

**Board of Finance**  
**2016 Meeting Schedule**

January	05	Tuesday	7:30 pm	Regular Monthly Meeting
February	02	Tuesday	7:30 pm	Regular Monthly Meeting
February	16	Tuesday	7:30 pm	Quarterly Review Meeting
March	01	Tuesday	7:30 pm	Public Budget Session
March	03	Thursday	7:30 pm	Public Budget Session
March	08	Tuesday	7:30 pm	Public Budget Session
March	10	Thursday	7:30 pm	Public Budget Session
March	15	Tuesday	7:30 pm	Public Budget Session
March	16	Wednesday	7:30 pm	Public Budget Session
March	19	Saturday	9:30 am	Public Budget Comment Session
March	21	Monday	7:30 pm	Public Budget Session
March	22	Tuesday	7:30 pm	Public Executive Budget Session
March	31	Thursday	7:30 pm	Public Executive Budget Session Vote
April	12	Tuesday	7:30 pm	Regular Monthly Meeting
May	05	Thursday	7:30 pm	Regular Monthly Meeting
May	17	Tuesday	7:30 pm	Quarterly Review Meeting
June	07	Tuesday	7:30 pm	Regular Monthly Meeting
August	02	Tuesday	7:30 pm	Regular Monthly Meeting
September	06	Tuesday	7:30 pm	Regular Monthly Meeting
September	20	Tuesday	7:30 pm	Capital Planning Workshop
September	27	Tuesday	7:30 pm	Quarterly Review Meeting
October	04	Tuesday	7:30 pm	Regular Monthly Meeting
November	01	Tuesday	7:30 pm	Regular Monthly Meeting
November	22	Tuesday	7:30 pm	Quarterly Review Meeting
December	06	Tuesday	7:30 pm	Regular Monthly Meeting

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**MINUTES OF THE BOARD OF FINANCE  
REGULAR MONTHLY MEETING  
NOVEMBER 4, 2015**

The Board of Finance Monthly Meeting was held on Wednesday, November 4, 2015 at 7:30 p.m. in Seminar Room 295 A&B, Board of Education Administrative Offices, 501 Kings Highway East, Fairfield, Connecticut.

**MEMBERS PRESENT**

David Becker, James Brown, Christopher DeWitt, Thomas Flynn, Mary LeClerc, John Mitola, Robert Stone, James Walsh

**MEMBERS ABSENT**

Tara Cook-Littman

**ALSO PRESENT**

Michael Tetreau, Board of Selectmen, Town of Fairfield  
Robert Mayer, Chief Fiscal Officer, Town of Fairfield  
Caitlin Bosse, Controller, Town of Fairfield  
Gary McNamara, Chief of Police, Town of Fairfield  
Christopher Lyddy, Deputy Chief of Police, Town of Fairfield  
Joseph Michelangelo, Director of Public Works, Town of Fairfield  
Brian Carey, Director, Conservation Department, Town of Fairfield

**ACTION TAKEN:**

Approved the resolution in Agenda Item #1 that reads,” RESOLVED, that Michael C. Tetreau, First Selectman of the Town of Fairfield, is hereby authorized to expend in the name and on behalf of the Town of Fairfield \$304,461 to purchase a CBRNE Equipped Shallow Water Vessel to support Fairfield Critical Infrastructure, seventy five percent of said purchase to be reimbursed by a U.S. Department of Homeland Security FY2015 Port Security Program grant (\$228,346) and the remaining twenty five percent (\$76,115) to be funded by the revenue from the sale of an existing vessel and the FY2016 Police Department Budget.” Motion passed unanimously.

Approved the resolution in Agenda Item #2 that reads,” RESOLVED, that the First Selectman is hereby authorized, on behalf of the Town of Fairfield, to expend up to \$250,000 to fund a Community Development Block Grant- Disaster Recovery (CDBG-DR) – Tranche 2 Project entitled Riverside Drive Coastal Resiliency & Flood Mitigation Study, one hundred percent of said project cost to be reimbursed by a federally funded Disaster Recovery Community Development Block Grant.” Motion passed unanimously.

Approved the resolution in Agenda Item #3 that reads, “RESOLVED, that the First Selectman is hereby authorized, on behalf of the Town of Fairfield, to expend up to \$100,000 to fund a Community Development Block Grant- Disaster Recovery (CDBG-DR) – Tranche 2 Project entitled Fairfield Engineered Beach Study, one hundred percent of said project cost to be reimbursed by a federally funded Disaster Recovery Community Development Block Grant.”.

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Motion passed unanimously.

Approved the resolution in Agenda Item #4 that reads,” RESOLVED, that Michael C. Tetreau, First Selectman of the Town of Fairfield, is hereby authorized to expend \$18,000 to lease an electric vehicle, purchase and install a charging station at Jennings Beach, purchase two electronic charging stations from United Illuminating one of which will be relocated, and purchase Clean Energy promotional items such as LED bulbs, said funds to be one hundred percent reimbursed by a Clean Energy Communities Program grant.’ Motion passed with a vote of 7 yeas, 0 nays, 1 abstention (Flynn).

Approved Agenda Item #5 that reads,” To hear, consider and act upon the transfer of \$10,000 from Contingency (01002010-58010) to the IT Department (01003110-53200) for consulting services to perform a needs assessment for a new telephone system for the Town.” Motion passed with a vote of 7 yeas, 1 nay (DeWitt), 0 abstentions.

Approved Agenda Item #6 that reads,” To hear, consider and act upon a request from the Chief Fiscal Officer to approve Schedules “A”, “B”, “C”, “D”, “E”, and “F” carrying over funds for encumbrances and re-appropriations as of June 30, 2015 as supported by purchase orders or letters of request by Department Heads or the Chief Fiscal Officer.”. Motion passed unanimously.

Approved Agenda Item #7 that reads,” To hear, consider and act upon a request from the Chief Fiscal Officer to transfer \$1,734,803 from Contingency (01002010-58010) to various accounts per the attached schedule in the FY 16 year for the Fire and Police settlement.” Motion passed unanimously.

Approved Agenda Item #8 that reads,” To hear, consider and act upon a request from the Chief Fiscal Officer to approve Transfers as of June 30, 2015. Motion passed unanimously.

Approved Agenda Item #9 as follows:

- Minutes of BOF Meeting 9-1-15 motion passed with a vote of 7 yeas, 0 nays, 1 abstention (Mitola).
- Minutes of BOF Meeting 9-15-15 motion passed unanimously.
- Minutes of BOF Meeting 9-29-15 motion passed with a vote of 5 yeas, 0 nays, 3 abstentions (DeWitt, LeClerc, Stone).

Chairman Flynn called the meeting to order at 7:30 p.m.

Mr. Mitola led the Pledge of Allegiance.

Mr. Flynn called for a moment to recognize those members of the Board who were successfully reelected in yesterday’s elections, Mr. Brown, Mr. Mitola and Mr. Walsh. Mr. Flynn also noted that the Board has made a contribution in memory of First Selectman Tetreau’s brother to the Wounded Warrior Project.

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AGENDA

1) Chief of Police

To hear, consider and act upon the following resolution as recommended by the Board of Selectmen:

RESOLVED, that Michael C. Tetreau, First Selectman of the Town of Fairfield, is hereby authorized to expend in the name and on behalf of the Town of Fairfield \$304,461 to purchase a CBRNE Equipped Shallow Water Vessel to support Fairfield Critical Infrastructure, seventy five percent of said purchase to be reimbursed by a U.S. Department of Homeland Security FY2015 Port Security Program grant (\$228,346) and the remaining twenty five percent (\$76,115) to be funded by the revenue from the sale of an existing vessel and the FY2016 Police Department Budget.

Chief McNamara and Deputy Chief Lyddy presented this item to the Board.

Mr. DeWitt moved and Mr. Stone seconded to bring this item before the Board for consideration and possible action.

Chief McNamara reviewed the history behind this grant with the Board. Chief McNamara reported that the Federal Government offered this grant for the purchase of the boat. A discussion on the possible ways to cover a portion of this cost from within the Police Department budget followed. Deputy Chief Lyddy explained to the Board that the Federal Government gives the entire amount to the Town up front and the 25% that is the Town's responsibility is repaid over time, not immediately.

Chairman Flynn called this item for a vote. Motion passed unanimously.

2) **DIRECTOR OF PUBLIC WORKS (pending Board of Selectmen approval)**

To hear, consider and act upon the following resolution as recommended by the Director of Public Works:

RESOLVED, that the First Selectman is hereby authorized, on behalf of the Town of Fairfield, to expend up to \$250,000 to fund a Community Development Block Grant- Disaster Recovery (CDBG-DR) – Tranche 2 Project entitled Riverside Drive Coastal Resiliency & Flood Mitigation Study, one hundred percent of said project cost to be reimbursed by a federally funded Disaster Recovery Community Development Block Grant.

Mr. Carey presented this item to the Board. Mr. Carey informed the Board that this item was approved by the Board of Selectmen (BOS) at their meeting held earlier this afternoon.

Mr. DeWitt moved and Mr. Brown seconded to bring this item before the Board for consideration and possible action.

Mr. Carey explained to the Board that part of the purpose of this grant is to develop certain projects so that, should a disaster occur, such as happened with Hurricane Sandy. The Town will have projects eligible for FEMA mitigation funds to be utilized in the short term. Mr. Carey noted that this is an issue for the Flood and Erosion Control Board that needs to be addressed.

Mr. Becker requested that the BOF be included in any notifications when this study is done.

Mr. Walsh moved and Mr. Mitola seconded to waive the reading of the motion.

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Chairman Flynn called this item for a vote. Motion passed unanimously.

**3) DIRECTOR OF PUBLIC WORKS (pending Board of Selectmen approval)**

To hear, consider and act upon the following resolution as recommended by the Director of Public Works:

RESOLVED, that the First Selectman is hereby authorized, on behalf of the Town of Fairfield, to expend up to \$100,000 to fund a Community Development Block Grant-Disaster Recovery (CDBG-DR) – Tranche 2 Project entitled Fairfield Engineered Beach Study, one hundred percent of said project cost to be reimbursed by a federally funded Disaster Recovery Community Development Block Grant.

Mr. Carey presented this item to the Board.

Mr. DeWitt moved and Mr. Brown seconded to bring this item before the Board for consideration and possible action.

Mr. Carey informed the Board that FEMA will not reimburse if their standards are not met and this grant is intended to make sure the Town meets FEMA standards in order to be eligible for the FEMA 75%/25% split.

Mr. Walsh moved and Mr. Mitola seconded to waive the reading of the motion.  
Chairman Flynn called this item for a vote. Motion passed unanimously.

**4) Clean Energy Task Force**

To hear, consider and act upon the following resolution as recommended by the Board of Selectmen:

RESOLVED, that Michael C. Tetreau, First Selectman of the Town of Fairfield, is hereby authorized to expend \$18,000 to lease an electric vehicle, purchase and install a charging station at Jennings Beach, purchase two electronic charging stations from United Illuminating one of which will be relocated, and purchase Clean Energy promotional items such as LED bulbs, said funds to be one hundred percent reimbursed by a Clean Energy Communities Program grant.

Mr. Michelangelo presented this item to the Board.

Mrs. LeClerc moved and Mr. Mitola seconded to bring this item before the Board for consideration and possible action.

Mr. Flynn informed the Board that he is on the Board of the CT Green Bank so he will be abstaining from the vote on this item.

After some discussion, Mr. Becker requested the Finance Department to provide the Board with the stats on the history of these items throughout town including a history of costs to this point.

Mr. Stone moved and Mr. Mitola seconded to waive the reading of the motion.

Chairman Flynn called this item for a vote. Motion passed with a vote of 7 yeas, 0 nays, 1 abstention.

**5) To hear, consider and act upon the transfer of \$10,000 from Contingency (01002010-**

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58010) to the IT Department (01003110-53200) for consulting services to perform a needs assessment for a new telephone system for the Town.

Mr. Mayer presented this item to the Board. Mr. Mayer informed the Board that the current system's equipment is at least 30 years old, is antiquated, spare parts are difficult to find and breakdowns are frequent. Mr. DeWitt noted that, once again, an overall IT plan is not available and, therefore, he is not inclined to vote for this item because no overall plan has been presented. Mr. Walsh and Mr. Brown both expressed their opinions that this is probably a wise investment of the Town's money in an effort to move along the purchase of a new phone system for the Town and the BOE. In response to a question from the Board on how long it might take to actually get a new system purchased, Mr. Mayer indicated that an actual purchase is probably over a year out at best.

Mr. Walsh moved and Mr. Brown seconded to approve this item. Motion passed with a vote of 7 yeas, 1 nay (DeWitt), 0 abstentions.

- 6) To hear, consider and act upon a request from the Chief Fiscal Officer to approve Schedules "A", "B", "C", "D", "E", and "F" carrying over funds for encumbrances and re-appropriations as of June 30, 2015 as supported by purchase orders or letters of request by Department Heads or the Chief Fiscal Officer.  
Mr. Walsh moved and Mr. Brown seconded to bring this item before the Board for consideration and possible action.

Mrs. Bosse presented this item to the Board.

Chairman Flynn called this item for a vote. Motion passed unanimously.

- 7) To hear, consider and act upon a request from the Chief Fiscal Officer to transfer \$1,734,803 from Contingency (01002010-58010) to various accounts per the attached schedule in the FY 16 year for the Fire and Police settlement.  
Mr. Walsh moved and Mr. DeWitt seconded to bring this item before the Board for consideration and possible action.  
Mrs. Bosse presented this item to the Board. Mr. Walsh and Mr. Flynn requested Mr. Mayer to step through the Contingency Account balance in a Private Executive Session at the next Quarterly Review Meeting to be held on November 24<sup>th</sup>.

Chairman Flynn called this item for a vote. Motion passed unanimously.

- 8) To hear, consider and act upon a request from the Chief Fiscal Officer to approve Transfers as of June 30, 2015.  
Mr. Brown moved and Mr. Walsh seconded to bring this item before the Board for consideration and possible action.

Mrs. Bosse presented this item to the Board.

Chairman Flynn called this item for a vote. Motion passed unanimously.

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9) To approve the minutes of the September 1, 2015, September 15, 2015, and September 29, 2015.

- Minutes of BOF Meeting 9-1-15 motion passed with a vote of 7 yeas, 0 nays, 1 abstention (Mitola).
- Minutes of BOF Meeting 9-15-15 motion passed unanimously.
- Minutes of BOF Meeting 9-29-15 motion passed with a vote of 5 yeas, 0 nays, 3 abstentions (DeWitt, LeClerc, Stone).

10) To hear, consider and act upon any communications.

Chairman Flynn suggested a discussion of items to be discussed at the upcoming Quarterly Review Meeting. Mr. Walsh and Mr. Flynn noted that the 1<sup>st</sup> quarterly review meeting of the year presents a lot of timing issues since it is only the first quarter so it was suggested that in lieu of the reports that are normally presented and reviewed, it might serve the Board well to have a report of projects to be closed out as well as a report on the Contingency Account balance. Also, a modified department report on only those departments with issues to be discussed rather than the full report of each department that the Finance Office prepares for the other 3 Quarterly Review Meetings. This modified report format would also apply to the BOE. Mr. Becker would also like to see a Capital Report at the Quarterly Review Meeting. Mr. Brown noted that the Board will have the MUNIS Reports available prior to the Quarterly meeting for their review.

Mr. Flynn requested that the Budget Committee Report be presented at the Quarterly Review Meeting and Mr. Brown agreed to make that presentation.

On a motion made by Mr. DeWitt and seconded by Mr. Becker, the meeting was adjourned at 8:55 pm.

Respectfully submitted,

Deborah J. Garavel  
Recording Secretary

Penfield Building Committee

Penfield Pavilion Project

Project Update Presentation

Board of Selectmen Meeting – November 4, 2015

## PRESENTATION AGENDA

- Project status update. (Exhibit A) (J. Bradley)
- Revised Project Budget and Approved Guaranteed Maximum Price (GMP). (Exhibit B) (J. Bradley)
- Request for additional funds. (J. Bradley)
- Current status of FEMA project review and anticipated reimbursement. (R. Mayer)
- Presentation of Bond Resolution. (R. Mayer)

## EXHIBIT A

Penfield Pavilion Project  
Proposed Budget increase  
Board of Selectmen Presentation, November 4, 2015  
Prepared October 30, 2015

Presentation outline:

- Project funding was approved based on preliminary drawings and a preliminary construction cost estimate as prepared by the project construction manager.
- As design was finalized over the next four months the project scope and estimated cost increased. The Building Committee, architect and construction manager took steps (“value engineering”) to reduce the cost of construction.
- The project went out to public bid assuming several “alternate add” options (reductions in project scope and cost to be added back at a later date) The alternate add items that were important but not critical to project program or performance. The alternate adds would be “added back” to the project, based on availability of funding and contingency, on a prioritized basis as the project progressed.
- The results of the public bidding phase significantly exceeded (approximately \$1.1mil) the original authorized funding amount. The major issues were general trades (carpentry), electrical, mechanical and building moving budget line items.
- The Building Committee responded to the bid results in two ways. The construction manager and Town Purchasing were requested to clarify and rebid certain portions of the project and the project architect was directed to develop preliminary design options that would reduce project scope and cost. Five cost saving redesign options were provided.
- The Building Committee elected to pursue a cost reduction redesign option that eliminated the lockers (East Wing) and added additional restrooms. The preliminary cost estimate for that redesign option was \$6,330,262, exceeding the original funding authorization.
- As the Building Committee attempted to resolve project cost issues the members learned that the FEMA reimbursement criteria had been clarified.

- The clarification of the FEMA reimbursement criteria (“50% rule” and Project Worksheet assumptions) confirmed up to 75% reimbursement of project actual costs for the original project (both East and West wings).
- Based on the FEMA reimbursement clarifications the Building Committee refocused on the original project that included the lockers (East Wing).
- On October 22, 2015 the Building Committee received and approved a Guaranteed Maximum Price (GMP) proposal from the Construction Manager. The project GMP forms the basis for the request for additional funds, is based on the confirmed and reconciled public bids and has been reviewed by Purchasing and the Town Attorney.
- The Building Committee plans to proceed with the original project as previously approved by the BOS, BOF and RTM and is recommending an increase in funding of \$1,418,290. The project scope, cost and contingency increases are described by **EXHIBIT B** attached.

## EXHIBIT B

Penfield Pavilion Project  
Budget increase - Detail  
Board of Selectmen Presentation, November 4, 2015  
Prepared October 30, 2015

Original Project Budget and Funding Appropriation: \$6,028,709

Proposed new project budget: \$7,446,999

Project Budget variance and request for additional funding: \$1,418,290

Budget variance detail:

- \$838,189: Increase due to results of public bidding phase and State DAS requirement to use the second bidder for the general trades bid package.
- \$187,142: Increase in total project contingency from \$453,511 to \$640,653 (10% of Cost of Construction).
- \$95,168: Increase due to adding back certain scope items (site, landscape, porch roof) that were assumed to be optional "alternate adds" during original bid phase.
- \$134,000: Increase due to revised quote for builders risk insurance.
- \$76,500: Increase due to required resubmission of proposals for project oversight function and inclusion as an Owner's cost in lieu of future use of project contingency.
- \$48,000: CM fee, general liability insurance and bond costs due to increase in the value of construction.
- \$15,000: Increase in design, estimating and preconstruction costs related to redesign schemes 1-6.
- \$24,291: Estimated increase in preconstruction costs related to managing rebidding of certain bid packages, resolution of general trades qualified bidders, estimating West Wing "total replacement" option, etc.

Total projected cost project increase: \$1,418,290

**A RESOLUTION AMENDING AND RESTATING A RESOLUTION ADOPTED BY THE REPRESENTATIVE TOWN MEETING ON FEBRUARY 3, 2015 ENTITLED “A RESOLUTION APPROPRIATING \$6,028,709 FOR COSTS ASSOCIATED WITH THE REPAIR AND RESTORATION OF PENFIELD PAVILION AND AUTHORIZING THE USE OF \$1,750,000 OF INSURANCE PROCEEDS TO FUND SUCH APPROPRIATION AND THE ISSUANCE OF BONDS TO FUND THE PORTION OF SUCH APPROPRIATION NOT FUNDED BY INSURANCE PROCEEDS” TO INCREASE THE APPROPRIATION TO 7,446,999 AND BOND AUTHORIZATION TO \$5,696,999.**

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Whereas, the Representative Town Meeting on February 3, 2015 , adopted a resolution entitled “**A RESOLUTION APPROPRIATING \$6,028,709 FOR COSTS ASSOCIATED WITH THE REPAIR AND RESTORATION OF PENFIELD PAVILION AND AUTHORIZING THE USE OF \$1,750,000 OF INSURANCE PROCEEDS TO FUND SUCH APPROPRIATION AND THE ISSUANCE OF BONDS TO FUND THE PORTION OF SUCH APPROPRIATION NOT FUNDED BY INSURANCE PROCEEDS**” (the “Original Resolution”); and

Whereas, it is the purpose of this resolution to increase the amount of the appropriation authorized under the Original Resolution by \$1,418,290 to \$7,446,999 and to increase the amount of the bond authorization under the Original Resolution by an equal amount to \$5,696,999.

Therefore, it is resolved that the Original Resolution is amended and restated to read as follows:

**A RESOLUTION APPROPRIATING \$7,446,999 FOR COSTS ASSOCIATED WITH THE REPAIR AND RESTORATION OF PENFIELD PAVILION AND AUTHORIZING THE USE OF \$1,750,000 OF INSURANCE PROCEEDS TO FUND SUCH APPROPRIATION AND THE ISSUANCE OF BONDS TO FUND THE PORTION OF SUCH APPROPRIATION NOT FUNDED BY INSURANCE PROCEEDS**

**Resolved:**

1. As recommended by the Penfield Building Committee, the Board of Finance and the Board of Selectmen, the Town of Fairfield hereby appropriates the sum of Seven Million Four Hundred Forty-six Thousand Nine Hundred Ninety-nine and 00/100 (\$7,446,999) Dollars to fund costs associated with the repair and restoration of Penfield Pavilion, including the West Wing and East Wing, temporary relocation of the West Wing, construction of new pile supporting foundation for the facility to meet FEMA standards, structural other repairs to the West Wing, reconstruction of East Wing,

construction and design of new decks, ramps and stairs and site improvements which shall include maintaining a finish grade of +12 feet from the Durrell Pavilion to Richards Beach (the "Project"), inclusive of design and engineering fees, professional fees, construction and oversight costs and financing.

2. \$1,750,000.00 of such \$7,446,999 appropriation will be funded by funds recovered by the Town from insurance on Penfield Pavilion for damages caused by Super Storm Sandy.
3. To finance such remaining appropriation, and as recommended by the Board of Finance and the Board of Selectmen, the Town of Fairfield shall borrow a sum not to exceed Five Million Six Hundred Ninety-six Thousand Nine Hundred Ninety-nine and 00/100 (\$5,696,999) Dollars and issue bonds/bond anticipation notes for such indebtedness under its corporate name and seal and upon the full faith and credit of the Town in an amount not to exceed said sum for the purpose of financing the remaining appropriation for the Project.
4. The Board of Selectmen, the Treasurer and the Fiscal Officer of the Town are hereby appointed a committee (the "Committee") with full power and authority to cause said bonds to be sold, issued and delivered; to determine their form and terms, including provision for redemption prior to maturity; to determine the aggregate principal amount thereof within the amount hereby authorized and the denominations and maturities thereof; to fix the time of issue of each series thereof and the rate or rates of interest thereon as herein provided; to determine whether the interest rate on any series will be fixed or variable and to determine the method by which the variable rate will be determined, the terms of conversion, if any, from one interest rate mode to another or from fixed to variable; to set whatever other terms of the bonds they deem necessary, desirable or appropriate; to designate the bank or trust company to certify the issuance thereof and to act as transfer agent, paying agent and as registrar for the bonds, and to designate bond counsel. The Committee shall have all appropriate powers under the Connecticut General Statutes, including Chapter 748 (Registered Public Obligations Act), and Chapter 109 (Municipal Bond Issues) to issue, sell and deliver the bonds and, further, shall have full power and authority to do all that is required under the Internal Revenue Code of 1986, as amended, and under rules of the Securities and Exchange Commission, and other applicable laws and regulations of the United States, to provide for issuance of the bonds in tax exempt form and to meet all requirements which are or may become necessary in and subsequent to the issuance and delivery of the bonds in order that the interest on the bonds be and remain exempt from Federal income taxes, including, without limitation, to covenant and agree to restriction on investment yield of bond proceeds, rebate of arbitrage earnings, expenditure of proceeds within required time limitations, the filing of information reports as and when required, and the execution of Continuing Disclosure Agreements for the benefit of the holders of the bonds and notes.

5. The First Selectman and Treasurer or Fiscal Officer, on behalf of the Town, shall execute and deliver such bond purchase agreements, reimbursement agreements, line of credit agreement, credit facilities, remarketing agreement, standby marketing agreements, bond purchase agreement, standby bond purchase agreements, and any other commercially necessary or appropriate agreements which the Committee determines are necessary, appropriate or desirable in connection with or incidental to the sale and issuance of bonds, and if the Committee determines that it is necessary, appropriate, or desirable, the obligations under such agreements shall be secured by the Town's full faith and credit.
6. The bonds may be designated "Public Improvement Bonds," series of the year of their issuance and may be issued in one or more series, and may be consolidated as part of the same issue with other bonds of the Town; shall be in serial form maturing in not more than twenty (20) annual installments of principal, the first installment to mature not later than three (3) years from the date of issue and the last installment to mature not later than twenty (20) years therefrom. The bonds may be sold at an aggregate sales price of not less than par and accrued interest at public sale upon invitation for bids to the responsible bidder submitting the bid resulting in the lowest true interest cost to the Town, provided that nothing herein shall prevent the Town from rejecting all bids submitted in response to any one invitation for bids and the right to so reject all bids is hereby reserved, and further provided that the Committee may sell the bonds on a negotiated basis, as provided by statute. Interest on the bonds shall be payable semi-annually or annually. The bonds shall be signed on behalf of the Town by at least a majority of the Board of Selectmen and the Treasurer, and shall bear the seal of the Town. The signing, sealing and certification of the bonds may be by facsimile as provided by statute.
7. The Committee is further authorized to make temporary borrowings as authorized by the General Statutes and to issue temporary notes of the Town in anticipation of the receipt of proceeds from the sale of the bonds to be issued pursuant to this resolution. Such notes shall be issued and renewed at such time and with such maturities, requirements and limitations as provided by the Connecticut General Statutes. Notes evidencing such borrowings shall be signed by the First Selectman and Treasurer or Fiscal Officer, have the seal of the Town affixed, which signing and sealing may be by facsimile as provided by statute, be certified by and payable at a bank or trust company incorporated under the laws of this or any other state, or of the United States, be approved as to their legality by bond counsel, and may be consolidated with the issuance of other Town bond anticipation notes. The Committee shall determine the date, maturity, interest rates, form and manner of sale, including negotiated sale, and other details of said notes consistent with the provisions of this resolution and the General Statutes and shall have all powers and authority as set forth above in connection with the issuance of bonds and especially with respect to compliance with the requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder in order to obtain and maintain issuance of the notes in tax exempt form.

8. Pursuant to Section 1.150-2, as amended, of the Federal Income Tax Regulations the Town hereby declares its official intent to reimburse expenditures (if any) paid for the Project from its General or Capital Funds, such reimbursement to be made from the proceeds of the sale of bonds and notes authorized herein and in accordance with the time limitations and other requirements of said regulations.
9. The First Selectman and Fiscal Officer are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution.
10. The Committee is hereby authorized to take all action necessary and proper for the sale, issuance and delivery of the bonds and notes in accordance with the provisions of the Connecticut General Statutes and the laws of the United States.
11. The First Selectman and other Town officials are authorized to seek grants and other contributions for the costs of the Project. Any such grants or other contribution received prior to the issuance of the Bonds authorized herein shall be applied to the costs of the Project or to pay at maturity the principal of any outstanding bond anticipation notes issued pursuant to this Resolution and shall reduce the amount of the Bonds that can be issued pursuant to this Resolution. If such grants and other contributions are received after the issuance of the Bonds, they shall be applied to pay the Bonds or as otherwise authorized by the Board of Selectmen, Board of Finance and Representative Town Meeting provided such application does not adversely affect the tax exempt status of the Bonds.



# Fairfield Public Schools

2015 – 2016

## Quarterly Financial Report as of September 30, 2015

### **Summary**

Financial reports for the first quarter of the fiscal year (July, August, and September) are always preliminary. The beginning of the school year is typically when expenditures fluctuate as school staff assignments are finalized and salary/benefit costs stabilize. Additional certified staff were hired based on the distribution of elementary students and class size requirements, in addition to course enrollment patterns at the high schools. An additional 8 retirees and staff turnover will just about offset the additional staffing so we will not have any significant balance in this account at year end.

Nearly 90% of our \$161,215,640 budget appropriation has been expended or encumbered in this first quarter. A sizable amount of contractual and/or fixed costs are not encumbered i.e., utilities, general repairs and maintenance, student activity salaries, part-time salaries, some benefits, and instructional materials. A description of each major expense category and its dynamics is provided below along with the key factors that impact account balances.

### **Personnel Services**

Personnel services is the single largest budget classification at 64% of the budget or approximately \$102.7 million. This category includes contracted salaries, hourly wages, extra-curricular stipends and substitute pay. The largest balance in personnel services is part-time employment, primarily for substitutes and overtime which are paid as incurred and therefore are not encumbered. Extra-curricular stipends are encumbered when staff are hired for the season. There is an increase of 13.3 FTE's in staffing from 1464.4 FTE's to 1477.7 FTE's. An additional 10.9 FTE's were hired in certified positions and 2.4 FTE's in non-certified positions. The FTE increase in certified staff is net of various staffing adjustments across the district. The additional non-certified positions, 2.0 FTE's Special Education Trainers and .4 FTE Paraprofessional, are the result of changes in special education student needs.

## **Fixed Charges**

17 % of the budget is allotted for employee benefits which are categorized as fixed charges. This report reflects our contribution to the medical retention fund and the majority of the contribution to the town pension. The total contribution to the town pension for the year will be \$78,000 more than budgeted because of a change in the mortality tables used by the Town's consultant following Board of Education budget approval. Social security and life insurance are paid as incurred throughout the year.

## **Pupil Personnel Expenses**

Special education costs, with the exception of salaries, transportation and capital, are included in this category. This classification of expenditures is the most volatile, as expenses are determined by the special needs of individual students and state excess cost reimbursement for qualifying expenses. The initial excess cost reimbursement, received in February, is based on anticipated costs filed by Pupil Services in December. The first quarter financial report indicates a negative balance of approximately \$1.4 million in pupil personnel expenses; however, excess cost reimbursement is expected to offset a large portion, if not all, of these costs. We will not have a more definitive number for excess cost reimbursement until December. The final status of this category is impossible to determine until much later in the fiscal year.

In an effort to provide increased services to special education and non-special education students with significant emotional, psychiatric and behavioral difficulties at the high school level, Pupil Services contracted with Effective School Solutions. The increased services allow us to retain students in district who would otherwise be outplaced, and has allowed us to start returning outplaced students to the district. Accordingly, there is a budget transfer from the out-of-district tuition account to the Pupil Personnel Services professional consultant account.

## **School Expenses**

These expenditures support instruction and activities at the building level and include supplies, materials, textbooks, copying, sports and other activities. There is a balance of approximately 54 % in this category which is reasonable with only one month of school activity in this quarter.

## **Support Expenses**

Program implementation, centrally funded instructional programs, non-special education tuition and central support operations are included here. Program implementation and instructional supplies/materials expenses are incurred in the same manner as school expenses. Professional / Technical, maintenance services (software/network maintenance), security and postage indirectly support school operations and are expended on a contractual or as-needed basis. Security expenses appear to be over budget currently but the account will be offset with high school parking revenue later in the year.

## **Maintenance/Operation/Transportation**

Maintenance, operations and transportation account for 10 % of the total budget. Preliminary encumbrances for transportation are included in this report except for special education transportation.

Approximately 27 % of the budget in this category is designated for utilities. Total utility costs are difficult to project accurately. Consequently, they are paid as incurred rather than encumbered. Electric and heating rates were budgeted at contractual rates for the entire fiscal year as they were available early in the budget process. Distribution and transportation charges for these utilities are not contracted, and remain variable as is usage.

The budget of \$ 3.7 million for maintenance services is for preventative maintenance, repairs and major maintenance projects. Maintenance projects are scheduled based on priority and accessibility to the buildings and/or grounds. Whenever possible, certain projects are held in abeyance as a budgetary precaution. Other contractual services have been encumbered but general repair and maintenance accounts are expended as needed.

## **Capital**

The capital budget totals approximately \$1.8 million and approximately 75% of the funding has been expended or encumbered. Equipment purchases are processed throughout the year as needed but the majority are purchased in the spring.

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