

Draft Minutes
Board of Finance Regular Meeting
March 16, 2010
7:30 PM – Room 206

Chairman Stegelmann called the meeting to order at 7:37 PM. Ms. Banks, Ms. Bora, Mr. Duwan, Ms. Mogenson were present. Ms. Mao and Mr. Zagrodzky were absent. Finance Director, Ms. Buch was also in attendance and the meeting was taped by Channel 79.

Mr. Stegelmann reviewed the upcoming meeting schedule. Members of the RTM Finance and Budget committee have asked to meet with the Board of Finance (BOF) to share their observations about the budget. They will attend the March 23rd regular BOF meeting. The BOF will also meet with the Board of Education (BOE) during the regularly scheduled BOF meeting on March 25th. Mr. Stegelmann offered a few education budget topics he was concerned about as did other board members. We will provide a written list of discussion items to the BOE before the meeting.

The BOF deferred the planned review of the Police Department budget since the severe wind storm and resulting damage has prioritized the Police Chief's focus. We will meet with the Chief and review their budget at his convenience

The Board then discussed various assumptions to be used in budgeting for Debt Service expense. The only planned issuance for 2010-11 relates to funding of the Old Library at 35 Leroy including bonding for some smaller, completed capital projects. Based on the town's purchase date of 35 Leroy, funding must be completed by September 2010. The BOF recognizes that use of this property has not been decided by other town boards. Accordingly, financial outcomes could be 1) sell the property, 2) issue short term notes until property usage is determined, 3) plan to issue bonds under the following restrictions.

If the property is retained and used for public purposes the bonds will be issued as tax-exempt. If the property is used for private purposes the bonds must be taxable, which will be at a higher interest rate to the town. If the property is used for a mix of public/private purposes the bonds can only be tax-exempt if

- Any revenue received from private usage is < 5% of the related debt service expense AND/OR
- Privately used space is < 5% of total square footage

Given currently low interest rates, the BOF prefers to bond the project and is assuming that we will issue tax exempt bonds. This will increase the 2010-11 debt service budget by \$63,000 for one semi-annual interest payment.

The Board then discussed Property Tax Relief for Elderly Residents. There have been no changes to the program and only a small number of residents avail themselves of the opportunity. As required by law, in January 2010 the BOF approved an interest rate change regarding this program and the budget reflects that change. No further budget adjustments were proposed.

Ms. Bora reviewed the EMS Post 53 budget. The largest component is \$50,000 for Professional Services related to our use of Stamford paramedics for advanced life support efforts. This amount reflects only instances where the patient has not reimbursed Post 53 as required and the town must cover the remaining balance due to Stamford. This amount has been stable for several years.

The Board then discussed a \$1500 transfer request from the Police Department to cover unanticipated repairs and maintenance at the station. Mr. Duwan moved to approve the transfer which passed 5-0.

Draft minutes from the March 3, 2010 BOF meeting were amended to clarify that only some, not all, of the 120 town hall computers will need to be replaced to conform with system upgrades. Ms. Bora moved to approve the minutes as amended which passed with 4 votes and 1 abstention from Mr. Stegelmann who was not at that meeting.

Mr. Stegelmann noted that at the RTM approved the Tax Abatement Ordinance related to Affordable Housing and an appropriation to fund new boilers at Holmes School at their March 15th meeting.

Ms. Bora moved to have the meeting discuss other business which passed 5-0. The Board discussed the potential financial impact of the March 12th storm damage and clean up. Ms. Buch stated that it is too early to quantify Governor Rell declared Darien and other surrounding towns as a disaster area which allows towns to claim for FEMA reimbursement. Mr. Stegelmann will review the payment and reimbursement process with Mr. Kilduff.

There being no further business, Mr. Duwan moved to adjourn the meeting. The meeting was adjourned at 8:31 PM.

Respectfully submitted
Gwen Mogenson
Acting Clerk