

APPROVED MINUTES
BOARD OF FINANCE REGULAR MEETING
April 10, 2008
Town Hall- Room 206

Chairman Murry Stegelmann called the meeting to order at 7:32 PM. All members of the Board of Finance were present. Kate Clarke Buch, Finance Director, was also present. First Selectwoman Evonne Klein was in attendance, as well as Selectman David Bayne. Board of Education Chairman John Boulton was present, along with other members of the Board of Education. Director of the Library, Louise Berry was present. Several members of the Police Department Building Committee were present, including George Reilly, Chair, and Chief Duane Lovello. The meeting was neither taped nor broadcast.

PRESENTATION OF PLANS FOR NEW POLICE DEPARTMENT BUILDING

Chairman of the Police Department Building Committee George Reilly presented the package regarding the new police department building. Mr. Reilly noted that the funding request of \$17,680,000 included two "Green" projects including a closed loop geothermal system and photovoltaic cells. Murry Stegelmann asked about the proposed operating costs of the systems versus a more traditional system. Mr. Reilly reported that Kohler Ronan was going to provide a more detailed projection of costs and savings but that preliminary cost savings were about \$40,000 in fuel costs for the geothermal system and about \$8500 in electricity costs for the photovoltaic system. There were several questions from Board of Finance members about operating costs of the proposed new building and its systems. Ty Tregellas of Turner Construction discussed the design contingency in the proposal and the fact that it diminishes to zero as the design is completed. Members of the Board of Finance said they wanted more information about maintenance and operating costs. Kate Buch reviewed the current budget for police building maintenance and for operating supplies. Murry Stegelmann proposed that Chief Lovello provide a report by the August Board of Finance meeting detailing operating and maintenance expenses for the proposed new building.

Tom Volpe moved the "Resolution Appropriating \$17,680,000 for the Renovation and Expansion of the Darien Police Department Facilities and Authorizing the Issuance of Bonds and Notes In the amount of \$17,680,000 to Meet Said Appropriation," copy attached. The motion was seconded and approved by a unanimous vote of 7-0.

WEED BEACH

Gwen Mogenson made a motion to approve the proposed transfer of \$25,000 from Contingency account number 30111014-908600 to account 30772004-907811, Weed Beach Master Plan, so that the Weed Beach Committee can proceed with construction documents. The motion was seconded and approved 6-0, with Liz Mao not voting because she had stepped out of the meeting for a few minutes.

DISCUSSION AND FINAL VOTE ON THE FY 08-09 BUDGET

Martha Banks made a motion to adopt the Budget Resolutions regarding the town's operating and capital budgets for Fiscal year 08-09, setting the mill rate at 14.55, which is an increase of 4.9 percent over last year. The specific resolutions are set forth in the document attached. The motion was seconded and passed unanimously 7-0.

REFERRAL OF AUTHORIZATION TO REFUND BONDS TO THE RTM.

Martha Banks made a motion to refer to the RTM and take action on the resolution entitled "Resolution Appropriating Fifty Million Dollars (\$50,000, 000) to Refund Certain of the Towns Outstanding Bonds and Authorizing the Issuance of Refunding Bonds to Finance Such Appropriation." A copy is attached. The motion was seconded and approved 7-0.

TRANSFER –PARKING FUND

Gwen Mogenson moved the transfer of \$5,100 from the Snow Removal Services account # 24848814-82014 to the Repairs and Maintenance Account 2488014-82041. The motion was seconded and approved 7-0.

NEW BUSINESS

Peter Hovell moved to go to new business. This was seconded and approved 7-0. Peter Hovell then moved that the Board accept the changes to the budget that the Board of Finance recommended as set forth in the April 8, 2008 memo by Kate Clarke Buch. This change will set up a separate fund for BOE receipts (building rentals.) The motion was seconded and passed 7-0.

ADJOURNMENT

Peter Hovell moved the meeting be adjourned. The motion was seconded and passed 7-0.

There being no other business, Chairman Murry Stegelmann adorned the meeting at approximately 9:45 PM.

Respectfully submitted,

Elizabeth Smith Mao, Clerk

**RESOLUTION APPROPRIATING \$17,680,000
FOR THE RENOVATION AND EXPANSION OF THE DARIEN
POLICE DEPARTMENT FACILITIES
AND AUTHORIZING THE ISSUANCE OF BONDS AND NOTES
IN THE AMOUNT OF \$17,680,000 TO MEET SAID APPROPRIATION**

RESOLVED:

Section 1. The sum of \$17,680,000 is appropriated for the renovation and expansion of the Darien Police Department Facilities located in the Town of Darien (the “Town”), including but not limited to, the demolition of the rear portion of the present facility, including the shooting range and the construction of 23,785 square feet of new space, renovation of the existing remaining structure to “as new” standards, resulting in a completed facility of approximately 37,000 square feet, including replacement of mechanical and electrical systems, installation of new insulation and the purchase and installation of energy efficient windows, as well as engineering, architectural and administrative, printing, legal and financing costs related thereto (the “Project”), said appropriation to be inclusive of any and all state and federal grants-in-aid thereof.

Section 2. To meet said appropriation, and in lieu of a tax therefor, \$17,680,000 bonds of the Town or so much thereof as shall be necessary for such purpose, may be issued, maturing not later than the twentieth year after their date. Said bonds may be issued in one or more series as determined by the Board of Finance, or any Town official designated by the Board of Finance, and the amount of bonds of each series to be issued shall be fixed by the Board of Finance, or any Town official designated by the Board of Finance, in the amount necessary to meet the Town’s share of the cost of the Project determined after considering the estimated amount of the state and federal grants-in-aid on the Project, and the anticipated times of the receipt of the proceeds thereof. The bonds shall be in the denomination of \$5,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Town Treasurer, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust

company, and be approved as to their legality by Pullman & Comley, LLC of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town is pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent, and the paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest, shall be determined by the Board of Finance, or any Town official designated by the Board of Finance, in accordance with the General Statutes of the State of Connecticut, as amended (the "General Statutes").

Section 3. Said bonds shall be sold by the Board of Finance, or any Town official designated by the Board of Finance, and the Town Treasurer, in a competitive offering or by negotiation, in their discretion. If sold in a competitive offering, the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation, provisions of the purchase agreement shall be subject to the approval of the Board of Finance, or any Town official designated by the Board of Finance.

Section 4. The Board of Finance, or any Town official designated by the Board of Finance, is authorized to issue and sell temporary notes in anticipation of the receipt of the proceeds of any series of said bonds and to determine the amount, date, date of maturity, interest rate, form and other details of such notes pursuant to the General Statutes. Notes evidencing such borrowings shall be signed by the First Selectman and the Town Treasurer, have the seal of the Town affixed, be payable at a bank or trust company designated by the Board of Finance, or any Town official designated by the Board of Finance, be approved as to their legality by Pullman & Comley, LLC of

Hartford, Connecticut and be certified by a bank or trust company designated by the Board of Finance, or any Town official designated by the Board of Finance. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town is pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of said bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The Town hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the “Regulations”), to reimburse expenditures paid sixty days prior to and anytime after the date of passage of this resolution in the maximum amount and for the Project defined herein with the proceeds of bonds, notes, or other obligations authorized to be issued by the Town. Such bonds, notes or other obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Board of Finance, or any Town official designated by the Board of Finance, is authorized to pay Project expenses in accordance herewith pending the issuance of reimbursement bonds and to amend this declaration.

Section 6. The First Selectman, Town Treasurer and Finance Officer or any one of them are hereby authorized, on behalf of the Town, to enter into any agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to nationally recognized municipal securities information repositories or state based information repositories (the “Repositories”) and to provide notices to the Repositories of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable

to effect the sale of the bonds and notes authorized by this resolution and to perform all acts which are necessary or appropriate to issue and deliver the bonds or notes. If the bonds or notes authorized by this resolution are issued on a tax-exempt basis, the First Selectman, the Town Treasurer and the Finance Officer, or any one of them, are authorized to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes, including covenants to pay rebates of investment earnings to the United States in future years. Should such bonds or notes issues in anticipation of such bonds be issued in such form and manner that the interest on such bonds or notes is includable in the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended, then it is hereby determined that the issuance of such taxable bonds or notes is in the public interest.

The foregoing budget was approved by the Board of Finance of the Town of Darien at its meeting held April 10, 2008. The following resolutions were adopted at said meeting.

A RESOLVED, that an appropriation of \$ 3,196,889 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 \$ 37,929,042 is hereby made in the General Fund for the Selectmen's Operating Budget.

C RESOLVED, that an appropriation of \$ 66,376,977 is hereby made in the General Fund for the Education Operating Budge.

D RESOLVED, that the above appropriations, totaling \$ 104,306,019 are for the purpose of meeting the expenses of the Town of Darien for the fiscal year commencing July 1, 2008 and ending June 30, 2009 as shown by the budget this day approved.

E RESOLVED, that a tax of 14.55 mills is hereby levied upon the last complete grand list of the Town with a total net assessment of \$ 6,598,352,697 on property as of October 1, 2007, payable in two equal semi-annual installments, the first installment to become due and payable on July 1, 2008 and the second installment to become due and payable on January 1, 2009, provided however that:

1. Any taxpayer may pay both of said installments on July 1, 2008;
2. The personal property tax on motor vehicles in said Town shall become due and payable in one single installment on July 1, 2008
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, 2008

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 12, 2008, 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, 2009.

G RESOLVED, that the following appropriations for other funds are hereby made as detailed below for the 2008-2009 fiscal year as shown by the budget this day approved.

\$ 3,584,232	Sewer Operating Fund for the purpose of meeting expenses of the Town of Darien, Sewer Commission
\$ 1,180,460	Sewer Assessment Fund
\$ 62,355	Animal Control Fund
\$ 1,349,777	Waste Management Fund
\$ 642,841	Parking Lot Administration Fund
\$ 163,137	Parking Lot Capital Fund

Elizabeth Smith Mao, Clerk
Board of Finance

**RESOLUTION APPROPRIATING FIFTY MILLION
DOLLARS (\$50,000,000) TO REFUND CERTAIN OF THE
TOWN'S OUTSTANDING BONDS AND AUTHORIZING
THE ISSUANCE OF REFUNDING BONDS TO FINANCE
SUCH APPROPRIATION**

RESOLVED:

Section 1. The sum of FIFTY MILLION DOLLARS (\$50,000,000) is appropriated to fund the redemption and the payment, in whole or in part, as determined by the First Selectman, the Town Treasurer, the Board of Finance or any Town official designated by the Board of Finance and the Finance Director of the Town of Darien (the "Town"), of the outstanding principal, accrued interest and any call premium on all or any portion of any issue of the Town's General Obligation Bonds including, but not limited to, the Town's General Obligation Bonds issued in 1999, 2002, 2003, 2004, 2005, 2006, 2007 and 2008 (the "Prior Bonds"), together with the costs of issuance including, but not limited to, any applicable consultants' fees, legal fees, trustee and escrow agent fees, investment fees, verification fees, underwriters' fees and other financing or transactional costs and other expenses related to the payment or redemption of such bonds for the purposes of refunding them.

Section 2. The Town is hereby authorized to issue its refunding bonds, in an amount not to exceed FIFTY MILLION DOLLARS (\$50,000,000) (the "Refunding Bonds"), to fund the appropriation authorized by Section 1 of this resolution, provided that the issuance of such Refunding Bonds achieves present value debt service savings for the Town. The Refunding Bonds shall be issued pursuant to Section 7-370c of the Connecticut General Statutes, as amended, and any other provision of law thereto enabling. The Refunding Bonds shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town.

Section 3. The First Selectman and the Town Treasurer shall sign the Refunding Bonds by either manual or facsimile signatures and the law firm of Pullman & Comley, LLC is designated as bond counsel to approve the legality of the Refunding Bonds.

Section 4. The First Selectman, the Town Treasurer, the Board of Finance or any Town official designated by the Board of Finance and the Finance Director are authorized to determine which of the Prior Bonds are to be redeemed and the amount, date, interest rates and interest mode, maturities, redemption provisions, form and other details of the Refunding Bonds; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the Refunding Bonds and escrow agent with respect to the refunding escrow or escrows to be funded with proceeds of the Refunding Bonds; to provide for the keeping of a record of the Refunding Bonds; to sell the Refunding Bonds at public or private sale; to deliver the Refunding Bonds; and to perform all other acts which are necessary or appropriate to issue the Refunding Bonds.

Section 5. The First Selectman and the Town Treasurer are authorized to call irrevocably for redemption such of the maturities of the Prior Bonds, as they shall determine to refund from the proceeds of the Refunding Bonds and other moneys as they may determine to make available for this purpose and to defease such Prior Bonds by executing and delivering an escrow agreement in such form and upon such terms as they shall approve, such approval to be conclusively evidenced by their execution thereof.

Section 6. The First Selectman, the Town Treasurer and the Finance Director, or any two of them, are authorized to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the Refunding Bonds authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

Section 7. The First Selectman, the Town Treasurer and the Finance Director, or any one of them, are authorized to make representations and enter into written agreements for the benefit of holders of the Refunding Bonds to provide secondary market disclosure information, which agreements may include such terms as she or he deems advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such Refunding Bonds.

Section 8. The First Selectman and the Town Treasurer are authorized to take all other action which is necessary or desirable to enable the Town to effectuate the refunding of all or a portion of the Prior Bonds and to issue Refunding Bonds authorized hereby for such purposes, including, but not limited to, the entrance into agreements on behalf of the Town with underwriters, trustees, escrow agents and others to facilitate the issuance of the Refunding Bonds, the escrow of the proceeds thereof and investment earnings thereon and the payment of the Prior Bonds in whole or in part.

Section 9. Any authorized but unissued portions of previous refunding authorizations are rescinded.