**********DRAFT **********

MINUTES OF THE BOARD OF FINANCE
REGULAR MONTHLY MEETING
DECEMBER 1, 2015

The Board of Finance Monthly Meeting was held on Tuesday, December 1, 2015 at 7:30 p.m. in Seminar Room 300, 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 (8:05)

MEMBERS ABSENT
None

ALSO PRESENT
Michael Tetreau, First Selectman, Town of Fairfield
Robert Mayer, Chief Fiscal Officer, Town of Fairfield
Caitlin Bosse, Controller, Town of Fairfield
Joseph Michelangelo, Director of Public Works, Town of Fairfield
James Bradley, Chairman, Penfield Building Committee, Town of Fairfield
Robert Bellitto, Jr., Vice Chairman, Penfield Building Committee, Town of Fairfield
Ian Bass, Penfield Building Committee, Town of Fairfield
Andrew Graceffa, Penfield Building Committee, Town of Fairfield
Stephen Pitaniello, Penfield Building Committee, Town of Fairfield
Ellery Plotkin, Penfield Building Committee, Town of Fairfield
David Zieff, Penfield Building Committee, Town of Fairfield
Brian McDonald, Construction Manager, Penfield Building Committee, Town of Fairfield
Dr. David Title, Superintendent of Schools, Fairfield Public Schools, Town of Fairfield
Phillip Dwyer, Chairman, Board of Education, Town of Fairfield

ACTION TAKEN:

1. Approved the election of 2016 Officers.
2. Approved the 2016 Meeting Schedule.
3. Approved the minutes of the Board of Finance meeting held on November 4, 2015.
4. Approved the resolution that reads, " RESOLVED, that the Bond Resolution Entitled, "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"

5. Approved the a Resolution Approving The De-Authorization of Surplus Appropriations for Projects Previously Approved for Bonding Authority and Review of Open Bond Issues

Mr. Tetreau called the meeting to order at 7:32 p.m.

Mr. Flynn led the Pledge of Allegiance.

AGENDA

1. To Hear, Consider and Approve the Election of the 2016 Officers
   Mr. Brown moved and Mr. DeWitt seconded to nominate Thomas Flynn as Chairman of the Board of Finance. Motion carried with a vote of 6 yeas, 0 nays and 1 abstention (Flynn).

   Mr. DeWitt moved and Mr. Stone seconded to nominate James Brown as Vice Chairman of the Board of Finance. Motion carried with a vote of 6 yeas, 0 nays, 1 abstention (Brown). Mr. Mitola moved and Mr. Flynn seconded to nominate Robert Stone as Secretary of the Board of Finance.

   Mr. Flynn moved and Mr. Becker seconded to nominate Mary LeClerc as Secretary of the Board of Finance. Nomination was voted on with 2 votes for Mr. Stone, 4 votes for Mrs. LeClerc and 1 abstention (Mrs. LeClerc) resulting in Mrs. LeClerc winning the vote as Secretary of the Board of Finance.

   Chairman Flynn took a moment of personal privilege to thank his colleagues on the Board for their support, professionalism and preparedness. Mr. Flynn noted that he is very proud of the manner in which the Board works together regardless of political affiliation and he is looking forward to next year and the issues to be discussed and resolved.

   Mr. Flynn took over the meeting as Chairman at this time.

2. To Hear, Consider and Approve the 2016 Meeting Schedule
   Mr. Flynn presented this item to the Board and noted that the Board of Selectmen would vote on this schedule at their meeting scheduled for tomorrow. Mr. Tetreau informed the Board that the meeting schedule has been circulated to all the members of the BOS and he has not received any changes from anyone as of today.

   Mr. Brown moved and Mr. DeWitt seconded to approve the 2016 Meeting Schedule as presented tonight. Motion carried unanimously.

3. To Approve the Minutes of the Board of Finance Regular Meeting held on November 4, 2015

Mr. Brown moved and Mr. Mitola seconded to approve the minutes of the Board of Finance Regular Meeting held on November 4, 2015. Motion carried unanimously.

4. To Hear, Consider and Act Upon the Following Resolution as Recommended by the Board of Selectmen:

RESOLVED, that the Bond Resolution Entitled, "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", be, and hereby is, approved.

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

Mr. Bradley presented this item to the Board. Mr. Bradley commented that this particular committee was exceptional. Mr. Bradley informed the Board that the committee met twice a month for over two years and they had almost 100% participation at every meeting. Mr. Mayer presented the financials for this project to the BOF and he explained the process that was taken by the Town to obtain FEMA funding.

Mr. Walsh arrived at the meeting at this time.

Mr. Mayer informed the Board that it is his strong belief that this project is at the last review step prior to being taken before Congress for a final sign-off. In response to a question from the Board, Mr. Mayer noted that the original Town cost was estimated to be between $953K - $1.5M. Mr. Walsh asked what the cost might be to build a brand new building. Mr. Bradley and Mr. McDonald replied that an estimate of $10M would be reasonable. Mr. Mayer added that to build a completely new building would extend the timeline dramatically. In response to a question from the Board regarding any water damage, Mr. Michelangelo reported that there was some slight water damage to the building during February 2015 but it was minor and did not require repair. In response to questions from the Board regarding any risk possibility in moving the building, Mr. McDonald stated that Wolf Associates, the firm that has been selected to perform the move, has done many even larger moves than this and are very comfortable with this project. In response to another question from the Board, Mr. Mayer noted that in early 2013 the BOF bonded $5M+ for Penfield of which $2.156M is still available to be used for this resolution. Mr. Bradley informed the Board that the construction manager is responsible for things that go wrong but, in the end, the owner is responsible for paying for everything as was the case with the Burr

school project. Mr. Bradley noted that this is an industry problem that needs to be addressed and he is willing to get together with the Town to discuss what is happening and how it could possibly be resolved. Mr. Mitola asked why this resolution is being considered if there is $2M available from a prior bonding issue. Mr. Mayer replied that this resolution is necessary to show that the Town is making every effort towards transparency with this project.

Mr. Flynn questioned why, when the original spec was $6,028,709 and the bids came in with the lowest bid being $7.5M, creating a delta of 23.5% , why was the estimate so far off (20%). Mr. Flynn also noted that the same type of thing happened with the windows in the FLHS project so no windows were replaced. Mr. Flynn questioned why the Town paid a professional estimator to develop the estimate that was so far off the mark. Mr. Bradley and Mr. McDonald informed the Board that the state of the construction industry had changed rapidly and there was only one carpentry firm bidding; the bidding environment and timing can play a large role in how the bidding process goes. Mr. Bradley also noted that it is unusual to have a wide variance between the estimate and the bidding process.

Mr. DeWitt noted that, once again, accountability is still a problem. Mr. Flynn stated that the Town, in his opinion, needs to rethink the way it looks at projects in the future so that this type of error doesn't happen to the Town repeatedly.
Mr. Walsh made an overall comment: he voted for this in January and he still supports it for the same reasons; the is a Town landmark that needs to be restored; he is confident about the way this project is being done; he is 100% in favor of the building as now planned and the Penfield Committee has done an amazing job especially with the curve balls that have been thrown; this has been a very frustrating project but at the end of the day, this community will end up with a beautiful building that will serve the residents of Fairfield for many years to come.

Mr. Flynn expressed his agreement with Mr. Walsh's statement.

Mr. Brown moved and Mr. Mitola seconded to approve the Bond Resolution Entitled, "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".

Motion carried unanimously.

5. To Hear, Consider and Act Upon a Resolution Approving The De-Authorization of Surplus Appropriations for Projects Previously Approved for Bonding Authority and Review of Open Bond Issues

   Mr. Mayer and Mrs. Bosse presented this item to the Board.

   Mr. Walsh moved and Mr. Stone seconded to move this item before the Board for discussion and possible action.

   Mrs. Bosse explained each project contained in Exhibit A and stated that any money remaining in the accounts will be moved to the Debt Service Fund in an effort to reduce the Town's debt level. Mr. Mayer noted that some Bond Counsel bills are paid from the Debt Service Fund. Mr. Flynn requested that, in the future, dates should be added to the schedule being reviewed.

   The vote on the motion originally made by Mr. Walsh and seconded by Mr. Stone was a unanimous yea.

6. To review the abbreviated BOE Q1 FY 16 financial position
   Dr. Title and Mr. Dwyer presented this item to the Board. In response to questions from the Board regarding the reason for the increase in the number of retirements possibly being due to the new evaluation processes, Dr. Title said that could be part of the reason. Dr. Title also noted that the BOE is usually on the conservative side of this particular estimate.
   Mr. Flynn asked Mr. Mayer to check with Hooker and Holcomb regarding the changes to the mortality tables that were referenced by the BOE tonight.
   Mr. Walsh asked Dr. Title to provide the BOF with an estimate on the applications for excess costs before the February budget process starts. Dr. Title remarked that the 1st cut estimate usually comes from the State sometime in January with the 2nd cut in March and the final percentage adjustment later in the spring.

7. To Hear, Consider and Act Upon Any Communications
   None

On a motion made by Mr. Brown and seconded by Mr. DeWitt, the meeting was adjourned at 10:31 p. m.

Respectfully submitted,

Deborah J. Garavel
Recording Secretary