

**BOARD OF FINANCE  
MINUTES OF MONTHLY MEETING  
FEBRUARY 5, 2013**

This monthly meeting of the Board of Finance held its Monthly Meeting on Tuesday, February 5, 2013 at 7:30 p.m. in Seminar Room 300, Board of Education Administrative Offices, and 501 Kings Highway East, Fairfield, CT.

**MEMBERS PRESENT**

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

**BOARD OF SELECTMAN**

First Selectman Michael Tetreau, Robert Mayer, Chief of Staff and Chief Fiscal Officer, Selectman Cristan McCarthy Vahey

**ALSO PRESENT**

Edward Bowman, Assistant Director of Public Works, Jerry Lombardo, Director Parks and Recreation and Peter Grace, Golf Course Superintendent, Mary Carroll-Mirylees, Human Resources Director, Ellen These, Account Manager of Beardsley Brown & Bassett, Attorney Cleary, Bond Counsel, Joseph Centofanti, Cohn & Reznick

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

**1. To hear, consider and act upon a resolution appropriating \$1,162,000 for the costs of certain non-recurring capital projects and authorizing the issuance of bonds to finance such appropriation.**

Ed Bowman, Assistant Director of Public Works presented the following:

**Old Town Hall –Installation of Emergency Generator (105,000)**

Mr. Bowman noted the Old Town Hall is working off a backup generator, which was installed in 1990. The emergency generator will provide complete power to the building to insure that the computer systems are not interrupted and employees can continue to work in the building to provide services to residents. It will also prevent potential damage to the buildings infrastructure.

Robert Bellitto and Christopher DeWitt were not in support of the \$105,000 from the bonding package to pay for an emergency generator at old Town Hall.

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Mr. DeWitt stated a town disaster plan should be in place before any money is spent. Other Board members disagreed; they felt that any plan would likely include acquiring a generator for the building.

James Brown noted they need to protect the infrastructure as well as consider the productivity of municipal employees and convenience to the taxpayers.

Chairman Flynn requested that Mr. Mayer report to the RTM regarding the status so they can take it into account when going forward on this resolution.

**Fire Station HVAC (172,000)**

Mr. Bowman noted the Fire Station is currently heated by a boiler located in the basement, which will provide heating to the first floor. The air conditioning unit will only be installed to the second floor. Both the boiler and air conditioning units are the original units, which were installed in the 1954 and are not energy efficient.

**Police Station HVAC (\$160,000)**

Mr. Bowman noted the original HVAC was installed in 1974. In 2009, the Town installed a new HVAC system, which replaced the existing one. This newer unit was equipped with a heating coil that was supplied by hot water from two boilers in the basement. Due to financial constraints at that time, only one air handler was installed with no duct work or VAC.

**Fairfield Woods Branch Library Re-Roofing Project (\$200,000)**

Mr. Bowman noted the entire building roof is now leaking and damaging carpets, book stacks and ceiling tiles. With the potential damage, the roof needs to be replaced before permanent damage is done.

First Selectman Tetreau noted the roof leaks regularly and the band-aid approach to roof repairs no longer works.

The Board felt it would be a waste of money since the Fairfield Library Board of Trustees has indicated an interest in tearing down the existing building and erecting a new one.

James Walsh referred to a presentation made last May to the Board of Selectmen at which the trustees said they favor demolishing the existing building for a new \$12 million library. He agreed that the roof needs to be replaced and it should have been replaced years ago, but Mr. Flatto put it off. He supports the expenditure for a new roof but stated it needs to be understood that for at least the next five years, nothing could be done to the building.

Catherine Albin noted the condition of this roof and the damage that's occurring in the building reminded her of McKinley School. She wouldn't want the building to become so damaged it would affect losing the building.

**Tennis Center – Lighting Installation (125,000)**

Gerry Lombardo, Director of Parks and Recreation noted he is requesting \$125,000 to replace existing light fixtures and to add new tennis poles and lights to a sixth court that is being built in the spring. He also noted the current lights are about twenty five (25) years old and there has been lighting issues in the past. The proposed new lighting will be more energy efficient and will save the Town about 50% in energy costs, which is approximately between \$2,500 and \$3,000. Mr. Lombardo said with respect to the impact of the lighting on the surrounding neighborhood, the spillage from the new lights will be much less because the light is directly on the court. Mr. Lombardo also noted if the project doesn't go forward, the sixth court would not be usable at night because it would not be illuminated. Town officials are also applying to United Illuminating for either a grant or no-interest loan to help get reimbursed on a portion of the cost.

Chairman Thomas Flynn noted he would like to see a cost-benefit analysis report for the tennis court before he could vote on spending money on new lighting. Catherine Albin agreed.

**2. To hear, consider and act upon a resolution amending and restating a resolution adopted March 26, 2012 by the Representative Town Meeting.**

Ed Bowman, Assistant Director of Public Works noted that two underground storage tanks have passed their useful lives. He has reviewed the costs associated with the removal, replacement, environmental monitoring and remediation of contaminated soil for the DPW fuel tanks. More contaminants were found in the ground after two tests were performed. The proposed remediation is not very simple and could take between five and ten years.

Following discussion: Ken Brachfeld *moved* and Chairman Flynn *seconded* to hear, consider and act upon a resolution amending and restating a resolution adopted March 26, 2012 by the Representative Town Meeting which will change the overall amount from \$1,766,284 to \$1,986,284. *Motion passed unanimously.*

**3. Discussion of Flood Insurance coverage presented by Ellen Thees, Account Manager, of Beardsley Brown & Bassett.**

Ellen Thees, Account Manager, of Beardsley Brown & Bassett presented this item to the Board. She addressed the following:

The Town does not purchase Federal Flood Insurance but does have some insurance coverage for flood risks.

Federal Flood Insurance is available for all Town buildings. The Town has buildings both within and outside of high hazard flood zones. The US Army Corps of Engineers determines the zones and they often change where the line is drawn; sidewalks, decks, trees, seawalls, most outdoor equipment and tanks does not qualify.

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Federal Flood policies are limited to \$500,000 per commercial building. An additional \$500,000 for the contents of the building is available.

Federal Flood Policies only pay to repair or replace commercial properties when the amount of damage is less than the depreciated value. With major damage, they usually pay depreciated value, not replacement cost.

The Town buys property insurance through CIRMA, (Connecticut Interlocal Risk Management Agency), who provides a risk pool for Connecticut municipalities.

CIRMA includes two different types of flood insurance for the Town on the property policy.

1. Building in High Hazard Zones: The deductible is \$500,000 per building and \$500,000 for contents of that building essentially applying as if you had purchased Federal Flood Insurance.
2. Building in Lower Hazard Zones: The deductible is \$500,000 per flood regulations of how many buildings are damaged.

The total floor limit is \$10,000,000. This is an annual aggregate, regardless of the numbers of buildings or floods during the year. The Town also purchases an excess flood policy providing a \$5,000,000 limit. The Town has no deductible because it applies when the CIRMA \$10,000,000 is used up. The policy didn't provide coverage for Storm Sandy because the amount of damage was below what CIRMA covers. If the flood had been more severe, this additional \$5,000,000 coverage would have been beneficial.

A cost benefit analysis is periodically conducted. The Town continues to believe that Federal Flood insurance is cost effective due to the high premiums, low limits of available coverage and the fact that most of the Town is in lower flood zones. Only one of the sixteen schools is in a high hazard zone.

**4. To receive and consider the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2012 as prepared by CohnReznick LLP.**

Joseph Centofanti, Cohen and Reznick discussed the Annual Audit for the year ending, June 30, 2012 with the Board at length.

Following discussion: Chairman Flynn noted in the past, the Board requested management's responses to this report to see what is going to be addressed and why it will be addressed. He asked that management's response or recommendations be brought back to the quarterly meeting so the Board can communicate back to the auditors.

Chairman Flynn thanked Mr. Centofanti for his report.

**5. To hear, consider and act upon the following resolution:**

**“In accordance with GASB 54, The Board of Finance of the Town of Fairfield approves the Special Revenue Funds and related fund balance classifications that are identified on pages 74 to 76 of the 2012 Comprehensive Annual Financial Report.”**

Following discussion: Robert Bellitto *moved* and Christopher DeWitt *seconded* to **To hear, consider and act upon the following resolution: “In accordance with GASB 54, The Board of Finance of the Town of Fairfield approves the Special Revenue Funds and related fund balance classifications that are identified on pages 74 to 76 of the 2012 Comprehensive Annual Financial Report.”** *Motion passed unanimously.*

Mr. Walsh left the meeting at approximately 10:25

**6. To hear, consider and act upon the Board of Finance Clerk position.**

Chairman Flynn recommended the following:

Chairman Flynn *moved* and Robert Stone *seconded* to appoint Caitlin Bosse, as Clerk of the Board of Finance, at a sty pen of \$12,000 per year, effective immediately and to be reviewed annually, effective May, 2014, or at the date the Board reviews the auditor’s appointment. *Motion passed unanimously.*

**7. To Discuss 2013 Budget Hearing Schedule.**

Mr. Belitto presented this item to the Board.

Mrs. LeClerk asked if the Dept Services scheduled for February 27<sup>th</sup> be moved up to February 19<sup>th</sup> Providing, there is time to do so.

Following discussion: Chairman Flynn *moved* and Ken Brackfeld *seconded* to accept the 2013 Budget Hearing Schedule as recommended by the Budget Sub Committee of the Board of Finance. *Motion passed unanimously.*

**8. To hear, consider and act upon any communications.**

Chairman Flynn noted the Chairman of the BOE is looking for volunteers to serve on a strategic planning committee where they are reviewing educational goals and educational missions. He asked Board members, if their interested, to forward their interest to him via email and he will act accordingly.

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There being no further business to come before the Board, Robert Belitto *moved* and Christopher DeWitt *seconded* to adjourn the meeting at 10:45 p.m. *Motion passed unanimously.*

Respectfully submitted,

Josephine M. Keogh