

**BOARD OF FINANCE
MINUTES OF REGULAR MEETING
January 4, 2011**

The Regular Monthly Meeting of the Board of Finance was held in Seminar Room 300, Board of Education Administrative Offices, 501 Kings Highway East, Fairfield, CT on Tuesday, January 4, 2011 at 7:30 p.m.

MEMBERS PRESENT

Chairman Thomas Flynn, Robert Bellitto Jr., Ken Brachfeld, James Brown, Christopher DeWitt, Kevin Kiley, Mary LeClerc, Robert Stone, Michael Tetreau

MEMBERS ABSENT

None

ALSO PRESENT

Paul Hiller, Chief Fiscal Officer and Clerk of the Board of Finance
Kenneth Flatto, First Selectman, Town of Fairfield
Sheri Steeneck, Board of Selectmen
James Walsh, Board of Selectmen
Thomas Bremer, Executive Assistant to the First Selectman, Town of Fairfield
Roger Autuori, Registrar of Voters, Town of Fairfield
Caitlyn Bosse, Controller, Town of Fairfield
Joseph Centofani, Kostin, Ruffkess & Co., LLC
Travis Miller & Robin Haley, Matrix Group
William Gaffney & Michael Fazio, Municipal Valuation Services

ACTION TAKEN:

1. Approved the minutes of the Regular Monthly Meeting of the Board of Finance held on December 7, 2010.
2. Approved the minutes of the Organizational Meeting of the Board of Finance held on December 7, 2010.

Chairman Flynn called the meeting to order at 7:31 p.m.

AMENDED AGENDA

1. To approve the Regular Monthly Meeting Minutes held on December 7, 2010 and the Organizational Meeting Minutes held on December 7, 2010.

On a motion from the Board, the minutes of the Board of Finance Organizational Meeting held on December 7, 2010 and the minutes of the Regular Monthly Meeting of the Board of Finance held on December 7, 2010 were approved with a vote of 7 yeas, 0 nays, 2 abstentions (Brachfeld, LeClerc).

Mr. Hiller reported that the Parks and Recreation Department Revolving Fund now has a maximum balance of \$100K as adjusted by the Board of Finance at a meeting last year. Mr. Hiller also

reported that Mr. Lombardo is aware of this change to the maximum balance limit in the Revolving Fund.

2. To receive and consider the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2010 as prepared by Kostin, Ruffkess & Co., LLC.

Mr. Centofani presented this report to the Board. Mr. Centofani noted that there were some changes made to the report for this year in regards to the presentation of the Pension Trust Fund and other Post Employment Benefit Trust Funds. Mr. Centofani also reported that contributions to the pension funds should be at recommended ARC levels by FY2012, as planned for by the Town.

In response to a question from the Board regarding the Town being self-insured, Mr. Flatto stated that the Town used to be totally self-insured when he came into office but there are now policies in place to cover excessive claims over and above what self-insurance would cover thereby limiting exposure to the Town.

Mr. Flatto also informed the Board that the process that is being used for the grant money from the State for the new train station is the same process that is used by the Town for all grant monies that come from the State are handled. Mr. Flatto explained that as the Town pays the vendors, the State reimburses the Town within 30-90 days.

Mr. Hiller, in response to a question from the Board regarding the investment policy, stated that the investment policy is guided by State Statutes.

The Board reviewed the Single Audit Reports with Mr. Centofani.

Mr. Hiller stated, in response to a question from the Board, that the GASBY changes that are currently being proposed would, if passed, not be implemented until at least 2015 at the earliest.

Mrs. Bosse explained the process used for the Housing Authority and Parking Authority payrolls.

As explained, the Town processes the Housing Authority payroll and the agency is sent an invoice which is paid to the Town from the individual agency account. Mrs. Bosse did also explain that, as of December 31, 2010, the Town is no longer processing the payroll for the Housing Authority.

Mrs. Bosse added that the Parking Authority handles its own payroll processing. Mr. Flatto reported that both of these agencies are State Chartered Agencies.

Mr. Flynn asked Mr. Flatto for a report on the Housing Authority and Parking Authority procedures as well as all unreconciled payroll issues.

Mr. Centofani recommended adoption of a fund balance policy.

PUBLIC COMMENT

None

3. To hear a report from Matrix Consulting Group on the Operation Audit performed for Town Departments.

Mr. Bremer introduced Mr. Miller and Mr. Haley who presented this item to the Board. Mr. Bremer informed the Board that this process went smoothly in every aspect. Mr. Miller stated that, overall, the Town is doing a good job with a lean workforce. Mr. Miller presented some recommendations for the Town to consider:

- it would be a good idea to develop performance measures in many, if not all, departments
- it would also be a good idea to develop succession plans within departments

- reduce police and fire overtime by hiring additional personnel (1 per shift) but it is important that the Town not increase the manpower requirements for these extra employees so that they can be used to cover daily absences as required
- it was suggested that the Town divest itself of the tennis center to a private operator
- merge trees department with streets/highways department to reduce duplication of efforts

Mr. Miller also stated that the audit found appropriate service levels for a town of this size. Mr. Miller further stated that the Town has already reduced staffing levels and could not find expenditure reductions with further staffing reductions.

Mr. Miller suggested that on-line services would enhance staff production and customer satisfaction. Mr. Miller explained to the Board how the City of Somerville, Massachusetts had benefitted from the installation of an on-line services system.

Mr. Flatto recapped his thoughts on this audit. Mr. Flatto stated that this has been a very helpful process overall. Mr. Flatto further stated that this is the 4th time since the late 1980's that this type of audit has been done and every audit opens up opportunities for improvement. Mr. Flatto also reported that the Public Works, Police and Fire Departments all have performance metrics in place now.

Chairman Flynn suggested that goals for the immediate future should include the following:

- management reports by department
- develop an overview of recommendations
- develop a game plan for the next level

PUBLIC COMMENT

Kate Daniello, 490 Showboat Lane, Fairfield

As far as the TPZ, how to attract commercial development especially at the new train station

Chairman Flynn asked all Board members to email any questions they may have to Mr. Bremer and copy Mr. Flynn.

4. To discuss the October 1, 2010 revaluation of Real Property with the Assessor and representatives of Municipal Valuation Services.

Mr. Thomas Browne introduced Mr. Gaffney and Mr. Fazio to the Board and they then presented their report. Mr. Browne stated that they had received an 80% return on the data mailer that had been sent to resident. Mr. Brown reported that his group is still reviewing assessments and his department will be asking for an extension to complete the Grand List due to the overwhelming amount of work to be done. Mr. Brown stated that this has been done in the past and will not have an adverse affect on setting the mill rate in May. Mr. Browne also reported that the Grand List could drop 10%, which is more than it has ever dropped, as far as he can remember.

PUBLIC COMMENT

None

5. To discuss the adoption of a Board of Finance Policy for Capital Purchasing and Bonding.

Chairman Flynn noted that this item was held over from the last meeting. Chairman Flynn reported that Mr. Kiley had created a draft document to be reviewed by the Board and the Town Attorney.

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Chairman Flynn suggested, due to the lateness of the hour and the fact that the Town Attorney has not yet reviewed the document, this item should be held over again until the January Quarterly Review Meeting.

Mr. Bellitto Jr. moved and Mr. DeWitt seconded to hold this item until the January Board of Finance Quarterly Review Meeting. Motion carried unanimously.

6. To hear, consider, and act upon any communications.

Chairman Flynn informed the Board that it is his hope to get a report on the Board of Education Operational Audit after speaking with Dr. Title.

7. To hear, consider, and act upon any other business which shall properly come before this meeting.

None

The meeting was adjourned at 11:10 p.m.