

**MINUTES
REPRESENTATIVE TOWN MEETING
ANNUAL BUDGET MEETING
JUNE 8, 2020**

**RECEIVED
JUN 15 2020
TOWN CLERK'S OFFICE
DARIEN CT.**

CALL TO ORDER

The Regular Annual Budget meeting of the Representative Town Meeting was called to order at 8:02 p.m. by Kate Buch, Town Administrator. The meeting was held on Webinar.

Upon Roll Call, the following 96 members were present:

From District I, there were 15 members present, 1 absent.
From District II, there were 17 members present, 0 absent.
From District III, there were 16 members present, 0 absent.
From District IV, there were 17 members present, 0 absent.
From District V, there were 16 members present, 1 absent.
From District VI, there were 15 members present, 1 absent.

The absentee from District I was: Butler.
The absentee from District V was: Kelly.
The absentee was District VI was: Cantavero.

The Moderator, Seth Morton, Assumed the Chair.

ACCEPTANCE OF THE AGENDA

The Moderator said he would like to move Item #10 up to the beginning of the agenda. There was no objection.

Cheryl Russell, District II, said she would like to separate discussion and vote on the Selectmen's Budget and the Board of Education Budget. It was pointed out that they were separate.

**** THE AGENDA WAS ACCEPTED BY UNIVERSAL CONSENT.**

APPROVAL OF THE MINUTES OF THE APRIL 27, 2020 MINUTES

**** THE MINUTES WERE ACCEPTED BY UNIVERSAL CONSENT.**

ANNOUNCEMENTS

The Moderator said they would follow the same procedure as the last meeting, where no votes and abstentions would be counted. There were no objections. He also noted that there was an RTM meeting scheduled on June 15th, which he will cancel.

The Moderator said there were two guests tonight: Chief Don Anderson of the Police Department and David Knauf from the Health Department.

Chief Anderson said that the Police Department remains very strong. There have been two protests, which were very vocal, peaceful and passionate. The Police Department has been, and always will be, a professional agency. The training in Connecticut is among the very best. They are an accredited agency. He is proud of their officers. The Darien Police Department does not profile, engage in or condone police brutality. Their Police Department is top notch.

David Knauf, Health Department Director, spoke about the corona virus. He was notified on February 9th by a family returning from China. The first positive case was in March, and since then, there have been 200 positive cases. The Health Department is producing weekly reports tracking cases. Positive cases in Darien have declined dramatically. March 29th was the last positive case. Community transmission is severely reduced. They are very much involved in the re-opening of the town. There have been 16 hospitalized cases in Darien; 4 remain in the hospital. Their fatality rate is extremely low. They need to maintain social distancing and wearing masks.

20-20

CONSIDERATION AND ACTION ON APPROPRIATION OF \$216,756.00 TO BE USED TO CAPITALIZE THE FIRST INTEREST PAYMENT FOR THE OX RIDGE SCHOOL PROJECT

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF THE FINANCE & BUDGET COMMITTEE, MOVED:**

WHEREAS, the Town of Darien issued \$21,060,000 of new bonds in April, 2020; and

WHEREAS, the Town of Darien received a premium of \$4,120,303.90; and

WHEREAS, a portion of the premium will be used to capitalize the interest payment for the Ox Ridge School project; and

WHEREAS, the FY2021 budget includes a revenue line for a transfer from the debt services fund to offset the amount of the first interest payment.

NOW THEREFORE, BE IT RESOLVED, that the Representative Town Meeting of the Town of Darien hereby authorizes a special appropriation of TWO HUNDRED SIXTEEN THOUSAND SEVEN HUNDRED FIFTY SIX AND 00/100 DOLLARS (\$216,756.00) into a multi-year debt service fund to be used as the first interest payment for the Ox Ridge School Project.

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis, District III, Chairman of Finance & Budget, read the committee report (attached).

**** ITEM 20-20 CARRIED WITH ONE ABSTENTION.**

20-15

**CONSIDERATION AND ACTION ON THE JULY 1, 2020 TO JUNE 30, 2021 BUDGET
RECOMMENDED BY THE BOARD OF FINANCE**

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF FINANCE & BUDGET, MOVED:**

WHEREAS, the Board of Finance of the Town of Darien approved the July 1, 2020 to June 30, 2021 Budget at a meeting on May 14, 2020;

BE IT HEREBY RESOLVED, that the Representative Town Meeting of the Town of Darien hereby adopts the following appropriations for the July 1, 2020 to June 30, 2021 budget;

- A. RESOLVES, that an appropriation of \$2,291,845 is hereby made from the Reserve Fund for Capital & Non-Recurring Expenditures for the purpose of meeting expenses of the Town of Darien as shown by the budget this day approves;
- B. RESOLVED, that an appropriation of \$45,365,691 is hereby made in the General Fund for the Selectmen's Operating Budget.
- C. RESOLVED, that an appropriation of \$102,496,378 is hereby made in the General Fund for the Education Operating Budget.
- D. RESOLVED, that the above appropriations, totaling \$147,862,069 are for the purpose of meeting the expenses of the Town of Darien for the fiscal year commencing July 1, 2020 and ending June 30, 2021 as shown by the budget this day approved.
- E. RESOLVED, that a tax of 16.36 mills is hereby levied upon the last complete grand list of the Town with a total net assessment of \$8,568,308,532 on property as of October 1, 2019, payable in two equal semi-annual installments, the first installment to become due and payable on July 1, 2020 and the second installment to become due and payable on January 1, 2021, provided however that:
 - 1. Any taxpayer may pay both of said installments on July 1, 2020;
 - 2. The personal property tax on motor vehicles in said Town shall become due and payable in one single installment on July 1, 2020

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, 2020

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 June 8, 2020, be authorized to borrow on the note or notes of the Town the sum of \$10,000,000 or so much thereof as may be necessary for the general expenses of the Town pending the collection of either or both of said semiannual installments of taxes on or prior to June 30, 2021.

G RESOLVED, that the following appropriations for other funds are hereby made as detailed below for the 2020-2021 fiscal year as shown by the budget this day approved.

4,009,013 Sewer Operating Fund for the purpose of meeting expenses of the Town of
Darien, Sewer Commission
550,000 Sewer Assessment Fund
99,500 Sewer Capital Fund
1,097,620 Parking Lot Administration Fund
400,000 Parking Lot Capital Fund

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis, District III, Chairman of Finance & Budget, read the Committee report (attached).

A RESOLVED, that an appropriation of \$2,291, 845 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.

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF FINANCE & BUDGET, MOVED TO AMEND 20-15A BY REDUCING IT BY \$100,000 (20-15A1).**

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Mr. Davis read the Finance & Budget Committee report (attached).

**** ITEM 20-15A1 CARRIED WITH 4 VOTES OPPOSED, 1 ABSTENTION.**

James Cameron, District IV, asked the Moderator if they should have comments from Town officials The Moderator said if they have comments, they should raise their hands.

Diane Conologue, District I, said she never remembers Finance & Budget proposing cuts after the Board of Finance has proposed the budget. Kate Buch, Town Administrator, said it was within their rights. Jack Davis said it was done six years ago.

Diane Conologue said their meeting took place on June 4th, and cuts were made that no one else was aware of until tonight. Jack Davis said he could appreciate that, but with the exception of one item, they

were presented to the Board of Finance. They are not a surprise. Diane Conologue said that the Park & Recreation portion was not talked about in their prior message. She said she would be voting against this motion.

Monica McNally, District II, said she did not remember this being covered at a Board of Finance meeting. Jack Davis said it was covered there and also at a Board of Selectmen meeting. They have been consistently talking about some of these accounts going forward. They have been raising this for more than a year.

Peter Orphanos, District VI, said some of these items were on lists of potential budget cuts and discussed at Board of Selectmen meetings for some time. Finance & Budget came up with a plan which would have addressed additional areas of budget savings, which would have made cuts unnecessary.

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF FINANCE & BUDGET, MOVED TO AMEND BY REDUCING THE GENERAL FUND FOR THE SELECTMEN'S OPERATING BUDGET BY \$46,000 (20-15A2).**

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jon Zagrodsky, Chairman of the Board of Finance, said they plan to take a close look at the Reserve Fund over the summer. He encouraged that these funds not be disturbed so that they can work with staff.

John Boulton, District V, said he was disturbed by the way that Finance & Budget was working. There should not be such a detailed discussion held not in person.

Cheryl Russell, District II, said she was also voting against this motion. The Board of Finance has done a great job, and Finance & Budget is stepping out of bounds and making cuts at the 11th hour.

Martha Banks, District IV, said the only reason to spend money on this project in this environment is if there is a real imminent safety threat. Deferral of this project is warranted.

Peter Orphanos, District VI, said the majority of the items on the spread sheet could wait until next year.

**** ITEM 20-15A2 CARRIED WITH 11 VOTES IN OPPOSITION, 5 ABSTENTIONS.**

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF FINANCE & BUDGET, MOVED TO REDUCE THE PARK & RECREATION PORTION OF THE SELECTMEN'S OPERATING BUDGET: \$11,000 FOR THE RIDING LEAF BLOWER, LINING OF TENNIS COURTS BY \$36,000 & \$25,000 FOR CONCESSION Stand (2015A3).**

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis read the Committee report (attached).

Diane Conologue, District I, said it was not appropriate that the Park & Recreation Committee could not meet again after the Finance & Budget meeting.

Jennifer Schwartz, District I, said that Finance & Budget met with members from the Park & Recreation Committee and some members of Finance & Budget and discussed concerns about proposed Capital in

the Park & Recreation budget. They have been discussing this since March. These items warrant deferral.

Adele Conniff, District II, Chairman of the Park & Recreation Committee, read the Committee report (attached).

Cheryl Russell, District II, said that Mrs. Conniff did a great job and agreed that Finance & Budget had over-stepped their bounds. They are out of line. They had misinformation at their meeting last week. \$118,000 is their Capital budget, but they bring in \$400,000 in revenue. Their budget is a sliver of the pie. She hopes her fellow RTM members will vote no.

Stacy Tie, District II, said it is within Finance & Budget's purview to make recommendations to the RTM.

John Boulton, District V, said he seconded Cheryl Russell's comments and urged everyone to vote against this item.

Monica McNally, District II, said that the Board of Finance reinstated the money for the tennis courts.

Sheila Sherwood, District V, said during the pandemic, when people have lost income, are afraid to travel, etc., this would be the year to maintain things for the public.

Jon Zagrotsky, Chairman of the Board of Finance, said they reached out to the Board of Education to ask them about cuts. The Selectmen made big cuts. They reached a flat tax levy budget. They should maintain their assets; they are not broke. He urged them to not make these cuts.

Frank Adelman, District VI, said there is a double standard. The Board of Finance has asked for their hard work to be realized, but the Board of Education was cut.

Peter Orphanos, District VI, said they were talking about the parameters that were set. All Capital deferments should be exhausted before you cut the Operating budget.

Lucy Fiore, District IV, said that the Education budget is huge, so there is room for some cuts. The Park & Recreation budget is very small, so everyone should vote no.

Adele Conniff, District III, said it is not the lines on the tennis courts; it is the courts. She also said that she was on the Board of Education for 9 years and knows the issues. It is bad to pit the Selectmen's budget against the Board of Education.

Cheryl Russell, District II, said she agreed with Adele Conniff.

Clara Sartori, District II, said that Barbara Thorne, District II, was listening to the meeting but was unable to get in.

Jack Davis, District III, said that the Finance & Budget Committee is the only one that sends out reports ahead of time. The original methodology is in question. It is unfair to say that the methodology used by the Board of Finance did not require the Board of Education to make a cut. Finance & Budget is not a rubber stamp.

**** ITEM 20-15A3 CARRIED WITH 35 VOTES IN OPPOSITION AND 2 ABSTENTIONS.**

**** ITEM 20-15A, AS AMENDED, PASSED WITH 8 VOTES IN OPPOSITION.**

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF THE FINANCE & BUDGET COMMITTEE, READ THE REPORT OF THE FINANCE & BUDGET COMMITTEE (ATTACHED).**

B.RESOLVED that an appropriation of \$45,365,691 is hereby made in the General Fund for the Selectmen's Operating Budget.

**** JACK DAVIS MOVED TO AMEND BY CUTTING \$100,000 FROM THE SELECTMEN'S OPERATING BUDGET (20-15B1).**

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

James Patrick, District V, Chairman of the Public Health & Safety Committee, read the Committee report (attached).

**** ITEM 20-15B1 CARRIED WITH 9 VOTES IN OPPOSITION, 1 ABSTENTION.**

Discussion now took place on 20-15B, as amended.

Monica McNally, District II, Chairman of the Public Works Committee, read the Committee report (attached).

**** ITEM 20-15B, AS AMENDED, CARRIED WITH 5 VOTES IN OPPOSITION, 1 ABSTENTION.**

**** CLARA SARTORI, DISTRICT II, CHAIRMAN OF THE EDUCATION COMMITTEE, MOVED:**

C RESOLVED, that an appropriation of \$102,496,378 is hereby made in the General Fund for the Education Operating Budget.

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Clara Sartori, District II, Chairman of the Education Committee, read the Committee report (attached).

Jack Davis, District III, Chairman of Finance & Budget, read the Committee report (attached).

Theresa Vogt, District VI, Vice Chairman of the Education Committee, spoke about the partisan behavior of the Board of Education. They had always worked collaboratively until this year, there should be no room for partisan behavior. This supersedes the best interests of their children. Five Republican members of the Board met last week, which constitutes a quorum.

John Boulton, District V, raised a Point of Order. He asked what this had to do with the budget and said it needs to be stopped. The Moderator said he would allow the discussion, but politics should not be brought into it. Mr. Boulton said this speech was an unlawful attempt to smear Republicans and is not appropriate.

Theresa Vogt said she should have her say. The Moderator said politics should not be brought into it.

Sara Parent, District V, said she was opposed to the actions taken by the Board of Finance.

Carolina McGoey, District III, said she was speaking on her own, not as a member of the Education Committee. She was opposed to the way the Board of Finance had acted.

Petr Marousek, District III, said there is a 1,000,000 funding gap in the Board of Education. He strongly opposed cuts that impact student learning.

Frank Adelman, District VI, said he would reluctantly vote in favor of the Board of Education budget. He was upset that the Board of Finance voted to reduce their budget by \$1,000,000. The Board of Finance should be held accountable.

Cheryl Russell, District II, said she has been on the RTM for 31 years, and many times, she stood alone in voting against the Board of Education budget. She will vote against it again tonight. The Board of Finance is trying to keep their taxes low. She was upset that the Board of Education cuts teachers and programs from their children. Cuts should be made from the top. Maybe they can merge their maintenance staff with the Town. There are other places they can cut since Covid 19 has put a strain on everyone.

David Bayne, District V, objected to using the Point of Order to cut off RTM members' ability to be heard. He is voting in favor of the Board of Education budget.

The Moderator said the Point of Order was correct because politics was introduced.

Jan Raymond, District IV, said she was disturbed to hear about the dysfunction between the RTM committee, the BOF and the BOE. If they rubber stamp what the BOF does, why have a budget? She will vote for the BOE budget reluctantly because it is not enough. Cutting people at the top is not easily done.

Janet Grogan, District V, said she echoed the comments of David Bayne.

Elizabeth Lane, District III, said that Theresa Vogt had been discussing the process by which the BOF arrived at the budget. She will support the BOE budget, but she is holding her nose because it is taking a deep cut.

Michael Casolo, District II, said he will support this budget under duress. His major concern is how lean the budget is this year. There will be a significant increase in student population this year due to Covid 19.

Stacy Tie, District II, said she agreed with the process the BOF took.

David Bayne, District V, said there should be no magic words to cut off debate from RTM members. People should have their say. The Moderator said sometimes you have to make a hard call. There was a Point of Order raised, and I made a call.

Shannon Silsby, District VI, said that the behavior of John Boulton is what made the budget system not work.

**** CLARA SARTORI, DISTRICT II, CALLED THE QUESTION.**

**** ITEM 20-15C CARRIED WITH 5 VOTES IN OPPOSITION, 1 ABSTENTION.**

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF THE BOARD OF FINANCE, MOVED:**

D RESOLVED, that the above appropriations, totaling \$147,862,069 are for the purpose of meeting the expenses of the Town of Darien for the fiscal year commencing July 1, 2020 and ending June 30, 2021 as shown by the budget this day approved.

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis, District III, Chairman of the Board of Finance, read the Committee report (attached).

**** ITEM 20-15D CARRIED WITH 4 VOTES IN OPPOSITION, 1 ABSTENTION.**

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF THE BOARD OF FINANCE, MOVED:**

E RESOLVED, that a tax of 16.36 mills is hereby levied upon the last complete grand list of the Town with a total net assessment of \$8,568,308,532 on property as of October 1, 2019, payable in two equal semi-annual installments, the first installment to become due and payable on July 1, 2020 and the second installment to become due and payable on January 1, 2021, provided however that:

1. Any taxpayer may pay both of said installments on July 1, 2020;
2. The personal property tax on motor vehicles in said Town shall become due and payable in one single installment on July 1, 2020
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, 2020

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis read the Finance & Budget Committee report (attached).

**** ITEM 20-15E CARRIED WITH 1 ABSTENTION.**

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF THE FINANCE & BUDGET COMMITTEE, MOVED:**

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 June 8, 2020, be authorized to borrow on the note or notes of the Town the sum of \$10,000,000 or so much thereof as may be necessary for the general expenses of the Town pending the collection of either or both of said semiannual installments of taxes on or prior to June 30, 2021.

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis read the report of the Finance & Budget Committee (attached).

**** ITEM 20-15F CARRIED WITH 1 ABSTENTION.**

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF FINANCE & BUDGET, MOVED:**

G RESOLVED, that the following appropriations for other funds are hereby made as detailed below for the 2020-2021 fiscal year as shown by the budget this day approved.

4,009,013	Sewer Operating Fund for the purpose of meeting expenses of the Town of Darien, Sewer Commission
550,000	Sewer Assessment Fund
99,500	Sewer Capital Fund
1,097,620	Parking Lot Administration Fund
400,000	Parking Lot Capital Fund

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis read the report of the Finance & Budget Committee (attached).

**** ITEM 20-15G CARRIED UNANIMOUSLY.**

20-16

APPROPRIATION OF \$30,000,000 FOR REFUNDING OF CERTAIN OF THE TOWN'S BONDS AND AUTHORIZING ISSUANCE OF REFUNDING BONDS OR AMOUNTS AVAILABLE IN UNASSIGNED FUND BALANCE TO FINANCE SUCH APPROPRIATION

**** JACK DAVIS, DISTRICT III, CHAIRMAN OF FINANCE & BUDGET, MOVED:**

Public Works

WHEREAS, it has been standard practice of the Town in order to take advantage of changing financial conditions to refund certain

of the Towns outstanding bonds and authorizing the issuance of Refunding Bonds; and

WHEREAS, it is the desire of the Town of Darien to take that action once again.

NOW THEREFORE, BE IT RESOLVED THAT the Representative Town Meeting of the Town of Darien hereby approves the sum of 'Thirty Million Dollars (\$30,000,000) to refund certain of the Town's outstanding bonds and authorizing the issuance of Refunding Bonds or amounts available in unassigned fund balance, to finance such appropriation, as more specifically described in the Resolution attached hereto and made a part hereof.

**** THE MOTION WAS SECONDED FROM THE FLOOR.**

Jack Davis read the report of the Finance & Budget Committee (attached).

**** ITEM 20-18 CARRIED WITH 2 ABSTENTIONS.**

20-19

CONSIDERATION AND ACTION ON AMENDING APPENDIX B, PART III SECTION 2 OF DARIEN'S CODE OF ORDINANCES, RULES OF PROCEDURE OF THE RTM DEALING WITH REGULAR & SPECIAL MEETINGS

The Moderator noted that this item is not ready and will be put on the agenda for the September meeting.

**** UPON MOTION MADE & SECONDED FROM THE FLOOR, IT WAS UNANIMOUSLY VOTED TO ADJOURN AT 11:30 P.M.**

Respectfully submitted,

Cheryl Telesco Blois

Telesco Secretarial Services

Presentation for RTM Proposed Budget Mtg 6/8/2020

My name is Monica McNally District 2- Chair of the Public Works Committee of the RTM.

At a Special Meeting of the PWC held on May 27, 2020, with 11 of 12 members present, the PWC considered and voted unanimously to recommend approval to the full RTM, of the Public Works Capital Expenditures and Public Works Operating portions of the 2020-2021 Board of Finance Budget.

The committee reviewed and discussed this budget in detail with Public Works Director Ed Gentile. The budget reflects no change in the number of full-time employees or part-time employees. There is an overall budgeted increase in spending of \$37,604 or .8% on a total appropriations budget of \$ 4,389,006.

The Public Works Department continues to make meaningful and measurable improvements to the service provided to the Town. The department has been impacted by Covid 19 in a variety of ways. The transfer station has had extra workers assigned to cover certain shifts to ensure no cross contamination between crews. The department has been busy cleaning, disinfecting and putting up protective tempered glass barriers at Town government buildings. The West Noroton intersection project has been delayed while awaiting the notarization of three easements unable to be attained because of the lockdown. The bulk waste pickup day may be rescheduled for the Fall, as well as the Household Hazardous Waste day.

All efforts are being made to keep to the road paving schedule for August, although the prep work of drainage and road/shoulder clearing is late getting started. Almost 6 miles of road are scheduled to be paved this year leading to an increase in the budget of \$47,300 or 5.2% on the \$950,000 total. \$400,000 of that amount is recommended to be funded through bonding. The sidewalk rehabilitation and repair amount of \$503,000 is recommended to be funded through bonding. The capital request for \$75,000 for New sidewalk installation of approximately 350 feet on West Avenue is recommended to be funded through bonding.

On June 1st the department started selling Refuse permit stickers- online only. Current stickers will not expire until September 1. The revenue budget increase of 10% or \$ 28,000 reflects the collection date being pushed out one quarter- into the new fiscal year, as some of the collections normally occurring in June will be spread over July and August.

The motor fuel and lubricants contract was secured in mid-December at an increase of 1% or \$13, 434.

The electricity budget decrease of 6% / \$7,040 reflects lower usage and savings from the solar panel installations.

There is a decrease of \$4000 in the tire budget- tires are replaced every other year and this is an off year.

Cost savings continue to accrue in the Waste Management area. We now recycle 26% more tonnage than we pay to have hauled away- vs 10% last year. The lower volume of haulage has led to a \$306,055 savings on our Solid Waste Disposing costs. The Food Scrap Program is ahead of schedule and is collecting on average over 3 tons of material a month to be composted- also contributing to savings from a decrease in tonnage removal. The town has expanded the recycling program to include paint and mattresses.

There have been questions raised regarding the Single Stream Recycling Program and fees. Under a contract with City Carting, Darien receives \$7.5 / ton until 2024, and this year that program generated \$24,033 in revenues. The price of scrap metal fluctuates greatly- the drop in revenue of \$17,000 or 46% reflects current market conditions.

The Public Works Committee appreciates the consistent high quality work and level of service the the Public Works Department provides. We ask you to vote "yes" and ratify Item 20-15 20-16 and 20-17.

June 8, 2020

REPRESENTATIVE TOWN MEETING

WARNING (20-15)

2020-2021 TOWN OF DARIEN BUDGET

Adele Conniff, District 3, RTM Parks & Recreation Committee

Good evening,

The Darien Parks & Recreation Department maintains approximately 210 acres of parkland in addition to 16.2 acres at Highland Farm, The Meadows (east picnic area located at Weed Beach on the old Short Lane Property), Police Department grounds, the Hecker property and the Diller property. They also maintain facilities at Weed Beach, Pear Tree Beach, Cherry Lawn, McGuane Park, Baker Park as well as new trails at Diller and soon to be finished Highland Farm. The Department is also responsible for all organized programs and events open to the general public. Most activities are operated on a self-sustaining basis. Revenues are also generated by Beach Stickers, Boat Permits, Paddle Hut and Picnic Rentals, Kayak Storage, Annual Beach Concession Fee, Park Reservations and Rentals, Event and Program Revenue and Adult and Youth Sport League Fees. The Department has always brought significant revenue to the Town and will likely continue to do so even with the pandemic's affect.

The Board of Finance approved 2020-2021 Town of Darien Parks & Recreation Operating Budget is \$1,928,318. This is an increase of \$4,998 from 2019-2020. The Operating Budget is essentially flat.

The RTM Parks & Recreation Committee first reviewed the Parks & Recreation Department's Town of Darien 2020-2021 Budget requests in January. We were lucky to have Pam Gery, the Parks & Recreation Department Director, take us through the requests. Pam patiently answered our many questions, thoroughly reviewing the Operating and Capital Budgets.

The CAPITAL BUDGET DEPARTMENT REQUESTS for 2020-2021:

Recurring Capital;

\$60,000 Work Equipment Reserve (P&R Vehicle)

\$5,000 Tree Replacement

Non-Recurring Capital:

\$11,000 Valve Replacement at Town Hall Fields

\$30,000 Weed Beach Concession Equipment*
\$15,000 Update Playground Equipment
\$8,000 Cherry Lawn Traffic Study
\$10,000 Remove Cherry Lawn Basketball Court (and seed it with grass)
\$66,000 Repaint Weed Beach Tennis Courts**
\$11,000 Stand-On Blower***

* Much of the equipment in the Weed Beach concession area is owned by the current vendor. This makes it impossible for us to have a competitive bidding process. The current vendor is in the last year of a three year contract. This expenditure will replace the vendor's equipment (with new or used) so the Town will have more than one bidder. Competition will likely increase revenue modestly, but most importantly improve the concession product and service.

** Proposed is power washing and repainting of the courts. It is recommended that this be done every 5-6 years. The courts were installed 8 years ago. The tennis courts closest to the entrance of Weed Beach particularly need repainting. There is a fairly large area on the center court where the paint is gone. There appears to be degrading of the paint in general.

*** The Stand-On-Blower increases the efficiency of our staff with the additional properties the department is tasked to manage. (ex. Diller and Highland Farm) It blows leaves as well as light snow.

The RTM P&R Committee followed the budget process carefully as the Town Administrator and Board of Selectmen made their "adjustments".

In February the Selectmen approved the following changes to the Capital Non-Recurring P&R Budget.

\$30,000 Weed Beach Concession Equipment request was REVISED to include \$5,000 for a consultant to formulate a plan for what we need and what kind of service we want. (The P&R Commission has had many questions about snack bar operations and what is the right kind of service desired by the community.)

\$8,000 Cherry Lawn Traffic Study was REMOVED.

\$10,000 Cherry Lawn Basketball Court removal was CHANGED to

\$15,000 Cherry Lawn Basketball Half Court

\$66,000 Repaint Weed Beach Tennis Courts was REDUCED to

\$36,000 Repaint Weed Beach Tennis Courts (courts near park entrance)

The remainder of the Capital Requests were unchanged. The Budget was presented to the Board of Finance.

As we all know the pandemic brought changes to our budget process. The Board of Finance reviewed the budget line by line, as usual, plus asked the Board of Selectmen to review their portion of the budget again and to suggest significant cuts of their budget to the Board of Finance.

The Parks & Recreation Budget was NOT REDUCED BY EITHER THE BOARD OF SELECTMEN'S SECOND REVIEW OR BY THE BOARD OF FINANCE.

The RTM Parks & Recreation Committee met on May 4, 2020 with 10 of 13 members present, constituting a quorum, to review again and vote on the Parks & Recreation portion of the 2020-2021 Town of Darien Budget. The Committee had thoroughly reviewed the Operating Budget in January.

We VOTED UNANIMOUSLY in SUPPORT of the OPERATING BUDGET.

Our primary discussion focus was on the Capital Budgets.

Capital Recurring Budget:\$65,000

Capital Non-Recurring Budget: \$118,000

These Capital requests deal primarily with fixing things that are worn out or broken, things that are safety issues, and measures that would increase productivity. While we differed in our discussion on which Capital project was our priority and which one was least important, we

VOTED UNANIMOUSLY in SUPPORT of the RECURRING and NON-RECURRING CAPITAL BUDGETS.

With our unanimous votes, we look to the full RTM for your support.

Thank you to Pam Gery and Lori Bora for your help with this year's budget process.

Thank you to the all of the Board of Selectmen, Board of Finance and fellow RTM members. This year's budget process has been quite a challenge for all of us.

Report of the RTM Education Committee

June 8, 2020

Move Resolution 20 -15

The RTM Education Committee met remotely on Wednesday June 3 with 11 of 13 members present to discuss and vote on the appropriation of \$102, 496, 378 from the general fund for the Education Operating Budget. This meeting was preceded by a remote meeting on May 20 attended by Board of Education Chair Tara Ochman and Superintendent Allan Addley.

The Education Committee voted 10 in favor and one abstention to support the appropriation of \$102, 496, 378 and asks that the RTM do the same. It should be noted that three of the members stated that their yes vote was under duress, explaining that they considered voting no on the budget as a means of indicating dissatisfaction with the lack of a more collaborative approach on the part of the Board of Finance.

The abstaining member voted as such to show his dissatisfaction with the process and to express the uncertainty over an acceptable budget outcome. Moreover, he believes that voting on an incomplete budget with a funding gap just because our RTM deadline so dictates creates a potentially dangerous precedent. He hopes that through discussions with several individual Board of Education members during the period between our Committee vote on June 3rd and today, he would receive further assurances, albeit informal, that educational priorities would not be compromised in the final reconciled budget so that he can vote FOR the proposed budget during today's RTM vote.

It is the RTM Education Committee's job to examine the Board of Education's budget to determine whether taxpayer funds allocated to the Board of Education are sufficient to fulfill state of Connecticut requirements and district educational priorities effectively and efficiently. The Education Committee cannot address line items in the budget, but it can question the value of programs and the impact of

the elimination of those programs on the educational system as a whole. The RTM can reduce but cannot increase the school budget.

Many Education Committee members spoke in favor of using some of the surplus in the 2019 – 2020 budget to pre-purchase various items such as 9th grade iPads and elementary school routers, making the point that the taxpayers were taxed for these education funds in 2019- 2020. Furthermore, the available funds would be maximized when the district gets a discount on these items.

A majority of the members of the Education Committee noted that a lack of collaboration or informed dialogue between the Board of Education and the Board of Finance has put the Board of Education in a position where they have no choice but to make a \$1,025,156 (1.02%) reduction in their budget to meet the directive imposed by the Board of Finance. At a time when priority should be given to crafting a strategy for reopening the schools under Covid - 19 regulations, the Board of Education and Administration have the difficult task of choosing the “least bad” options for modification while maintaining educational standards for students in this time of uncertainty.

Committee members were adamant that modifications to the budget should not involve academic programs that benefit students. Extracurricular activities which are integral to student development should be maintained whenever possible.

The economic consequences of the pandemic, coupled with the increases in the education budget over the past several years, call for restraint. However, the Committee questioned what appear to be extreme measures imposed to bring about a flat tax levy. According to one analysis, the expected cuts may result in long term consequences for the school district, while saving a household approximately \$200 - \$300 in the short term.

In this unprecedented time, the Board of Education needs some flexibility to cover unexpected expenses related to Covid -19. Additional personnel, equipment and space will likely be required. Transportation needs will be revisited. More rigorous cleaning and disinfecting will be mandated.

Enrollment may increase with families moving out of the cities and students returning to Darien from private schools and boarding schools.

In terms of student services, there will likely be a need for remedial services, mental health support, and increased attention to physical well being requiring additional nursing staff. More technology and more contracted services will be required to support student needs. There will be new guidelines for school attendance likely involving fewer students per classroom, as well as staggered entry times or possible half sessions. E learning may continue along with limited classroom attendance.

Revenue appears to be declining as expenses related to Covid - 19 increase. Summer school enrollment is down; tuition revenue from the Early Learning Program (ELP) has decreased as enrollment of typical peers has declined. Decreased reimbursements from the State will amplify the shortfall.

In essence, the Board of Education is requesting more than \$102 million and a lot of flexibility in how taxpayer funds will be spent. At this unique time, the community will be best served by more transparency, straightforward discussion and less politics. Darien deserves to see collaborative dialogue among the Board of Education and among Town Boards. Public scrutiny of the budget has never been more important than it is today.

Respectfully submitted,

Clara Sartori
Chairman

RTM Public Health & Safety Committee

Virtual Meeting

June 3, 2020

7:30pm

14 of 17 Members Present

Discussion of Portions of the July 1, 2020 to June 30, 2021 Budget relating to

Police, Fire, Disaster Preparedness, Emergency Medical Services, and

Human Service

Resolution 20-15

The Police budget has an overall increase of 2.2% primarily driven by negotiated wage increases and Patrol personnel expenditures. Decreases are occurring in Professional Standards expenses. Three Civilian Dispatchers were removed from the budget, deferred for one year, and with no lack of services expected.

The Fire budget has an overall increase of 1.7%, primarily due to contractual obligations. The 3 all-volunteer Fire Departments have decreases in equipment repair and replacement costs. The Fire Commission and Fire Marshall budgets have increases driven by greater part time hours of the Blight Officer, under the Fire Marshall. Increases are occurring in Professional Services, Hoarding and Blight issues. Ongoing savings are expected in software maintenance. It should be noted the town budget for Fire is \$1.7 million vs \$8.1 million Police. The town greatly benefits from an all-volunteer Fire Department.

The Emergency Medical Service (Post 53) budget is up 3.25% or \$4200 and is radio related. It is noteworthy that the staffing of Post 53 is all volunteer and much of the operation is self-funded through donations. The full town funded is about \$133,000. Incredible!

Human Service includes Human Services and Outside Assistance, the Senior Center, Senior Transportation, Youth Services, and the Public Health Department. The overall budget is up 3.8% primarily driven by increased Senior Center expenditures and part time hires. The Public Health Department's budget is up 1.5% with increases in Personnel and Contractual Services. This budget of \$345,000 receives revenues of \$119,000 from Licenses and Permits. Youth Services' budget is up 2% due to anticipated increases enrollments to various programs.

Public Health and Safety voted unanimously to approve the noted portions of the budget and recommend the same for the Full RTM.

Resolutions 20-16, 17 and 18

Sidewalk Bonding

An appropriation of \$30 million is recommended for RTM approval to refund certain of the town's outstanding bonds and reissue bonds at lower interest rates to finance certain town projects including \$503,000 for annual sidewalk renovations and \$1,015,000 for projects including new Town Hall Gym windows, Noroton Heights Fire Department Gas Line, and town wide new sidewalks. These capital items, by removing from the budget and adding to town bonding, brings the overall budget down.

PHS voted unanimously to approve the noted portions of the resolutions relating to sidewalks and recommend the same for the Full RTM.

Respectfully Submitted,

James M Patrick, Chairman

Index of Spreadsheets in this Packet

- A. Final BOF Approved Budget
- B. Reconciliation of Original BOS & BOE Budgets to BOF Approved Budget
- C. BOS Capital Adjustments to Original Approved BOS Budget
- D. BOE Capital Adjustments to Original Approved BOE Budget
- E. BOS Operating Budget Changes to Original Approved BOS Budget
- F. BOF Changes to Originally Approved Debt Service
- G. BOE Operating Budget Changes to Original Approved BOE Budget
- H. Adjustments to Revenue
- I. Mill Rate Calculation
- J. How the BOF determined to pay for BOF approved appropriations

20-15 Budget Comments for the period July 1, 2020 through June 30, 2021
RTM Finance & Budget Committee Opening Remarks
June 8, 2020

I am Jack Davis from District 3 and chair of the RTM Finance & Budget Committee. On a typical budget night, I would have added at least 1,000 steps to my daily number coming to the podium. But this is not a typical budget night, it was not a typical budget year.

The budget season started out well for the town and typical. We approved the early debt retirement in October reducing FY21 debt by \$1.8mm; our Town's grand list grew by almost 1% generating \$1.6mm of incremental tax revenue; a debt refinancing was planned for April saving additional monies. The budgets were presented, although higher than the 3% BOF guidance, were reasonably lean and large chunks of the increases were explainable and essentially out of the control of our Boards. And the BOS and BOE continued their open dialogues with the RTM throughout their budget deliberations.

The approved BOS operating budget was \$35.2mm (including the Library) an increase of \$1.2mm or 3.7%. However, about \$680m of that increase was attributable to a change in the pension calculations as it appears municipal workers live longer than average employees and the pension projected earnings rate was lowered to 6% - without the pension costs, the BOS operating budget was up only 1.7% well below guidance - and that included implementing the last third shift adding 3FTEs on civilian dispatch (\$310m) – freeing up two additional police officers for other assignments.

The approved BOE operating budget was \$103.5mm, up \$3.4mm or 3.4%. The main factors for the budget increase was a significant increase in healthcare costs due to high pool costs (\$760m); the pension changes noted previously (\$336m) these two accounted for 33% of the increase. The remaining increase was attributed to salaries (net of a reduction of approximately 8 FTEs) and a reduction of Excess Cost Reimbursement of approximately \$530m due to aging out of qualifying students and other SPED student reductions.

Capital requested in both budgets totaled \$5.3mm prior to bonding, up 10% from the prior year. From an overall original approved budget requests being operating and capital were up 3.7% with the BOS up 4.9% (net of town revenue) and the BOE was up 3.1% - both over the 3% guidance. But the town was still in good shape.

- the incremental income from the growth of the grand list (\$1.6mm);
- the early retirement of debt and the refinancing of other outstanding in April of this year (\$1.7mm);
- the allocation of the RFCNRE contingency of \$400m to a capital project – an allocation F&B has been discussing with the BOF over the last 2 years
- the use of Ox Ridge Bond Premium to pay for the 1st year interest (\$216m)
- And the initial proposed bonding of about \$1.3mm of capital projects
- And an increased collection rate to 99.44% based upon the methodology established by the BOF

Would have yielded a mill rate of about 16.51 – a 4bp increase from my calculations – an increase of only ¼ of one percent. The General Fund balance was \$23mm at about 15% of budget and \$5mm over the

12% credit agency target prior to closing out the current year anticipated surpluses. Things were looking good.

And then...and then...and then something much bigger than our Town's budget occurred...and then the world changed, the economy changed, our students' lives changed and all our lives changed and some lives were lost...COVID-19 had arrived.

We then watched a series of events relating to this budget:

- There was an attempt to have the RTM cede its budgetary authority
- The BOF developed a methodology for a new budget (an aside, at the May 4th F&B meeting, the committee voted unanimously against the BOF methodology and offered a different way to achieve both a zero mill rate and zero expense rate growth – deferring capital, cleaning up the RFCNRE non lapsing accounts whilst maintaining board approved operations intact including the civilian dispatch and not requiring a \$557m additional BOE operating budget cut)
- The coordination between the BOF and RTM was not as robust as in prior years during budget deliberations – although the “buddy system” or BOF/RTM budget working groups was expanded with RTM P&R and PHS members participating
- The BOF approved a revised budget including:
 - Lowering the estimated collection rate to a Great Recession rate reducing taxes to be received by over \$700m
 - Reducing anticipated town revenue by a net of \$570+m
 - Deferring or cutting capital projects – including virtually all of the BOE projects with the exception of a few that protected our students and staff
 - Cutting or deferring BOS operating budget by \$428m including the deferral of the civilian dispatch although this may come back during FY21
 - Cutting the BOE operating budget by \$1,025,000
- The final budget vote was moved from May to June by Exec Order

No, this was not a typical budget year - but there is work to do tonight – and we, the RTM, will do our job and have a final budget ending this atypical year...as the RTM has done since the day the Town Charter was signed.

There are 7 parts to this budget

1. Approval of capital projects
2. Approval of the BOS budget including their operating expense, the Library grant and transfers to capital and debt funds
3. Approval of the BOE operating budget
4. Approval of the total appropriations
5. Approval of the mill rate
6. Approval of the \$10mm in tax anticipation notes if required
7. Approval of transfers to other funds

F&B voted on each of these items separately. Four amendments were made during our June 4th meeting. Three are in 20-15A with capital. One is in the BOS operating budget. Each will be addressed separately.

**(20-15)(A) RTM RESOLUTION AUTHORIZING AND APPROVING THE
JULY, 1 2019 TO JUNE 30, 2020 BUDGET
RTM Finance & Budget Committee Report
Item A – Capital Budget**

I am Jack Davis, District 3 and Chair of the RTM Finance and Budget Committee.

I move "Section A" of RTM Resolution 20-15 (A) Appropriation in the Reserve Fund for Capital and Non-Recurring Expenditures.(Do I have a second?)

If there are no objections, I propose to waive the reading of the Resolution.

All of the capital projects approved in this budget reside in this Fund, the Reserve Fund for Capital and Non-Recurring Expenditures. The BOS operating budget capital line item is a mere transfer to this Fund. That is why we need to address the approval of capital items prior to the next resolution.

The capital projects are transferred to this fund which is controlled by the BOF. If a project is under budget, the unused amounts appropriated are transferred to the RFCNRE contingency account which covers other projects which are over initial estimates. Significant overages are brought back to the RTM for special appropriation. More on this later.

There are five ways the town pays for capital projects. Which payment option is used is the purview of the BOF. The options are:

- Bond for capital projects
- Pay for capital projects from the General Fund
- Pay for capital projects from the Contingency account within the Reserve Fund for Capital and Non-recurring Expenditures – This year \$400m is being allocated to the capital paving project.
- Transfer a balance from one capital project to another capital project – to partially or fully fund the other project
- Or taxing for the capital projects within the current budget

FY21 total original approved capital requests were \$5.3 million up \$473m from FY19 or 9.7%.

- BOS represented 74% of requested capital or \$3.9mm up \$684m or 21%
- BOE represented 26% of requested capital or \$1.4mm down \$211m or 13%

There are two areas that I want to discuss that the RTM F&B committee has been in conversations with the BOF relative to the RFCNRE. They are the RFCNRE BOF Contingency Reserve and what we are now calling non-lapsing accounts within this fund.

As previously noted, projects are closed out to the RFCNRE upon each projects completion or if the project has not been initiated within a certain timeframe. During FY20, F&B identified \$167m in a capital project titled "BOF public works infrastructure reserve" that had not been used for over 7 years. This amount was closed to the RFCNRE BOF contingency in February bring the contingency balance up to about \$1.2mm – that's a large amount of funds that F&B, and others, believed should be returned to the taxpayers. In March, with F&B knowledge, the BOF used \$330m for the Police HVAC project as the project was time sensitive; had been approved in committee by RTM PW, PHS and F&B but the RTM was unable to meet in March. That left about \$860m in the BOF contingency reserve. The BOF has decided to allocate \$400m of

this balance to partially pay for the \$950m requested to pave our roads in FY21. F&B applauds this decision. No RTM action is required as the contingency is fully under the control of the BOF. F&B expects this RFCNRE BOF contingency to be back at about \$700m in FY21. We have asked the BOF to create guidance for this account similar to the guidance established for the General Fund funds.

F&B had hoped to review the RFCNRE in conjunction with the BOF during this budget cycle. A review of the RFCNRE indicates there are other contingency, accrual and non-lapsing accounts in our Town's capital fund. A small sample are:

- The town accrued for the Revaluation expense. After the most recent Reval was completed, the accrual had a \$127m balance. It was not closed out to contingency and was being planned to be used over the next three years. This is a non-lapsing account and, in F&B's opinion, \$67m should have been returned to the taxpayers.
- There is \$60m in the Noroton Fire Department conversion to natural gas, paid by taxpayers about 2 years ago. It will be applied to the total project this year costing \$225m, of which the remaining amount will be bonded.
- There is \$32m in the Noroton Heights Fire Department conversion to natural gas left from the original \$80m accrual two years ago and this conversion is not due to be completed until FY22 – the earliest
- There are reserve accounts for TH Renovation and TH Maintenance totaling \$212m – which represents 3 years of usage based upon the BOS 6-year plan even prior to the \$100m additional accrual in this year's budget. In addition, there are 10 separate TH renovation/maintenance projects listed in the RFCNRE including one being bonded in resolution 20-18 for \$170m.
- There are also accruals for fire trucks, PW equipment replacement and police vehicles – all based upon a replacement schedule which are reviewed by both the BOS and the BOF

From F&B's perspective, the difficulty this year was not only evaluating the individual capital projects but also understanding if a capital project being approved was more valuable than cutting the BOS operating or BOE operating budgets. So as an example, not deferring a riding blower for \$11m, already identified as a possible deferral by the town department head and the BOS, was more important than \$11m of operating expense.

The BOF determined change the requested capital as follows:

- Cut or defer \$524m of BOE requested capital projects
- Cut or defer \$596m of BOS requested capital projects – the largest of which was not funding the anticipated \$500m accrual for future purchases of fire trucks. There is already \$1,8mm in the account and the BOS has stated that the replacement schedule may be changing
- Fund \$400m of paving by using the RFCNRE BOF Contingency via special appropriation
- Bonding \$1,518,000 of capital requests (Resolutions 20-17 and 20-18)
- And, \$2,291,845 offset by state grants of \$582,632 resulting in \$1,709,213 will be paid by taxes and included in this year's "amount to be raised by taxes."

Funding by taxes is down \$1.4mm or 45% this year.

The RTM F&B committee met on June 4th and proposed three individual amendments to the RFCNRE. We will address these amendments at this time. It should be noted that the committee recognized the good work of the BOS in speaking with department heads to identify \$750+m in potential BOS requested capital deferrals. We were equally disappointed that at no time were the items, not specifically given back by the

BOS, discussed at any BOF deliberations. Additional deferrals could have meant a lower cut to the BOE operating budget.

Motion 1 - I move the first amendment to reduce the capital funding by \$100m from the TH Maintenance request. (Do I have a second?)

The RFCNRE has two Town Hall Reserve accounts – TH Renovation Reserve and TH Capital Maintenance Reserve. The balances as of April 30th approximated a bit less than \$213m already in the accounts. Currently, an additional \$100m remains in the capital budget to bring the account up to \$313m. F&B believes this is overfunding due to the following reasons:

1. The 6-year projected use for these accounts is \$75m/year resulting in a 3 year amount already in the account and over a 4 year amount should this be funded.
2. Therefore, there is already monies in the account for BOS use.
3. The requested amount did not have specific detail in the budget book
4. The BOF specifically stated that any COVID 19 capital or operating expenses should not be put in the budget.
5. There exist numerous other TH Renovation projects listed separately in the RFCNRE account that was not used from these accounts. They are:
 - a. TH 2nd floor renovation (\$58m)
 - b. TH Security improvements (\$25m)
 - c. TH Carpet replacement (\$37m)
 - d. TH surveillance cameras (\$20m)
 - e. TH gymnasium upgrades (\$99m) with an additional \$75m being bonded in 20-18
 - f. TH replacement of concrete steps (\$40m)
 - g. TH lighting upgrades with \$3m of the original \$8m balance
 - h. And \$170m upgrade to TH heating which was originally in this account but the BOF decided to bond

As such, it appears that each TH renovation or capital maintenance ends up being a stand-alone project (\$470m not counting the \$75m additional gym funds) making all of the \$213m+ funds available for the \$100m if needed. Therefore, F&B voted 15 in favor, no against and 1 abstention to remove what appears to be over funding of this capital item.

Motion 2 - I move to reduce the \$46,000 cost of the fence around the training facilities listed in the Fire Commission capital request. Do I have a second?

This amount is to fix the fence surrounding the tower within the Public Works transfer station. Whilst several F&B members questioned the need, there are funds available for this project already in the RFCNRE. Approximately \$32m is in the Noroton Heights FD conversion to natural gas which is not scheduled to be implemented until either FY22 or beyond. Whilst it would be a new approach, the BOS or Fire Commission could reallocate those funds to the fence with the difference being made up through RFCNRE BOF contingency reserve. The BOF is bonding the Noroton FD conversion to natural gas, the Noroton Heights FD project could also be bonded, with no effect to that fire department, when the project is ready to move forward. This is another area where F&B felt the funds were already there and there was no need to tax.

The committee voted 14 in favor, one against. The one against was that the although within the transfer station, the fence is 35 years old and probably should have been replaced 10 years ago.

Motion 3 - I move to reduce the following three items requested by the Park & Rec department totaling \$72m – the riding leaf blower (\$11m), the relining of the Weed Beach tennis courts (\$36m) and \$25m purchase of new equipment for the concession stand at Weed Beach.

All three projects were identified as potential deferrals by the BOS and department heads in their analysis of capital accounts.

The F&B committee felt these three projects could be deferred to the next year. The riding blower purchase did not show financial results by reduction of overtime or seasonal staff or a listing of other activities to be completed due to the efficiency.

The lining of the tennis courts does not present a safety hazard and the courts are still usable.

Currently the concession vendor at Weed Beach owns the equipment in the concession stand. This has resulted in only one bid for providing service. This topic had lengthy discussion at the BOS. The First Selectman requested \$5m of the original amount be allocated to hiring a consultant to determine what equipment should be purchased by the town – that amount remains. The committee felt that upon completion of the consultant analysis, the P&R Commission could come back to the BOS, BOF and RTM with a specific recommendation regarding the town owning the equipment, including additional costs of insurance and operating costs. However, as that study has not been completed it was premature to authorize the purchase of equipment for \$25m.

The committee voted unanimously in favor of this cut.

At our meeting on June 4th, the RTM F&B committee voted unanimously to approve both the BOS and BOE capital as amended and recommend the same to the full RTM.

Respectfully submitted

Jack Davis

RTM Finance and Budget Committee Chair

June 8, 2020

**(20-15) (B) RTM RESOLUTION AUTHORIZING AND APPROVING THE
JULY, 1 2019 TO JUNE 30, 2020 BUDGET
RTM Finance & Budget Committee Report
Item B – The Town’s Operating Budget**

I am Jack Davis, District 3 and Chair of the RTM Finance and Budget Committee.

I move “Section B” of RTM Resolution 20-15 Authorizing and Approving Appropriations in the General Fund for the Selectmen’s Operating Budget.

If there are no objections, I propose to waive the reading of the Resolution.

The overall Town’s Operating Budget is \$45.4mm, down \$2.38mm or 5% compared to the prior year’s budget of \$47.7MM.

By way of background, this portion of the budget is comprised of four primary parts:

1. Town Services
2. The Library’s operating budget grant
3. Debt Service
4. And the transfer of funds to the Reserve Fund for Capital and Non-Recurring Expenditures

It is also important to note that this part of the budget is the appropriations for expenditures. Associated revenues are addressed in section F as an offset in calculating the mill rate. I will address certain aspects of revenue in this section.

1. Town Services –

- The BOF adjusted BOS operating expenditure budget is up \$638.5m or 2.12% without the library grant
- As previously mentioned, a \$680m increase this year was associated with the change in pension calculations. Without that increase, the BOF adjusted BOS operating budget is down \$41m or 14bp.

2. Library Operating Budget Grant - The Library, although privately owned, has its operating budget paid by the Town. The Library is responsible through fundraising for purchase of books, technology and capital improvements. The Library’s proposed budget is \$3.997mm, up \$176.5m (or 4.6%) from last year. The increase is primarily due to the pension costs and the retirement of the long time Library director.

3. Debt Service – Terms, conditions and length of any debt issuance is the purview of the Board of Finance. Only the Town can issue debt – neither the BOE nor Sewer Authority can issue debt. As such, the total debt has components of Town debt, BOE debt and Sewer debt all of which is attributable to capital current and past projects.

Total debt payment in the proposed budget is \$8,908MM down \$1.769MM or 16.6% from the prior year. This is due to several events:

- The town early retired \$2.1mm of debt in December 2019 using unassigned General Fund funds
- The town refinanced debt in April 2020 which resulted in a savings of approximately \$291m
- New debt was issued for Ox Ridge School building resulting in a premium of \$4mm, most of which will be used to reduce future debt on this project.

Specific to the component parts:

- Town debt service is \$3.4MM down \$649M or 16% from the prior year.
- BOE debt service is \$5.1MM down \$754M or 13% from the prior year.
- Sewer debt service is \$352M down \$366M or 51% from the prior year.

As of June 30, 2020, the Town will have approximately \$68.9mm outstanding debt. Debt is scheduled to be at \$62.2mm not counting proposed new debt or additional Ox Ridge School debt.

Fiscal Year	Principal	Interest	Total Debt Service	Outstanding Debt On Existing Issues
2019-2020	\$11,112,699	\$1,728,946	\$12,841,645	\$68,906,745
2020-2021	\$6,711,745	\$2,195,797	\$8,907,542	\$62,195,000
2021-2022	\$7,560,000	\$2,309,013	\$9,869,013	\$54,635,000
2022-2023	\$7,650,000	\$1,961,938	\$9,611,938	\$46,985,000
2023-2024	\$5,985,000	\$1,653,462	\$7,638,462	\$41,000,000
2024-2025	\$4,235,000	\$1,429,462	\$5,664,462	\$36,765,000

Based upon current projections, the Town will repay approximately \$8.9mm of principal during FY21.

4. Capital Contribution –

This section represents the transfer from taxes and revenues for capital passed in Resolution 20-15(A) to the Reserve Fund for capital and non-recurring expenses. We have already discussed that the amount to be raised by taxes and other revenues in this budget is \$1.7mm down \$1.4mm or 45% from the prior year.

Motion 4

In addition, to all other reviews of the budget, the F&B committee reviewed the use of the BOF Contingency account in the BOS Operating budget. At this time, I move cutting the budget from \$400m to \$300m, a cut of \$100m. (do I have a second?)

This account has not been fully used over the last few years. As of the writing of this report, less than \$50m has been used this year. F&B believes that a reduction of \$100m is warranted and still allows for the BOF to address future unexpected items arising out of COVID 19. That is because there are other sources of funding for COVID including but not limited to:

- Capital contingency for capital items
- Bonding for capital items
- FEMA reimbursements
- State reimbursements
- Appropriations from the General Fund which would require RTM approval
- And in extreme circumstances, the BOF and RTM can approve a supplemental tax for very large expenses

We believe that larger items should come back to the RTM for approval and therefore, the \$300m amply covers smaller expenses. A discussion of other larger expenses used from this account over the last 10+ years are the purchase of street lights from Eversource. We also believe that both the BOS and the BOE manage their expenses well and make appropriate transfers between expense categories and cost centers when and if required without coming back to the BOF. Therefore, F&B that the full \$400m is not needed at this time. The BOF stated to both the BOE and the BOS that if significant expenses do arise, both need to trust the BOF will respond. F&B believes the RTM has been quick and responsive, eg we approved the change to using unassigned general fund balances the same night as the BOF allowing retirement of debt one month earlier than anticipated. The BOF needs to trust the RTM that the RTM will respond as well on a timely basis. This resolution amendment passed the F&B committee unanimously and we recommend the same to the full RTM.

At our meeting on June 4th, with 15 of 17 members present, the F&B Committee unanimously to approve the Selectman's operating budget as amended.

Respectfully submitted,
Jack Davis
RTM Finance & Budget Committee, Chair
June 8, 2020

**** Return Floor to Moderator ****

**(20-15) (C) RTM RESOLUTION AUTHORIZING AND APPROVING THE
JULY, 1 2020 TO JUNE 30, 2021 BUDGET
RTM Finance & Budget Committee Report
Item C – The Education Operating Budget**

I am Jack Davis, District 3, Chair of the RTM Finance & Budget Committee

Thank you Mrs. Santori and the Education Committee for a very thorough report on the Board of Education budget. I will be quite short in this area.

I wanted to remind everyone about the uniqueness of the BOE operating budget. In the state of CT, BOE are elected by the local citizenry and their operating expenses funded by local tax dollars but their authority comes from the State. As such, the BOF and RTM do not have line item veto as we do with BOS and BOE capital and the BOS operating budget. We approve an aggregate amount for expenditures and as such that amount is final. In contrast, the line items reviewed are mere placeholders.

The committee did attend numerous BOE meetings, held multiple discussions prior to the BOF changes as well as after, most of the main points have already been presented. We chose not to discuss potential cuts offered by the Administration as the BOE has not fully vetted these items.

At our meeting on June 4, 2020, the F&B Committee voted unanimously to approve the Education Operating budget as amended by the BOF and recommend the same to the full RTM. As an aside, one member voted in favor although they objected to the budget as presented by the BOF.

Respectfully submitted

Jack Davis

RTM Finance & Budget, Chair

June 8, 2020

**(20-15) (D) RTM RESOLUTION AUTHORIZING AND APPROVING THE JULY, 1 2020 TO JUNE 30,
2021 BUDGET
RTM Finance & Budget Committee Report**

Item D – Total budget

I am Jack Davis, District 3 and Chair of the RTM Finance and Budget Committee.

I move Section D of RTM Resolution 20-15 Authorizing and Approving the Appropriations of Total Appropriations in the General Fund. Is there a second?

Resolved, that the above appropriations, totaling \$147,862,069 are for the purpose of meeting the expenses of the Town of Darien for the fiscal year commencing July1, 2020 and ending June 30, 2021 as shown by the budget this day approved.

Section D is the mathematical addition of Sections B and C totaling \$147,862,069 (as amended the amount approved by the RTM F&B committee was \$147,544,069).

At our special meeting on June 4, 2020, the F&B Committee voted unanimously to approve all of the appropriations as adjusted and recommend the same to the full RTM.

Respectfully Submitted

Jack Davis, Chair, RTM Finance & Budget Committee

June 8, 2020

**(20-15) (E) RTM RESOLUTION AUTHORIZING AND APPROVING THE
JULY, 1 2020 TO JUNE 30, 2021 BUDGET
RTM Finance & Budget Committee Report**

Item E – Mill Rate

I am Jack Davis, District 3 and Chair of the RTM Finance and Budget Committee.

I move "Section E" of RTM Resolution 20-15 Authorizing and Approving the Mill Rate. (Do I have a second?)

If there are no objections, I propose to waive the reading of the Resolution.

This item sets the mill rate that is used for collecting taxes during the coming fiscal year. For those that divided the total appropriations by the Grand List to recalculate the mill rate – by now you know that just does not work....

The last year the methodology was:

- The Grand List is reduced by abatement for veterans, volunteers, seniors and other grants (that represent state and local tax relief)
- The actual collection rate for the last 5 years was calculated
- That collection rate is reduced by 25bp to allow for changes to the Grand List and/or the actual collection rate in FY20
- The mill rate is then calculated by dividing the amount needed to be raised through taxes by the adjusted Grand List and multiplying the result by 1000.

That rate would have yielded a collection rate of 99.44%. However, the BOF chose to use a collection rate associated with the Great Recession reducing the collection rate to 98.91% that resulted in the assumption that the town would collect over \$700m less taxes than originally calculated.

A review appears below:

	FY20	FY21	Diff	%
Amt of Taxes	138,044,743	138,044,741	(2)	n/a
Grand List	8.473bn	8.568bn	98,854,335	1.12%
Abatements	39,912,447	39,068,854	(843,593)	-2.11%
Adjusted GL	8.379bn	8.436bn	57,126,517	0.68%
Collection rate	99.36%	98.91%	-0.45%	-0.68%
Mill Rate	16.47	16.36	-0.11	-0.67%

As amended, the F&B committee approved a 16.33 mill rate.

At our special meeting on June 4th with 15 of 17 members present, the F&B Committee voted unanimously to approve the revised mill rate and recommend the same to the full RTM.

Respectfully submitted,
Jack Davis
RTM Finance & Budget Committee, Chair

June 8, 2020

(20-15) (F) RTM RESOLUTION TO REVIEW AND TAKE ACTION ON THE JULY 1, 2020 TO JUNE 30, 2021 BUDGET RECOMMENDED BY THE BOARD OF FINANCE

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 RTM to be held June 8, 2020, be authorized to borrow on the note or notes of the Town the sum of ten million 00/100 dollars (\$10,000,000.00) 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, 2021

RTM Finance & Budget Committee Report

Item F – Authorize Borrowing Up To \$10mm

I am Jack Davis, District 3, Chairman of the RTM Finance and Budget Committee.

I move "Section F" of the RTM Resolution 20-15 Authorizing and Approving \$10mm of borrowing. Is there a second?

If there are no objections, I propose to waive the reading of the Resolution.

This authorization is part of each annual budget Resolution. It authorizes the Town to issue short term tax anticipation borrowings up to \$10mm without the need of RTM approval. This allows the Town to fund the budget in the event that there is a timing difference between tax collections and expenditures. Although the Town has not needed to utilize this authority in recent history, it gives them the necessary flexibility.

In early April conference call, with the First Selectman, the BOF Chair, Town Administrator, the Director of Finance and the RTM Finance & Budget committee chair, the F&B committee suggested increasing this amount from the \$5mm amount approved in prior years, due to the anticipated approval of a tax deferral plan at the April RTM meeting. There is no cost to this increased authorization. The Director of Finance suggested the \$10mm amount and all parties agreed.

The Committee met on June 4, 2020 with 15 of 17 members present. The committee voted unanimously to approve and to recommend the same to the full RTM.

Respectfully submitted,

Jack Davis, Chair, Finance & Budget Committee
June 8, 2020

**(20-15) (G) RTM RESOLUTION AUTHORIZING AND APPROVING THE JULY, 1 2020 TO JUNE 30,
2021 BUDGET
RTM Finance & Budget Committee Report**

I am Jack Davis, District 3 and Chair of the Finance and Budget Committee.

I move "Section G" of RTM Resolution (20-15) Authorizing and Approving the Appropriations of Transfer of Funds. Is there a second?

If there are no objections, I propose to waive the reading of the Resolution.

This item includes five (5) different appropriations from different funds. All of the appropriations are "self-funding" which means the fund that collects the revenues, user fees or taxes, automatically feeds the expenses for the services which it provides. The Sewer funds, excluding the Sewer capital funds, reimburse the Town for sewer related Town debt which was part of the BOS budget the RTM earlier approved and totaled \$351,972 for FY21.

(For Reference)

From the Sewer Operating Fund	\$4,009,013
From the Sewer Assessment Fund	\$ 550,000
From the Sewer Capital Fund	\$ 99,500
From the Parking Lot Administration Fund	\$1,097,620
From the Parking Lot Capital Fund	\$ 400,000

At our special meeting on June 4, 2020, the F&B Committee voted unanimously to approve all of the appropriations and recommend the same to the full RTM.

This is the last section of 20-15 budget resolution, although there are more items to be covered to complete the budget.

Respectfully Submitted

Jack Davis, Chair, RTM Finance & Budget Committee

June 8, 2020

(20-16) RTM RESOLUTION APPROPRIATING THIRTY MILLION DOLLARS (\$30,000,000) TO REFUND CERTAIN OF THE TOWN'S OUTSTANDING BONDS AND AUTHORIZING THE ISSUANCE OF REFUNDING BONDS TO FINANCE SUCH APPROPRIATION

I am Jack Davis, District 3 and Chair of the RTM Finance and Budget Committee.

I move RTM Resolution (20-16) Appropriating Thirty Million Dollars (\$30,000,000) To Refund Certain of the Town's Outstanding Bonds and Authorizing the Issuance of Refunding Bonds or Amounts Available in Unassigned Fund Balance to Finance Such Appropriation. Is there a second?

If there are no objections, I propose to waive the reading of the Resolution.

This resolution gives the Board of Finance the ability to issue up to \$30 million to refinance certain of the Town's existing bond obligations without having to come before the RTM. The Resolution specifically stipulates that in order to issue the bonds the transaction must achieve "present value debt service savings for the Town". (Section 2) The RTM amended last year's resolution in October to add unassigned fund balance to the issuance of refunding bonds as methods to refinance.

The RTM has approved similar resolutions in each of the past years and the BOF has acted under the resolution to strategically take advantage of low interest rates or improving debt structure that benefits the Town. If you recall, last year the BOF refinanced \$2.1 million December which saved \$1.8 million in FY21 and will save an additional \$300 thousand in FY22.

Bonds issued by the town from 2012 through 2020 are covered by this resolution (Section 1) (with the total outstanding Town debt as of June 30, 2020 equal to \$68.9 million.)

It is important to note that this resolution does not impact the requirement for the RTM to approve any new issuances of debt to fund new capital projects and passage of this resolution rescinds "any authorized but unissued portions of previous refunding authorizations." (Section 9)

At its regular meeting on Thursday, June 4, 2020 with 16 of 17 members present the F&B committee voted unanimously approving this resolution and recommends the same to the full RTM.

Respectfully submitted

Jack Davis, Chair, RTM Finance & Budget Committee
June 8, 2020

**(20-17) THE REPRESENTATIVE TOWN MEETING OF THE TOWN OF DARIEN HEREBY
AUTHORIZES AN APPROPRIATION OF FIVE HUNDRED THREE THOUSAND AND 00/100
DOLLARS (\$503,000.00) TO PAY FOR THE SIDEWALK REPAIR AND REPLACEMENT PROJECT
AND AUTHORIZES THE ISSUANCE OF BONDS AND NOTES IN THE AMOUNT OF \$503,000 TO
MEET SAID APPROPRIATION**

I am Jack Davis, District 3, Chairman of the RTM Finance & Budget Committee.

I move RTM Resolution (20-17) Authorizing an Appropriation of \$503,000 to Pay for Sidewalk Repair and Replacement Project and Authorizes the Issuance of Bonds and Notes in the Amount of \$1,015,000 to Meet Said Appropriation (Do I have a second?)

If there are no objections, I propose to waive the reading of the Resolution.

This resolution was approved by the BOF at their May 14th meeting approving the funding for this sidewalk project.

The cost of the project is \$500,000 and the bonding includes \$3,000 of issuance costs. Estimated annual principal and interest payments for a 10-year bond approximates \$54,000 per year. The BOF does expect this project as well as the projects outlined in resolution 20-18 to be part of a larger issue that includes additional Ox Ridge funds.

The F&B committee met on June 4, 2020 with 16 of 17 members present and voted unanimously to approve this resolution and recommend the same to the full RTM.

Respectfully submitted,

Jack Davis

RTM Finance & Budget Chair

June 8, 2020

**(20-18) THE REPRESENTATIVE TOWN MEETING OF THE TOWN OF DARIEN HEREBY
AUTHORIZES AN APPROPRIATION OF ONE MILLION FIFTEEN THOUSAND AND 00/100 DOLLARS
(\$1,015,000.00) TO PAY FOR VARIOUS CAPITAL IMPROVEMENT PROJECTS AND AUTHORIZES
THE ISSUANCE OF BONDS AND NOTES IN THE AMOUNT OF \$1,015,000 TO MEET SAID
APPROPRIATION**

Hopefully by now you know, I am Jack Davis, District 3, Chairman of the RTM Finance & Budget Committee.

I move RTM Resolution (20-18) Authorizing an Appropriation of \$1,015,000 to Pay for Various Capital Improvement Projects and Authorizes the Issuance of Bonds and Notes in the Amount of \$1,015,000 to Meet Said Appropriation (Do I have a second?)

If there are no objections, I propose to waive the reading of the Resolution.

This resolution was approved by the BOF at their May 14th meeting approving the funding for various projects totaling \$1,015,000.

The capital improvement projects included in this resolution are as follows:

1. Upgrading the heating control system at Town Hall for \$170m
2. Conversion of the Noroton Fire Department to natural gas from a combination of oil, electric and propane for \$165m (the total cost of this project is estimated at \$225m and a prior year's accrual of \$60m is not part of the bonding reducing the cost to be bonded to the \$165m)
3. Construction of a new tennis court at DHS for \$525m
4. Installation of approximately 350 feet of new sidewalk on West Avenue for \$75m – please note that there is a need to separate new sidewalk construction from the replacement of existing sidewalk bonding covered in the prior Resolution 20-17
5. Replacement of windows on the north side of Town Hall gymnasium for \$75m – this is part of a larger project where approximately \$100,000 has already been budgeted and approved in prior years and another \$100,000 is anticipated in future years to complete the project
6. Estimated issuance costs of \$4,632

Estimated annual interest and principal costs are expected to range from \$108m to \$64m based upon a 10-year or 20-year bond, respectively. The BOF does expect these projects as well as the \$503m sidewalk repair to be part of a larger issue that includes additional Ox Ridge funds.

The F&B committee met on June 4, 2020 with 16 of 17 members present and voted unanimously to approve this resolution and recommend the same to the full RTM.

Respectfully submitted,

Jack Davis, RTM Finance & Budget Chair

June 8, 2020

**(20-20) THE REPRESENTATIVE TOWN MEETING OF THE TOWN OF DARIEN HEREBY APPROVES
A SPECIAL APPROPRIATION OF TWO HUNDRED SIXTEEN THOUSAND SEVEN HUNDRED FIFTY-
SIX AND 00/100 DOLLARS (\$216,756) TO BE USED TO CAPITALIZE THE FIRST INTEREST
PAYMENT FOR THE OX RIDGE SCHOOL PROJECT**

Hopefully by now you know, I am Jack Davis, District 3, Chairman of the RTM Finance & Budget Committee.

I move RTM Resolution (20-20) hereby approves a special appropriation of \$216,756 to be used to capitalize the first interest payment for the Ox Ridge School project (Do I have a second?)

If there are no objections, I propose to waive the reading of the Resolution.

This resolution was approved by the BOF at their May 14th meeting. The Town issued \$21,060,000 of new bonds in April 2020. The Town received a premium of \$4,120,303.90. A portion of the premium will be used to capitalize the first interest payment for the Ox Ridge School project, which will occur in August 2020. The requested special appropriation will appropriate the portion of premium (\$216,756) to be used for the first interest payment into a multi-year debt service fund. The FY2021 budget includes a revenue line for a transfer from the debt service fund to offset the amount of the first interest payment. As such, we need to approve this prior to addressing Resolution 20-15 the budget.

The remainder of the premium will be used to pay issuance costs of approximately \$110,000 and to reduce future borrowing for the Ox Ridge School Project.

The RTM Finance & Budget Committee met on June 4, 2020 with 16 of 17 members present and voted unanimously in favor of this resolution and recommends the same to the full RTM.

Respectfully submitted

Jack Davis

RTM Finance & Budget Committee, Chair

June 8, 2020