

**BOARD OF FINANCE  
MINUTES OF SPECIAL MEETING  
September 20, 2011**

The Special Meeting of the Board of Finance was held on Tuesday, September 20, 2011 at 7:30 p.m. at Penfield Pavilion, 323 Fairfield Beach Road, Fairfield, Connecticut. The Meeting included the Board of Selectmen and representatives from the Board of Education and the RTM.

**MEMBERS PRESENT**

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

**MEMBERS ABSENT**

None

**ALSO PRESENT**

Paul Hiller, Chief Fiscal Officer and Clerk of the Board of Finance  
First Selectman Michael Tetreau, Town of Fairfield  
Sherri Steeneck, Selectman, Town of Fairfield  
Hal Schwartz, RTM  
Edward Bateson, RTM  
Dr. David Title, Superintendent of Schools, Board of Education  
John Mitola, Chairman, Board of Education  
Tom Cullen, Director of Operations, Board of Education  
Richard White, Director of Department of Public Works, Town of Fairfield  
Gerry Lombardo, Director of Parks & Recreation, Town of Fairfield  
Jim Gallagher, Chairman, Penfield Building Committee, Town of Fairfield  
Matthew Spoerndle, Phoenix Advisors, LLC

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

**AGENDA**

1. To review and discuss the Capital Plan and Debt Service Bonding requirements and projected debt service funding, including related waterfall model for the next several years for the Town and the Board of Education.

Chairman Flynn opened the meeting by thanking Jim Gallagher and his team for the great job they did with the renovations to Penfield Pavilion.

Mr. Gallagher thanked everyone involved for their support. Mr. Gallagher thanked Mr. White and his crew for doing such a great job and Mr. Gallagher stated that he is very proud of the end result and he hopes that the Town will be able to enjoy the new facility for another 100 years.

Mr. Hiller reviewed the following items with the members of the Boards present: the 5 Year Capital Plan, the Policy on Bonding and Capital Purchasing, Bond Projects since September 2010, the BOE Long Range Facilities Plan, and the DPW Capital Plan Project.

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Mr. Hiller stated that the Town anticipates a bond issue in the summer of 2012.

Mr. Hiller explained that, for the document titled FPS Long Range Facilities Plan, he used a 20% figure for the State Reimbursements expected for the school projects. Mr. Hiller also stated that the 2011-2016 Summary document was compiled by his office and has not been reviewed and/or approved by the BOE.

Mr. Mayer stated that, in his opinion, the responsibility of the BOF is to manage the final budgets in respect to tax rate changes and not to micromanage each individual project.

Mr. DeWitt stated that he has noticed when a project is moved out another fiscal year no adjustments are made to costs and this would probably create inaccurate data.

Mr. Bellitto Jr. expressed his concern that the Town and the BOE don't appear to be working together but rather it appears that they exist and function in parallel realities.

Mr. Tetreau stated that, in his opinion, changes need to be made to the way things are done because the current methods are not working as is evidenced by current projects that have come in over budget for varying reasons. Mr. Tetreau also stated that he is trying to set up a model for what the Town's experience has been and he has also been trying to manage project flow.

Mr. Bateson stated that some of his RTM votes have been made with the knowledge that a large project is soon to be coming to the RTM for a vote and therefore some of his decisions were made based on total expenditures now and in the near future, such as Riverfield School.

The waterfall was reviewed by all present.

Mr. Kiley noted that this model assumes the same short term bond program at about \$3M annually. Mr. Hiller noted that version V18-b.XLS add \$7M annually to BOE costs to fund their proposed projects in the Capital Plan while the Town side declines some during the same time period. Mr. Hiller also noted that the waterfall shows minimum debt service budget for next year and it also shows the potential annual limit to be bonded annually through 2023 with associated costs and benefits in regards to debt service.

Dr. Title stated that knowing what the spending cap is annually would help the BOE plan. Dr. Title stated that the BOE is concerned that funding from the Town bodies would also be approved when projects are brought forth for consideration. Dr. Title noted that prioritizing projects within a spending cap would be helpful as long as funding is approved when the project is brought forth to the Town bodies.

Mr. Mitola stated that this is a great planning tool but it is also necessary to keep in mind that things can always change.

Mr. Bateson stated that in 2001 the level of school debt necessary to maintain our facilities took the Town into substantial debt and it was his understanding that this was intended to be a short term situation. Mr. Bateson stated that he would like to see everyone working towards deleveraging the debt level, such as was done with the paving projects by moving them from the Capital Expenditures category to a line item in the DPW budget. Mr. Bateson also noted that it would be very nice to be able to begin reducing the Town's debt level.

Mr. DeWitt stated that he would like to see the BOF make this meeting the annual "September Set The Cap For Spending" meeting. Mr. DeWitt also noted that, in his opinion, limits need to be set and then the Town can move forward.

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Mr. Tetreau stated that he is working toward the idea that the debt service should not be the driver for setting the tax rate annually.

Chairman Flynn stated that it appears that the consensus among the attendees is that this meeting has been helpful and that perhaps this type of meeting should be held more than once a year. Chairman Flynn also noted that adding project priorities to the data distributed would be a helpful piece of information for future meetings.

Mr. Schwartz stated that the RTM would like to be included in the approvals process at an earlier point than the current process allows. Mr. Schwartz stated that, in his opinion, it would be beneficial to all, especially the RTM, since the RTM is the last body to approve a project, and the more knowledge RTM members have concerning a pending approval item, the better informed the body will be to determine the best course of action to take.

Several of the representatives of the boards in attendance mentioned that a project is presented too many times through the approval process making it very repetitious and time consuming and the consensus was presented that something could be done to consolidate the number of presentations required for the approval process to be accomplished effectively and still be thoroughly explored. Dr. Title stated that he would be interested in trying to find some way to avoid making the same presentation six or seven times.

Chairman Flynn noted that the TFC has been used often in the recent past in an effort to give input on certain projects and while this process has been very informative and valuable, it has delayed project approvals. Chairman Flynn suggested that this process needs to be streamlined, formalized and all Town bodies need to follow it. Chairman Flynn suggested that perhaps a committee should be formed to determine a workable process. Chairman Flynn asked Mr. Tetreau for his input on how to determine representation on such a committee from the BOS, the BOF, the BOE and the RTM. Mr. Tetreau agreed that this was something to be pursued and Dr. Title also agreed.

The meeting was adjourned at 9:52 p.m.