

**TOWN OF DARIEN
BOARD OF FINANCE
REGULAR MEETING
MARCH 31, 2016**

ATTENDANCE: Jon Zagrodzky, Chairman; Frank Huck, Bruce Orr, James McLaughlin, James Palen

ABSENT: David Lopiano, Diana Maguire

STAFF: Jennifer Charneski, Finance Director

OTHERS: Alan K. Gray, Library Director; Michael Harman, Board of Education Chairman; Dr. Daniel Brenner, Superintendent of Schools; Ms. Callie Sullivan, BOE member; Jack Davis, RTM F&B Committee; Sean Murphy, Noroton Heights Fire Chief

CALL TO ORDER

Mr. Zagrodzky called the meeting to order at 7:30 p.m. A quorum was present.

BUDGET DISCUSSION

Darien Library

Mr. Gray, the Library Director, came forward to speak about the budget. He said that Ms. Stephanie Anderson and Ms. Carolyn Lopez, who worked on the budget, were also present to answer any questions from the Board. Mr. Gray stated that the private partnerships provide about 25% of the budget for the library. He said that the budget increase was 2.2% and was associated with increase for staff support. Darien Library is losing ground in terms of salary competitiveness. He then reviewed the salary figures with the Board members.

The library is open 69 hours a week. Mr. Gray said that the operating expenses have been reduced by about \$13,000. One of the Librarians was promoted and her former position remained vacant. There was also a reduction in electrical costs from replacing the lights with LEDs. The maintenance and service line has also been reduced, along with the retirement costs.

Mr. Zagrodzky said that he appreciated the transparency and the role that the Friends of the Library have played in the operation of the facility.

Mr. Orr asked about the \$46,000 increase. Mr. Gray explained the source for the increase.

Board of Education

Mr. Michael Harman, the BOE Chairman, came forward and said that it was his first experience going through the budget cycle. He noted that Dr. Brenner, Mr. Feeney; Dr. DaSilva, Ms. Klein, Mr. Lynch and Ms. Cion were present in the audience along with a number of Board members.

Mr. Harman said that the Board of Finance had already discussed the budget with the Board of Education and he would like to answer any remaining questions.

Mr. Huck said that he would like more information on the SESS facilitators. Dr. Brenner said that the staffing has settled down and the staff was now in place. This included that the facilitators were in the elementary schools but not the middle school or the high school. Dr. Brenner went on to describe the staffing arrangements for the middle and high school.

Mr. Palen asked about the role of some of the administrators with the facilitators. Dr. Brenner said that the work of the facilitators was focused on the need for communication and they were not functioning as Assistant Principals. Some DRG schools have second assistant principals who are devoted to Special Education. Mr. Harman said that the thinking was to insure that the tools were in place for the students as soon as possible, such as getting the IEPs completed early. Dr. Brenner said that the Assistant Principals did not have to run the PPTs, but still attend them. This allows the Assistant Principals to work on the general curriculum issues.

Mr. Orr asked if there were any trends towards reducing the Out of District (OOD) placement. Dr. Brenner explained that it was the District's hope that the flurry of activity that happened last year would result in fewer OOD student placements. There are two programs in the pipeline that the District should start in the beginning of September and from there, the trust will build and fewer families will elect to have OOD placements for their students. The communication that has been put in place is working with the parents. Dr. Brenner said that with Special Education, the numbers should answer the question. The goal is to reduce and stay inside the current numbers. He pointed out that even if the District stayed flat, it would be a win for the District.

Mr. Huck asked about the ELP program. Dr. Brenner said that the enrollment numbers have been fairly consistent. Mr. Huck said that he had heard that the parents were happy with the program.

Mr. Palen asked about the increase in ELP funding and how many more families had been served. Dr. Brenner said that he did not have the number available but could get the figures to him. Discussion followed about the tuition involved in the program.

Mr. Zagrodzky said that he was pleased that the Board had reduced the budget figure. He agreed with the fact that it would take time to build trust and capacity for the Special Education. Mr. Zagrodzky said that he liked the transparency and line item budgets. The reduction in the pension is helpful but will not be available next year.

Mr. Zagrodzky went on to speak about the projected enrollment. He said that the numbers would drive a lot of capital projects for the Town. He added that the BOE was working on this.

Mr. McLaughlin said that the Board was trying to focus on the budget drivers and that this affects a host of items, such as staffing. He said that the Board expected some significant building projects. He asked what the core methodology was for these projections because it is the most impactful figure for the future budgets. Mr. Harman replied that the key driver was the kindergarten enrollment and then went on to review the projected enrollments school by school. He said that this District was one of the few districts in the State with a growing enrollment. There is no way to really control the enrollment because families move into the District with children. Mr. Harman then reviewed the details of how these variables factor in the formulas.

Dr. Brenner said that there was also a cohort of families that will send their children off to private school for 9th grade, so that introduces another variable. He said that every time that a child is sent off to private schools, the District loses. He reminded everyone that because the Town has neighborhood schools, the addition of 6 new elementary students can open an entire class section. Discussion followed.

Ms. Sullivan then spoke about the disconnect between what Planning and Zoning sees and what the District sees. She pointed out that as long as a residential unit is not affordable housing, a family can have as many children as they want in a one bedroom unit.

Mr. Jack Davis, the RTM F&B Committee Chair; pointed out that someone who could not afford \$20,000 for private school could actually afford an additional \$500 in rent. Ms. Sullivan added that there were more housing units opening along the Post Road over restaurants and stores.

Mr. Zagrodzky said that he would like to open up the discussion on Capital projects.

Mr. Orr said that he was listening to a conversation about the building projects at the High School. He said that it is clear that there needs to be a larger building but it has to be done right. Mr. Palen then spoke about the ways that the project could be funded. He said that the cafeteria needs to be enlarged. Discussion followed about the next steps and clarifying exactly what the high school needs.

Mr. Harman said that there were strong concerns about capacity at the high school because the 6th, 7th and 8th grade classes are the largest classes that have been in the District since 1993. Those students are about to start arriving at the high school. The cafeteria is already over capacity. Mr. Orr felt that the concerns over the \$1 million cost for the high school expansion was unwarranted since the Town has purchased two pieces of property over the last two years that were each over \$1 million dollars and this was not considered unusual.

Mr. Zagrodzky said that the school tour was very helpful. He said that the Hindley remodeling needs to be done. The administration building will need some consideration. Dr. Brenner said that he had been recently informed by the Planning and Zoning that they may not need a variance for the roof replacement.

Mr. Zagrodzky said that when they work on the storage, they need to make sure that they have enough storage.

Mr. Davis said that the useful life of the Stadium field was good and thanked Mr. Lynch for his work. He added that F&B agreed that the switch at Hindley was needed because of safety. Mr. Davis said that while the Town seems to have enough funds to replace equipment that is stored outside, he thought that it would be better long term investment to have enough storage for the sports equipment, which would make it last longer. He added that if the BOF approved the capital budget, the RTM could consider approving the projects to allow the District to start working on specs for the projects.

Fire Department

Mr. Zagrodzky said that he had visited all three departments and discussed the budgets with the staff. He said that the Town had equalized the amounts of the grants. He said that the proposal to move some of the administrative items to the Town staff would be beneficial. The Town staff would handle payments and this would allow the Town to distribute smaller grants to the departments in a miscellaneous type of account. Both First Selectman Stevenson and Ms. Buch are in support of this.

Ms. Charneski listed the various accounts that would be transferred and managed by the Town. Mr. Zagrodzky said that the idea was not to short change the departments but to support the department by handling the administrative tasks.

Mr. Zagrodzky said that there had been some issues about the dispatch services. Noroton Heights Fire Chief Shawn Murphy came forward and said that there was a possibility of switching over to a regional dispatch service because with the current set up, there is only one person on the desk. The regional dispatch has three or four people on the desk 24/7. He then gave the details of the information that would be needed by the dispatch group.

Mr. McLaughlin said that there had been a discussion with the Police Department about their dispatch and issues that were associated with it. He asked if the use of this service was a temporary solution or if the department would switch back to the Police Department. Chief Murphy said that once the Police Department has the system sorted out, the Fire Departments would switch back.

Mr. Davis asked if the Departments had established what the metrics for success would be before the departments started. Chief Murphy said that he believed an email had been sent out about that.

Mr. McLaughlin said that the Police Department Capital project budget had been reviewed and that the presentation was compelling. There was firm data.

Town Capital Projects

The discussion then moved to the Town Capital Budget projects. Mr. Zagrodzky asked about the Town digitalization process. Ms. Charneski said that the Building Department is working on this and then it will be followed by Planning and Zoning. There will be on-going funding needed for this project. Mr. Davis said that Mr. Ginsberg had agreed to add a line item for the fees that would cover some of the costs of digitally scanning the documents.

Mr. Zagrodzky asked about the Town Hall Generator. He added that it was an expensive item. Mr. Davis said that this had not been discussed yet by F&B. Discussion followed.

Mr. Zagrodzky added that he would like everyone to take a holistic look at the Capital projects budget.

Regarding the Pear Tree Point Master Plan, Mr. Orr said there had been discussion about whether the Town could do a sufficient plan this year with Ms. Gery, the Director, Mr. Coghlan, the Assistant Director and Ms. Flynn, the Parks and Recreation Committee Chair. The final conclusion was that they should wait at this time.

Debt Service

Mr. Palen spoke briefly about the debt service. He added that there may be some value in bonding in the future, particularly with some of the larger projects coming up. Discussion followed.

Employee Benefits

Mr. Huck said that Ms. Charneski had informed him that the medical insurance renewal was lower than the assumption of 6%. Discussion followed about the various details of the wellness program, and the changes in the pension funding.

Ms. Charneski said that there was a deficit in the Internal Service fund because of an error made in the calculation a few years ago. She said that they would like to increase the 2017 budget to make up part of the shortfall with some surplus and reviewed the amounts with the Board.

Five Year Plan and Fund Balance

The Board then moved to the topic of the Five Year Plan and the Fund Balance. Mr. Zagrodzky said that it would be good to let people know how some of the decisions are made regarding the fund balance.

Contingency

Ms. Charneski then gave a brief overview of the Contingency budget. She explained that the BOS proposed budget included funds in the capital contingency for implementation of EMS and other study recommendations. There is also \$30,000 for speed control signs near the schools.

Legal Counsel

Mr. Huck said that the figure increased due to some litigation and some other issues regarding the lights at the High School. Mr. Huck stated that Mr. Ginsberg believes that the projected number is realistic, but had cautioned Mr. Huck that the more valuable a property becomes, the more likely that there would be a lawsuit.

Mr. McLaughlin had several questions about how the legal expenses were projected. Mr. Huck assured him that the various cases were tracked very closely.

Workers Comp

Mr. Huck said that the figures are not released until later. Mr. Davis then spoke about how this was similar to risk management. Discussion followed.

Mr. Zagrodzky said that with the single exception of the BOE Capital Budget request, all the budgets have been reviewed. He said that the Board could meet on Tuesday to discuss the preliminary report with all the changes to date. Following a discussion, it was decided to cancel the Tuesday meeting and have a final vote on Thursday, April 7th.

Mr. Palen has some questions about the Grand List, the Fund Balance and the 1% expected growth rate. Discussion followed about the percentage of taxes collected.

Ms. Charneski had a question about the handling of the contribution from Fund Balance. Mr. Zagrodzky said that he would like to discuss that and how it would affect the Five Year Plan at the next meeting.

Mr. Davis said that at the same time when the Board was talking about two or three major projects in Town, the projection of the growth is critical. Mr. McLaughlin said that the commercial increase on the grand list has been very strong the past year.

Mr. Davis said that the BOS needed to come up with a more strategic plan for technology for the Town. He gave various examples of how the license plate readers could be used more efficiently to supply more information to the Town. Mr. Gray said that he was the only member of the ITC which used to meet every month or so. Mr. Gray said that the Committee had stopped meeting but he felt that it would be a good idea to see if there was a way to re-constitute that committee.

Mr. McLaughlin said that Mr. Zagrodzky had addressed the State of the Town back in January and the RTM F&B members had been invited to participate. He said that the process has been vastly improved by these efforts. Mr. Zagrodzky thanked Mr. Davis for his emails which often contained very thoughtful insights. Mr. Davis said that the transparency in the process means that there shouldn't be any surprises when the F&B Committee gets the budget.

OTHER BUSINESS

There was no additional information for the Board to consider at this time.

ADJOURNMENT

**** MR. ORR MOVED TO ADJOURN.**

**** MR. HUCK SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:33 p.m.

Respectfully submitted,

Jon Zagrodzky
Chairman, Board of Finance

Prepared by

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Telesco Secretarial Services

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Board of Finance
Regular Meeting
March 31, 2016