 31st. The motion passed 7-0.

TRANSFERS UNDER \$5,000

Both the Administrative Secretary and the Sewer Services Clerk have been out of work due to back injuries and corrective surgeries for an extensive amount of leave time. The Department of Public Works has been forced to cover their absence with temporary help. To cover these costs, the Department requested a transfer from the Sewer Use Charges account to the Seasonal and Temporary account in the amount of \$4,000.

Murry Stegelmann moved approval of the transfer. The motion passed 7-0.

TRANSFERS OVER \$5,000

None.

CONTINGENCY TRANSFERS

The Town has an opportunity to leverage a grant for the installation of a solar array on the roof of Town Hall. The grant will not pay for the entire project, which will require a transfer (contingent on securing the grant).

The total project cost is estimated at \$466,481, and the grant program could deliver \$356,255 to defray the cost of the project. If successful in securing the grant, the local finding gap would be \$110,226. There is \$29,777 available from a CL&P rebate, leaving \$80,449 to be funded by the Town.

The Board debated this request extensively. Gwen Mogenson moved transferring \$80,500 from the Reserve Fund to a Town Hall Rehabilitation account. The motion passed 4-3.

Separately, the registrar of voters requested a transfer from Contingency to Special Equipment Maintenance in the amount of \$2,674 to cover a maintenance contract with LHS for fourteen voting tabulators (the first year we have to pay under this contract). Joe Duwan moved approval of the transfer. It passed 7-0.

FINANCIAL REPORT

Kate Buch presented the monthly financial report. She once again highlighted the impact of snow removal costs, emphasizing that the relevant accounts will likely run short.

MINUTES FROM PRIOR MEETINGS

The Board reviewed minutes from the January 18th meeting. Gwen Mogenson moved approval of the minutes as drafted. The motion passed 6-0-1, with Joe Duwan, absent from the January 18th meeting, abstaining.

SPECIAL ASSIGNMENTS AND COMMITTEE REPORTS

Liz Mao reported on activities of the Police Building Committee, which still anticipates a March groundbreaking. The Audit Committee will schedule a call with the auditors to review their FY

2010 audit report. The Weed Beach Committee met and approved a project timeline; they are also looking for a project manager.

CHAIRMAN'S REPORT

Liz Mao reported that the Board of Education budget for the current fiscal year will likely have an overall deficit of \$350,000 and that there is a freeze on discretionary spending. Ms. Mao also discussed several of the letters and emails she has received regarding the education budget for the coming year.

OTHER BUSINESS

Murry Stegelmann moved other business; the motion passed 7-0. The RTM made minor changes with regard to the Allen O'Neill project resolution. Murry moved adopting the revised resolution as passed by the RTM. The motion passed 7-0.

ADJOURNMENT

There being no further business, Murry Stegelmann made a motion to adjourn. The motion was seconded and approved 7-0 at 8:40 PM.

Respectfully submitted,

Jon Zagrodzky
Clerk