

DERBY BOARD OF APPORTIONMENT & TAXATION MEETING

**TUESDAY, FEBRUARY 17, 2009 – DERBY CITY HALL,
CONFERENCE ROOM – 2ND FLOOR
7:00 P.M.**

MINUTES

Call to Order Chair Carolyn Duhaime called the meeting to order at 7:06 p.m.

Pledge of Allegiance All rose and pledged allegiance to the flag.

Roll Call

Present: Carolyn Duhaime, Julia Romano, Anthony DeFala Jr , Mark Nichols,
Judy Szewczyk, George Kurtyka Karen Getlein, and Paul Varsanik

Absent: Leo DiSorbo and Joseph Laskowski

Also Present: Henry Domurad, Finance Director
Keith McLiverty, City Treasurer
Jerry Narowski, Deputy Police Chief
Phil Robertson, Chief Administrative Officer
Dr. Stephen Tracy – Superintendent Bd of Ed
Nancy O-Dea-Wyrick Business Manager Bd of Ed

Public Portion

Ms. Duhaime asked three times if anyone would like to address the board.

Hearing no one else wishing to address the board....

PUBLIC PORTION CLOSED

Approve Minutes of January 20 2009

Ms. Duhaime stated there is a correction to be made on page four, last line under Blight Officers Vehicle Allowanceand ultimately it was denied by the Board of Aldermen **change to Tax Board.**

A MOTION was made by Mr. Nichols with a second by Mr. Varsanik to approve the minutes of the January 20 2009 meeting with the correction.

A MOTION was made to move item #8 into Executive Session by Mr. Kurtyka with a second by Mr. Varsanik, all in favor.

Bd of Ed Request for Remaining 18,049.00

Mr. McLiverty said at last month's meeting the City had received unanticipated revenue of 17,269.00 as a fuel supplement from the State of Connecticut. On the agenda for that night was a release for a gross number of 74,000.00 and on that night what was actually released was 56,000.00 of the 74,000.00 and the Tax Board passed through the unanticipated revenue of the 17,269.00. The Board of Education through Dr. Tracy is requesting the difference between the 74,000.00 and the 56,731.00 which was the audited

surplus from last year. **A MOTION** was made by Ms. Getlein with a second by Mr. Nichols to return the 18,049.00 to the Board of Education, **Discussion:** Mr. DeFala asked where the money will be going, Ms. O'Dea-Wyrick responded it will go towards the special out of district placement costs, **A friendly amendment** by Ms. Getlein, the funds will come from the fund balance, seconded by Mr. Nichols, all in favor. **Motion carried.**

Fire Marshal Request - \$1,000.00

Mr. Hawks said he used to have vehicle maintenance in his budget until he received the old Chief's car. There is no line item for vehicle maintenance. He needs oil changes and rear end work done. He will also need new tires. **A MOTION** was made by Ms. Romano to transfer 999.00 from the fire prevention 3400-280-0281 and create a line item for vehicle maintenance, second by Mr. DeFala, all in favor. **Motion carried.**

Blight Officers Vehicle Allowance 6100-160-0168 \$1,716.00

Ms. Duhaime said since this was already voted on at last month's meeting and the motion did not pass, the dollar amount can be changed or whoever did not vote in favor can re-open the motion. If someone abstained it goes with the majority. **A MOTION** was made by Ms. Getlein to re-open the January motion.....there is no second, **motion dies.** Mr. Domurad said the dollar amount is now less because Mr. Moore was not at the job for one month. **A MOTION** was made by Ms. Szewczyk to transfer 1,616.00 from the working balance to the blight officer's vehicle allowance 6100-160-168. This is a special meeting, cannot change the amount. **A MOTION** was made by Mr. DeFala to table this item until next month's regular meeting in March, second by Ms. Romano, all in favor. **Motion carried.**

Medical Buyout Wages 2400-110-110 1,152.00

A MOTION to table item #8 by Ms. Getlein, second by Mr. Nichols, in favor: seven, opposed: one. **Motion carried.**

Milone & MacBroom –Redevelopment \$2,625.00

A MOTION by Mr. DeFala to pay the invoice for 2,625.00 from the special working balance, second by Mr. Nichols. **Discussion:** Some of these bills have accumulated since November. The City needs to start billing clients like Lowe's, Griffin Hospital etc. Mr. Kopjanski should come to the board first and not after services are provided. Ted Estwan will be invited to next months meeting. **Roll Call on motion:** Mr.Kurtyka opposed, Ms. Szewczyk opposed, Ms. Romano in favor, Mr. Nichols in favor, Mr. DeFala in favor, Ms. Duhaime in favor, Mr. Varsanik opposed and Ms. Getlein opposed. Four in favor, four opposed. **Motion fails.**

Senior Center Matching Grant \$17,000.00

Sheila O'Malley said when Derby entered into this grant agreement with the State of Connecticut, Derby agreed to 10% match. Most grants have matching funds required. A portion of that match can be from in-kind services and a portion of that match, the City is requesting approval of 17,000.00 to complete this project. Ms. O'Malley presented a list of the work: fire alarm, ADA code, roofing etc. **A MOTION** by Mr. DeFala to pay back the matching grant from the special working balance, second by Ms. Szewczyk, all in favor: **Discussion:** There was discussion as to why this was not put into the budget. The Builder's Risk School insurance at 30,000.00 is being paid by the school construction project, it is a reimbursable expense. **A FRIENDLY AMMENDMENT** by Mr. DeFala out of the special working balance, specific item out of the special working balance that this 17,000.00 come out of Builder's Risk School Insurance, all in favor, opposed: Mr. Varsanik. **Motion carries.**

Medical Buyout Wages 2400-110-110 1,152.00

This item will be placed on next month's regular meeting agenda as Executive Session with possible action. Attorney Barbara DeGennaro spoke on behalf of the individual. She attended last month's meeting and there was no quorum. She had asked this item be placed on this month's agenda properly and it was not. She is upset that this item has to be tabled until next month.

Planning Consultant 6500-150-154 8,417.74

A MOTION to table Planning Consultant 6500-150-154 until next month's meeting along with the request for the invoice of 2,625.00 by Mr. Varsanik, second by Ms. Getlein, all in favor. **Motion carries.**

Unemployment Compensation 2600-270-271 4,795.85

A MOTION by Mr. Nichols to transfer 4,795.85 from special working balance into 2600-270-271 unemployment compensation, second by Ms. Getlein, all in favor. **Motion carries.**

Discuss Animal Control Subsidy

Deputy Chief Narowski said at first they requested money, but now no longer need it. No action needed.

Discussion and possible action – Bid Waiver on Land Based Communication

A MOTION to accept the proposed contract from One Communications by Mr. DeFala, provided Mr. Domurad goes over his spreadsheet and the numbers check out as reflected, second by Mr. Nichols, In favor: Ms. Szewczyk, Ms. Romano, Mr. Nichols, Mr. DeFala, and Ms. Duhaime. Opposed: Mr. Varsanik, Ms. Getlein and Mr. Kurtyka. **Motion fails.**

Discussion and possible action on a "Resolution of the Board of Apportionment and Taxation of the City of Derby approving the issuance of refunding bonds for payment of all or a portion of the outstanding principal and interest and any call premium on the City of Derby's \$5,460,000.00 general fund obligation bonds, issue of 1998, and costs related thereto."

Mr. McLiverty handed out a document of a Ten Year U.S. Treasury Yield, he had Webster Bank ran it from January 1, 1970 to February 2009. The document demonstrates where we are in the Treasury market. We are at an all time low. There is a correlation between the U.S. Treasury Yield and that of Municipal Bonds. They usually run parallel with each other. There are times where there is a dislocation. As we issue bonds and notes we pay the muni rate. Muni paper is high in demand, especially Connecticut municipal bonds and notes. Mr. McLiverty handed out a resolution to allow the City to go out and re-finance the 1998 bonds which were general obligation bonds issued by the City of Derby for sewer repairs and the rest was for roads. The 1998 bonds were issued for \$5.4 million dollars. Remaining on the books is \$2.56 million which is the portion to re-finance. They were issued at 4.9% in 1998. Today the Ten Year Treasury reported 2.64 %. There is an efficiency transaction test that is performed to validate the transaction. If the bonds were to be re-financed in today's market, the total savings is divided by what's outstanding on that bond, and it yields a percentage. Anything above 2% is considered an efficient deal. This re-finance yields a 6%. We would pay off the remainder of the \$2.56 outstanding bonds, and using the current market rate of 2.66% there would be an estimated savings for the City of \$240,000.00. The City would go to market in March and at that time would be able to create an actual savings calculation. Any savings is important.

A MOTION by Mr. Kurtyka approving the issuance of refunding bonds for payment of all or a portion of the outstanding principal of and interest and any call premium on the City of Derby's \$5,460,000.00 general obligation bonds, issue of 1998, and costs related thereto

RESOLVED, That the Board of Apportionment and Taxation of the City of Derby hereby approves the proposed resolution of the Board of Aldermen of the City entitled "*Resolution Of The Board of Aldermen of the City of Derby Authorizing the Issuance of Refunding Bonds for Payment of All or a Portion of the Outstanding Principal of and Interest and Any Call Premium on the City of Derby's \$5,460,000.00 General Obligation Bonds, Issue of 1998, and Costs Related Thereto*" as to be presented and acted upon at meeting of the Board of Aldermen to be held February 26, 2009, authorizing the issuance of not to exceed \$3,000,000.00 bonds to refund the City's \$5,460,000.00 General Obligation Bonds, Issue of 1998. A copy of the full text of said proposed resolution of the Board of Aldermen shall be recorded as an attachment to the minutes of this meeting.

Executive Session

Discussion and Possible Action on the General Permit for Transfer Station

Discussion and Possible Action on Litigation & Labor Issues facing the City of Derby

A MOTION to go into Executive Session at 8:35 p.m. and invite Mr. Henry Domurad, Attorney Joseph Coppola by Mr. DeFala, second by Mr. Nichols, all in favor. **Motion carried.**

A MOTION to come out of Executive Session at 9:32 p.m. by Mr. Nichols, second by Mr. DeFala, all in favor. **Motion carries.**

A MOTION by Mr. Nichols to transfer 4,300.00 from the special working balance to a new line item in the sanitation account for permit fee, second by Mr. DeFala, all in favor. **Motion carried.**

ADJOURNMENT

A MOTION was made by Ms. Getlein with a second by Mr. DeFala to adjourn at 9:36 p.m., all in favor. **Motion carried.**

Respectfully Submitted

*Denise Cesaroni
Recording Secretary*

*****These minutes are subject to the approval of the Board of Apportionment and Taxation at their next regularly scheduled meeting.**