

**BOARD OF FINANCE
MINUTES OF REGULAR MONTHLY MEETING**

The Regular Monthly Meeting of the Board of Finance in Sullivan Independence Hall, 725 Old Post Road, Fairfield CT on Tuesday evening, September 4, 2012 at 7:30 p.m.

MEMBERS PRESENT

Members of the Board of Finance present were, Thomas Flynn, Chairman, Robert Bellitto, Jr., Vice Chairman, James Brown, Christopher DeWitt, Ken Brachfeld, Mary LeClerc, Robert Stone and James Walsh.

BOARD OF SELECTMAN

First Selectman Michael Tetreau, Kevin Kiley, Labor Attorney, Floyd Dugas.

ALSO PRESENT

Paul Hiller, Chief Fiscal Officer, Scott Bartlett, Public Works, David Title, Superintendent of Schools, Board of Education, Pam Iacono, Board of Education.

Chairman Flynn called the meeting to order at 7:30

Chairman Flynn noted on behalf of the Board of Finance he would like to thank Mr. Kiley for his fifteen year tenure with the Board, five of which he acted as Chairman. The Board will miss him and honored his service. He also noted he is now serving on the Board of Selectman.

1. To approve the minutes of the Regular Meeting of June 5, 2012.

Robert Bellitto *moved* and Christopher Robert Stone *seconded* to approve the Regular Meeting of June 5, 2012, as submitted. Motion was approved with a vote of 7 yeas, 0 nays.

To approve the minutes of the Quarterly Review Meeting of July 24, 2012.

Robert Bellitto *moved* and Christopher Robert Stone *seconded* to approve the Regular Meeting of July 24, 2012, as submitted. Motion was approved with a vote of 5 yeas, 0 nays and 2 abstentions, Robert Bellitto and Robert Stone.

2. DIRECTOR OF PUBLIC WORKS

To authorize the First Selectman to accept a grant of \$8,000 to pay for the incremental cost of a compressed natural gas vehicle for the Senior Center.

Chairman Flynn asked Mr. Bartlett to contact Mr. White to come to a future meeting so the Board can honor him for his service.

Scott Bartlett presented this item to the Board.

Following discussion: Robert Bellitto *moved* and Christopher DeWitt *seconded* to authorize the First Selectman to accept a grant of \$8,000 to pay for the incremental cost of a compressed natural gas vehicle for the Senior Center. Motion was approved with a vote of 7 yeas, 0 nays, 0 abstentions.

3. DIRECTOR OF PUBLIC WORKS

To hear, consider and act upon a resolution to accept a Connecticut STEAP Grant 2011 in the amount of \$100,000 and to authorize the First Selectman to execute such grant agreement with the State, for the installation of permanent canopy structures over, and restoration of, the staircases at the Fairfield Center Train Station. (Amendment to STEAP grant previously approved). Motion was approved with a vote of 7 yeas, 0 nays, 0 abstentions.

Scott Bartlett presented this item to the Board.

Following discussion: Christopher DeWitt *moved* and Robert Stone *Moved and seconded* to authorize the First Selectman to accept a grant of \$8,000 to accept a Connecticut STEAP Grant 2011 in the amount of \$100,000 and to authorize the First Selectman to execute such grant agreement with the State, for the installation of permanent canopy structures over, and restoration of, the staircases at the Fairfield Center Train Station. (Amendment to STEAP grant previously approved) Motion was approved with a vote of 7 yeas, 0 nays, 0 abstentions.

4. DIRECTOR OF PUBLIC WORKS

To hear, consider and act upon a resolution to accept a Connecticut STEAP Grant 2012 in the amount of \$100,000 and to authorize the First Selectman to execute such grant agreement with the State, to increase the handicap accessibility at Jennings Pavilion.

James Walsh arrived at approximately 8:00

Scott Bartlett presented this item to the Board.

Following discussion: Robert Bellitto *moved* and Robert Stone *seconded* To hear, consider and act upon a resolution to accept a Connecticut STEAP Grant 2012 in the amount of \$100,000 and to authorize the First Selectman to execute such grant agreement with the State, to increase the handicap accessibility at Jennings Pavilion. Motion was approved with a vote of 7 yeas, 0 nays, 0 abstentions. (Mr. Brackfeld was out of the room at this time).

5. To hear a report and update from the Superintendent of Schools on the current status of Osborn Hill School and the estimated costs relating to the environmental remediation.

Dr. Title and Pam Iacono presented and discussed this item to the Board.

Following discussion:

Dr. Title and Mrs. Iacono agreed it will be helpful to hire an independent consultant to get an expert's opinion regarding the issues at Osborn Hill School. This will help free up their staff because they have been consumed. They are looking for the Board of Finance to partner with them.

Mr. Walsh noted with respect to the testing, and he is not suggesting that the BOE is not willing to test; he is suggesting that the BOE should be very careful in this area. He feels it is an extremely dangerous legal path to go down; we have a school which is troubled, not testing is not an option we should follow expert's advice.

Dr. Title and Ms. Iacono were in agreement they would like to get guidance from more than the BOE on this matter.

Chairman Flynn asked Dr. Title to come back to the Board in October to address the full operational budget in terms of the impact of the current year operations and how much will be incurred, He noted the Board would like to know sooner rather than later.

Chairman Flynn asked the Board to forward him alternative dates so they can form a "Capital Planning Work Shop".

Chairman Flynn thanked Dr. Title and his administration for their efforts and asked that they keep the Board posted and advised.

6. To discuss the status of the Town of Fairfield Chief Fiscal Officer and BOF clerk. The discussion will include, but not be limited to: current status, go forward plans, transition plans, separation agreement and next steps for BOF clerk position.

Selectman Tetreau introduced labor attorney, Floyd Dougas, to the Board.

Selectman Tetreau updated the Board as to Mr. Hiller's status, the role and authority of the First Selectman, the cost components of the Settlement Agreement between the Town and Mr. Hiller and the next step in the transition process.

Selectman Tetreau noted according to the Charter the Chief Fiscal Officer is appointed by the First Selectman and is responsible to the First Selectman for the performance of his duties.

He noted during this past year he had increasing number of concerns and felt it was in the best interest of the Town to consider making a change. In addition to counsel this was discussed with the Town Attorney.

After some deliberations, Mr. Hiller and the Town came to a mutual agreement he would leave his position approximately four to five years earlier than planned, under terms described in the settlement agreement.

This benefit package Mr. Hiller received is the current one covering all Department Heads. Based on legal council's advice this settlement agreement does not require approval from any board beyond the First Selectman.

With respect to the cost of the settlement agreement, Selectman Tetreau further noted, under the agreement, Mr. Hiller will take on the new title of manager of financial services, and is required to put in a minimum of two days of work per week in that position. He will continue to be paid based on his annual salary of \$135,591 through December 31st. For the period of January through June 30, 2013, Mr. Hiller's pay will be based on an annual salary of \$110,000. His final salary for pension calculations will be bumped up to \$158,000, and will also receive thirteen (13) weeks of severance pay and paid for sixty (60) days of unused vacation. He is vested in the pension program.

Selectman Tetreau stated these benefits are based on a document that he was given when he became First Selectman that outlined benefits for department heads.

Selectman Tetreau also stated upon Mr. Hiller's resignation as CFO, he has asked his Chief of Staff, Robert Mayer, to become acting CFO through the balance of this year. He will coordinate the work assignments with Mr. Hiller to insure all work is completed in a smooth and orderly fashion. The selection process for a permanent CFO will start in the time frame of June/July.

Selectman Tetreau noted Chairman Flynn made a good point and perhaps they should not have referenced the Board of Finance Clerk in the proposed agreement with Mr. Hiller and the Town.

After a lengthily discussion, the Board had many questions about the Charter, relating to Mr. Hiller's departure with the Town.

Mr. Bellitto was concerned about the agreement being legal and what was will the cost be to the Town? He asked Attorney Dufas to forward a copy of the formal written legal opinion he had previously referenced.

The Board was extremely concerned why Mr. Hiller's departure wasn't brought before the Board of Selectman or the Board of Finance, especially knowing Mr. Hiller was the Clerk of the Board of Finance.

Selectman Tetreau again stated they followed the process outlined by legal counsel.

Mr. Walsh noted the Town Charter requires all contracts be brought to the Board of Selectman for approval. Mr. Walsh addressed the "Benefits Summary for all Department Heads", which Mr. Flatto had signed and revised in 2005 (this was attached to Mr. Hiller's settlement agreement). He questioned why this was never supplied to any town body and in fact, nobody has seen this document before this meeting, until now.

Selectman Tetreau stated he was not aware of its existence either until he took office.

Christine Vahey asked what is the difference between the legal agreements that comes before the Board of Selectman as a standard matter and this agreement as an employment matter. Is there a difference in the Statute per Charter or is this more of an issue of semantics.

Attorney Dugas noted the only question he looked at was this agreement between the CFO and based upon the authority and the Statute per Charter the First Selectman could make the outlined decision.

Attorney Dugas also noted under the Charter, the First Selectman has complete authority to hire, eliminate, and set terms of conditions of employment.

Mr. Stone noted the Board could spend the whole night discussing the issue of competing legal opinions regarding Mr. Tetreau's authority. The whole problem is with the Charter. Mr. Hiller has served this town for many years and done a very good job. Mr. Tetreau came into power and wanted to make a change. These shouldn't be appointments for life. They should have a beginning and an end.

Mr. Walsh asked to see both actuarial costs and the cost of every line on the settlement agreement; including an analysis if Mr. Hiller leaves tomorrow vs. June 30th, because they are calculable costs. He stated the taxpayers should know what the cost of this is to the penny because these are costs that are going to add up.

Mr. Kiley asked to see the opportunity cost component.

Mr. Belitto asked for a formal written legal opinion as to the reason why this didn't go before the Board of Selectman for a vote. Also, a written legal opinion as to why the creation of the manager of financial services position did not fall under that provision of the Charter regarding reorganization of the departments, Case Law, Charter and State Statute.

Chairman Flynn noted The Town has been through a lot, between the train station deals, side letters, union agreements, other agreements that were signed and the department head summary of benefits that has not gone before town bodies. He also noted, they all have an impact on our town government.

He questioned setting aside the legal issue, why wasn't this brought before the Board of Selectman? Because something is legally right doesn't mean its right. This doesn't help our government moving forward.

As Chairman of this Board it is the fiduciary responsibility to look out for the financial cost of the tax payers. Also, he is responsible for a smooth operation, which includes working with the Clerk of this Board on a day to day basis. The fact that it was breached bothers him.

Chairman Flynn noted the Board will be forming a sub-committee search for a new Clerk and will look into the job descriptions for that position. He asked Mr. Hiller in the interim, if he would stay as Clerk of the Board, but due to legal reasons he will not. After consulting with Mr. Hiller, he reached out to Caitlin Bosse, who works along with Mr. Hiller. Mrs. Bosse agreed in the interim, she would serve as the Clerk to the Board of Finance until such time this Board appoints a new Clerk.

Chairman Flynn addressed the personal aspect to Mr. Hiller's departure. He stated it really saddened him the way this was played out and is sorry it happened- it wasn't right.

He also addressed how you terminate someone is not about the impact on them it's about the impact on the rest of the employees. He felt it was managed badly and was worried about the morale of the staff at the Town Hall.

Robert Bellitto stated what really bothered him was that he had not heard a good reason why Mr. Hiller should be replaced. This has been anything but transparent and is not the right way to do things in town government. It would have been wise to reach out- that is good government. To not take advantage of the resources at this table and other tables was a mistake.

Following discussion: Chairman Flynn moved and Robert Benito seconded to appoint Caitlin Bosse, as interim Clerk of the Board of Finance, until such time this Board

appoints a new Clerk of the Board of Finance, at a compensation to be paid \$800.00 per month, for that interim. Her duties will include: attending all meetings, prepare agendas, the planning, and coordinate the appearances of various Town representatives, as well as their consultants, legal counsel and coordinating with the Secretary of this Board, effective upon Mr. Hiller's September 16th resignations. Motion was approved with a vote of 8 yeas, 0 nays and 0 abstentions.

7. To hear , consider and act upon a series of Transfers of Funds to correct overdrafts in department budgets as follows:

\$ 9,446.93	From: Contingency		
	To: First Selectman's Office Regular Payroll	\$ 9,446.93	
\$280,898.40	From: Contingency		
	To: Legal Services-Fees and Professional	\$280,898.40	
\$ 206.35	From: Contingency		
	To: Retiree Benefits-Life Insurance	\$ 206.35	
\$284,764.91	From: Contingency		
	To: Human Resources-Heart and Hypertension	\$284,764.91	
\$135,853.61	From: Contingency		
	To: Unemployment Compensation	\$135,853.61	
\$ 1,603.68	From: Contingency		
	To: Hydrant and Water Services-Utilities	\$ 1,603.68	
\$ 695.20	From: Contingency		
	To: Emergency Management-Regular Payroll	\$ 680.53	
	To: Emergency Management-Social Security	\$ 14.67	
\$ 9,819.69	From: Contingency		
	To: Public Works Administration-Regular Payroll	\$ 9,819.69	
\$ 5,569.55	From: Contingency		
	To: Building-Regular Payroll	\$ 5,569.55	
\$ 2,389.91	From: Contingency		
	To: Solid Waste-Part-time Payroll	\$ 2,389.91	

Chairman Flynn *moved* and Ken Brackfeld *seconded* to table this item to the October 7th Regular Meeting. Motion was approved with a vote of 8 yeas, 0 nays, 0 abstentions.

8. To hear, consider and act upon a request from the Fiscal Officer to approve Schedules “A”, “B”, “C”, “D”, “E”, and “F” (included with Agenda) carrying over funds for encumbrances and re-appropriations as of June 30, 2012 as supported by purchase orders or letters of request by Department Heads or the Fiscal Officer.

Following discussion: Robert Bellitto *moved* and James Walsh *seconded* to re-appropriate the items in Schedule “C” of the handouts, totaling \$59,930. 50, which was included in the original budget. Motion was approved with a vote of 8 yeas, 0 nays, 0 abstentions.

Chairman Flynn *moved* and Christopher DeWitt *seconded* to table rest of the items in reference to number 8 (with the exception to Schedule “C”) to the October 7th Regular Meeting. Motion was approved with a vote of 8 yeas, 0 nays, 0 abstentions.

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

None

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

James Brown *moved* and Christopher DeWitt *seconded* to get a sense of the body for the proposed timing and review and approval for non-recurring projects for review in December 2012 and voting in January 2013. Motion was approved with a vote of 7 yeas, 1 nays, (Mary LeClerc) 0 abstentions.

There being no further business to come before the Board, Ken Brachfeld *moved* and Robert Belitto *seconded* to adjourn the meeting at 11:05 p.m. *Motion passed unanimously.*

Respectfully submitted,

Josephine M. Keogh