

APPROVED MINUTES

Board of Finance Regular Meeting

April 6, 2010

Room 206-7:30 PM

Chairman Murry Stegelmann called the meeting to order at 7: 35 PM. All members of the Board of Finance were present. Kate Clarke Buch, Finance Director, was also present. Don Fiftal, Superintendent, Dick Huot, Finance Director, and Kimberly Westcott, Chairperson of the Board of Education, were also present. Several other members of the Board of Education were also in attendance.

BUDGET DISCUSSION

Members of the Board of Finance asked several questions about the Board of Education's FY 2011 budget and Messrs. Fiftal and Huot and Ms. Westcott responded. Key points made were:

- Special Education Excess Costs reimbursement is estimated to be 84% for the current year and 75% for FY 2011.
- Capital projects were discussed and it was noted that \$90,000 previously budgeted for Royle School windows could be clawed back if the windows were not to be replaced this year.
- Mr. Huot explained the planning for the ARRA stimulus grant.

The FY2010 estimated budget deficit was discussed. As of this date, the number could be a negative \$637,613, based on numbers collected the last 30 days. Mr. Stegelmann stated that he supported going to the RTM for an appropriation to fund this year's deficit rather than pulling down the \$365, 000 in the Special Education Reserve.

It was noted that the Board of Finance would vote on both next year's budget and a resolution recommending the RTM appropriate funds for the current year's BOE deficit at the April 19th meeting. The RTM meets on May 12. Mr. Stegelmann asked for a memo from the BOE requesting funding of the deficit once a number is more definitive.

RESOLUTION REGARDING ARRA FUNDED PORTION OF ECS GRANT

Gwen Mogenson made a motion to adopt the following resolution allowing the BOE to keep the government stimulus monies received for special education:

WHEREAS, the State of Connecticut received funds from the American Recovery and Reinvestment Act of 2009 (ARRA); and

WHEREAS, to balance the State budget the Equalized Cost Sharing (ECS) Grant funded from State revenues was reduced; and

WHEREAS, in order to avoid impacting education grants-in-aid to local governments, the General Assembly replaced some funding with ARRA grant funds; and

WHEREAS, the intent of the General Assembly was to provide the full amount of ECS funding between the two sources; and

WHEREAS, the State of Connecticut has decreed that the stimulus portion of the ECS must be paid directly to the Board of Education rather than to the municipality, as was done with the State portion; and

WHEREAS, the General Assembly gave municipalities the authority to adjust Education budgets to account for the direct allocation of grant funds as well as the revenue deficit which resulted from the State's funding decision; and

WHEREAS, the Darien Board of Education received direct funding of \$230,547 from the State of Connecticut under this arrangement; and

WHEREAS, the Darien Board of Education estimates it will finish Fiscal Year 2010 in a deficit position when measured against its originally approved budget by an amount in excess of \$230,547.

NOW THEREFORE, BE IT RESOVLED THAT the Board of Finance has determined that for Fiscal Year 2010 the Board of Education will be allowed to retain the ARRA funded portion of the ECS grant as a credit against their expenditures.

The motion by Ms. Mogenson to adopt the resolution was seconded and approved 7-0.

TRANSFER

The Board of Selectmen request \$23,500 from RFCNRE Contingency for an architectural feasibility study concerning the moving of the Senior Center and Board of Education. The Board of Finance tabled this item at its 04/01/10 meeting. Lori Bora noted that she was still concerned about the status of several capital projects that had already been approved but were suspended. Liz Mao made a motion to approve the transfer as requested. The motion was seconded and approved 6-1, with Ms. Bora opposed.

BUDGET DISCUSSION, CONTINUED

Several questions were raised about a proposed guard rail on Pear Tree Point Road, including the cost and length. It was decided to go back to Mr. Steeger and see if a shorter guard rail would be acceptable.

Kate Buch requested a vote closing out several Capital accounts and transferring the balance to Reserve Fund Contingency. The accounts to be closed out total \$102,632.36. Jon Zagrodzky made a motion to approve the transfer and the motion was seconded and approved 7-0.

Mr. Stegelmann proposed several cuts to the budget from his "Chairman's List." These included adjustments due to OPEB recapture (\$177,000), Police Retiree Medical (\$100,000), Royle windows deferment (\$160,000 including claw back of \$90,000), MMS Bleachers (\$80,000) and Ox Ridge Portable (\$45,000). Other cuts mentioned included \$93,000 for Police cars (\$30,000 to be added to maintenance) and a \$140,000 cut to Board of Finance Infrastructure reserve.

It was decided to continue the discussions at the next meeting on April 8th.

A motion to adjourn was made by Ms. Mogenson. The motion was seconded and approved 7-0. The meeting was adjourned at 10:20PM.

Respectfully submitted,

Elizabeth Smith Mao, Clerk

