

**BOARD OF FINANCE**  
**MINUTES OF REGULAR MEETING “draft”**  
**October 7, 2014**

Pursuant to the call and written notice the Regular Meeting of the Board of Finance was held on Tuesday, October 10, 2014 at 7:30 p.m. in the Board of Education Administrative Offices, Seminar Room 295A & B, 501 Kings Highway East, Fairfield, Connecticut.

**MEMBERS PRESENT**

Thomas Flynn, Christopher DeWitt, James Brown, Robert Stone, James Walsh (arrived at 8:10 p.m.), Catherine Albin, David Becker

**ABSENT:** Ken Brachfeld, Mary LeClerc

**ALSO PRESENT**

Michael Tetreau, First Selectman, Town of Fairfield  
Kevin Kiley, Selectman, Town of Fairfield  
Caitlin Bosse, Controller, Town of Fairfield and Clerk of the Board of Finance  
Joseph Michelangelo, Director, Department of Public Works, Town of Fairfield  
William Hurley, Engineering Manager, Town of Fairfield

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

David Becker led a Pledge of Allegiance

To approve the minutes of the Budget Hearing of the Board of Finance from September 2, 2014.

Christopher Dewitt *moved* and James Brown *seconded* to approve the Budget Hearing of the Board of Finance from September 2, 2014, as presented. *Motion passed unanimously.*

To approve the minutes of the Budget Hearing of the Board of Finance from September 16, 2014.

James Brown *moved* and David Becker *seconded* to approve the Budget Hearing of the Board of Finance from September 2, 2014, as presented. *Motion passed 5-0-2,* Christopher DeWitt and Catherine Albin abstained.

To hear, consider and act upon the following resolution:

RESOLVED, that Michael C. Tetreau, First Selectman, be and hereby is, authorized to approve the Connecticut Department of Transportation’s proposal to accept and combine the LOTCIP (Local Transportation Capital Improvement Program) with existing TAP (Transportation Alternatives Program) grant; and

FURTHER RESOLVED, that the First Selectman is authorized to sign any agreements between the Town of Fairfield and the State of Connecticut related to the LOTCIP Grant associated with the extension of the current Kings Highway Pedestrian Improvements project, utilizing Federal and State funding.

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FURTHER RESOLVED, the amount of the new grant to the Town, \$800,000, provided in the Connecticut Department of Transportation proposal, is hereby appropriated to fund the project described herein.

William Hurley, Engineering Manager, presented this item to the Board. He noted the following: The improvements will extend from Fairchild Avenue to Villa Avenue. The State wants to combine the LOTCIP and TAP grants and improvements will be performed on both sides of Route One from Chambers Street to Brentwood Avenue. The design phase is 80/20 for the first grant and is 100% reimbursable for construction only. This must be approved by the BOS, BOF and the RTM.

The Board thanked Mr. Hurley for his presentation and following discussion: James Brown *moved* and Christopher Dewitt *seconded* to approve the Connecticut Department of Transportation's proposal to accept and combine the LOTCIP (Local Transportation Capital Improvement Program) with existing TAP (Transportation Alternatives Program) grant; and

FURTHER RESOLVED, that the First Selectman is authorized to sign any agreements between the Town of Fairfield and the State of Connecticut related to the LOTCIP Grant associated with the extension of the current Kings Highway Pedestrian Improvements project, utilizing Federal and State funding.

FURTHER RESOLVED, the amount of the new grant to the Town, \$800,000, provided in the Connecticut Department of Transportation proposal, is hereby appropriated to fund the project described herein. *Motion passed unanimously.*

To hear a presentation from the Director of Public Works on the DPW Capital Replacement Policy.

Joseph Michelangelo, Director, Department of Public Works, presented this item to the Board. He handed out a detailed Capital Vehicle Appropriations to the Board for their review. The report included the number and age of the department's 48 trucks, ranging from small dump trucks to 10 wheel trucks, including street sweepers that cost more than \$100,000.

Mr. Michelangelo reported many of the trucks should be replaced every 12 to 14 years, which have not been. His report included the six-wheel dump truck built in 1983 that should have been replaced in 1995. He believes the Town is putting more money into it than they should. This will mean 20 of the DPW's 48 trucks will be within the workable 12 year life span, as opposed to only 13.

Mr. DeWitt believes it would be better for the town and DPW to get to a fixed number of vehicle acquisitions every year, with Mr. Michelangelo's decision on what to buy and what to fix.

Chairman Flynn noted the total replacement value of the 48 trucks is approximately \$9.4 million. If they rounded that to \$10 million, budgeting \$667,000 a year would allow the complete

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replacement of the vehicles over a 15-year span. The process could be similar to what the town has done in order to move funding for road paving from bonding to the operating budget.

David Becker suggested that the town tried to catch up on the paving schedule too quickly. This is a smaller number adding that the fleet replacement could be done with a five- or six-year phase-in. The paving was millions of dollars.

After further discussion: Chairman Flynn noted they could start at \$300,000 or so and then bring it up but didn't want the DPW replacing all the vehicles because that's what has been done for years. He suggested that Mr. Michelangelo take a look at what other communities do to make sure the town is following the best practices and technologies.

Mr. Michelangelo was in agreement and suggested maybe the town doesn't need to keep four street sweepers, it might be possible to have three and lease a fourth during peak times.

To hear and consider a Fund Balance Policy.

Mr. Walsh presented this item to the Board and discussed it in detail. He handed out a copy of the General Fund Balance Policy and a General Fund Balance Analysis to the Board for their review. He thanked Mrs. Bosse and Mrs. Santiago in the Finance Department, for their efforts in helping him with this report.

The Board thanked Mr. Walsh and the Sub-Committee for putting together the Fund Balance reports as presented.

The Board discussed this item at length.

Following discussion: Mr. Brown was concerned on how much leeway there is to hit the target goal of 8%. They could look at a surplus goal of ten years and that would give them flexibility.

Selectman Tetreau noted not to setup a policy that will put them out of compliance. There is no higher prize than the AAA rating the Town has right now. The Town has a number of other commitments and need to look at what their priorities are. The past three years have been positive as far as revenue. He also noted the rating agencies do not like to take money out of the reserve. He asked to look at other priorities such as the surplus and OPEB.

Mr. Becker asked that the Board focus on the Internal Service Fund balance.

Mrs. Albin noted policies can change - policies made through any Boards are only as good as the length of whoever serves on that Board - policies can change. She encouraged the Board to provide the RTM with the draft policy and after the RTM reviews it, educate the public on how it could affect the taxpayers.

Mr. Kiley suggested the goal would be to keep it under a quarter point of the expected fund balance number.

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Chairman Flynn noted the direction he would take is to “do no harm”, keep it under a quarter ( $\frac{1}{4}$ ) point of the final fund balance percentage, and don't use the funds for anything other than staying in this fund until such time as they reach the 8% bench mark, then revisit it in two years moving forward at that point.

The Board was interested in maintaining the AAA bond rating and agreed on why they need flexibility.

To hear, consider and act upon any communications.

Chairman Flynn noted, with respect to Penfield Pavilion, the BOS is holding their meeting on November 5<sup>th</sup>. He asked that the BOF move their meeting on Wednesday, November 5<sup>th</sup> to Thursday, November 13<sup>th</sup>, to allow them ample time to receive presentations and deliberations on this project. Chairman Flynn noted the goal is to hear about this project and not be rushed. His priority for this Board is to make sure they are comfortable in making the most educated decision, while receiving the appropriate and most informed information.

There being no further business to come before the Board, Christopher DeWitt *moved* and Robert Stone *seconded* to adjourn the meeting at 10:00 p.m. *Motion passed unanimously.*

Respectfully submitted,

Josephine M. Keogh  
Recording Secretary