

BOARD OF SELECTMEN MEETING
MARCH 4, 2019

MINUTES

A Public Budget Hearing of the Board of Selectmen was held at 8:30 a.m. on Monday, March 4, 2019, in the First Floor Conference Room, Independence Hall. The meeting was recorded in its entirety by FairTV, Fairfield's Education and Government Access Channel.

Members Present: First Selectman Michael C. Tetreau, Selectman Christopher W. Tymniak, Selectman Edward J. Bateson

Others Present: Scott Bartlett, Scott Bisson, Nancy Burns, Anthony Calabrese, Jen Carpenter, Mr. Carlton, Kyran Dunn, Philip Dwyer, Linda Gardner, Emmet Hibson, Steve Holcombe, Dr. Toni Jones, David Kluczowski, Stanton Lesser, Christopher Lyddy, Robert Mayer, Denis McCarthy, Joseph Michelangelo, Doreen Munsell, Ross Murray, Donald Smith, Christine Vitale, Michael Zembruski, Fair TV

1) CALL TO ORDER

First Selectman Tetreau called the meeting to order at 11:04 a.m. The meeting was delayed to due to weather.

2) PLEDGE OF ALLEGIANCE

Selectman Bateson led the Pledge of Allegiance.

First Selectman Tetreau thanked the Department of Public Works Department for an amazing job clearing the roads after the snow storm. He explained the new format for the budget meetings.

3) FIRST SELECTMAN Summary Budget Presentation

First Selectman Tetreau presented his budget recommendation for Fiscal Year 2020 and included an overview, history and trends, comparisons to other towns, objectives, highlights and expense drivers. He noted a five-year average summary.

He said the town-side budget recommendation is \$136.1m which reflects a 3.54% increase over the prior year and creates a total dollar increase of \$4.65m.

He said the Board of Education recommendation is \$181.7m which reflects a 4.59% increase in expenses, reduces the Superintendent's request by \$700k and creates a total dollar increase of \$7.97m.

He said the overall budget recommendation is \$317.8m which reflects a 2.24% increase and creates a total dollar increase of \$12.6m which makes the recommended Mill Rate 26.95.

First Selectman Tetreau said we need to address the teacher pension problems and can make that adjustment next week. He said he didn't include the pension number based on Governor's proposal coming out late. He said the General Assembly is discussing it next week and we can

reach out to our state delegations to get their feedback. He said the Town approves the Mill Rate in May but the State Budget isn't approved until June. He said every Mayor complains to the State about the timing. He said if don't have closure next Wednesday, the pension number would be an expense. He said only the Board of Finance can adjust the number, not the RTM. He said they all agree the 25% State request will increase each year.

4) BUDGET HEARINGS

Department of Public Works

Joseph Michelangelo reviewed last year's budget, next year's goals and capital outlay. Mr. Michelangelo said the payroll change is due to a contract settlement and they are not increasing personnel. Robert Mayer said the retro-pay came out of contingency and the ECC contract settlement is the only contingency item for next year. Mr. Michelangelo said they are down three employees. He said the electricity account decreased and the savings is due to conservation methods. He said UI is doing a street lighting conversion to LED. First Selectman Tetreau said the Town will receive money back from Southern Connecticut Gas for paving projects. Mr. Michelangelo said all utilities are required to repair the roads they dig up. He said on many projects, in lieu of the utilities doing the repairing, the Town accepts money to do a comprehensive job instead of patching. Ed Boman reviewed the tipping fees and explained that the international recycling crisis is because China no longer accepts recyclables, we now send to Vietnam; and we, as a country, are not handling it. First Selectman Tetreau said State Law requires us to recycle items that no longer have a market. He said we send our waste to Bridgeport to be burned to make green power and it is not getting dumped in landfills.

Scott Bartlett explained labor staffing. He said they are changing some milling and paving procedures. Mr. Michelangelo gave an update on the asphalt recycling plant and Mr. Bartlett said they are following the testing and monitoring guidelines.

Fire Regional School

Chief McCarthy reviewed the budget and noted the \$70k State funding, grants, revenue and Town support for the Fairfield Fire Department training at the facility. He said staffing did not change. Chief McCarthy said Assistant Chief Bisson developed a great model that is used across the State. First Selectman Tetreau thanked the Chief for working with the neighbors.

Police

Chief Lyddy said personnel increase is due to the contract settlement and the only variable is in capital. He said the proposed budget probably won't get him to a 10 car range and he will probably adjust it and explained the cars' retrofit needs. He said staffing is 108 officers (1.08 per capita), a little lower than state average, which works well. He said they may have to increase technical staff positions in the future. He explained outsourcing resources and cost share.

Recreation Department

Anthony Calabrese reviewed the revenues fees. He said the Marina sub-committee is reviewing fees, boating trends and a marina redesign. He said the marina is about 40 years old and at the end of its life. Selectman Tymniak said we need to cater to all residents. Selectman Bateson suggested developing a budget for all associated costs including added amenities. Mr. Calabrese

reviewed the Penfield concession bid and feels Penfield I rental revenue will exceed expectations. He thinks there may be a drop in Smith Richardson revenue due to construction. First Selectman Tetreau explained the Fourth of July Fireworks date changes.

The Board took a break at 12:48 p.m. and reconvened at 1:50 p.m.

Tax Collector

Robert Mayer said the budget is a 2.5% increase, \$2m greater than the three-year average and feels it is favorable. David Kluczowski reviewed the tax sale process and said a tax sale is a last resort. He said the last tax sale was in 2012 where they used a local attorney who specializes in tax sales. He said their intent is to get taxes paid and work with people. He broke down residential and commercial properties involved. He said his staff is great, waiting lines are better and people are using kiosks more. Mr. Mayer said outstanding amounts accrue at 18% which is beneficial to the Town.

Assessor

Ross Murray reviewed the grand list and noted significant increases which were nursing homes, assisted living facilities and commercial properties. He said appeals are consistent. He discussed the senior tax relief program. He said they are converting a clerk position to a field staff position.

BOE

Dr. Jones said the request is a 4.99% increase. She reviewed salaries, benefits, operations, utilities and maintenance. She said .62% in technology capital is coming down, supplies techs/materials are flat. She said they are very pleased and worked very hard the first quarter to come under budget and are trending in the right direction. She said if the budget is reduced \$700k she will advocate restoring it. She said the BOE unanimously agreed to support that budget. Selectman Bateson is concerned that these types of increases are not sustainable and we will need structural changes going forward. He said he doesn't see a strong investment in technology and maintenance, just in salaries and staff, and they need to start making changes. Selectman Tymniak said the 5% increase is the new norm and there has to be changes. He doesn't understand how we can have open spaces and still have overcrowding by bring Open Choice students in from other towns. Dr. Jones said it changes year to year and they are trending down. She said this board has been more conservative with Open Choice and have not taken in the number the state would like for the racial imbalance plan. Mrs. Christine Vitale said the BOE sense is to have two separate locations for the ECC campuses because of population and they will continue the facility discussion. First Selectman Tetreau said he is concerned and they have to work together better and hold a joint planning session. He said how we structure teacher pay, the percentage increase, creates an escalation in the salary budget, and that it is one of the largest budget increases and drives the tax increase. He encouraged Dr. Jones' successor to speak with the Board of Selectmen so he/she understands how the teacher pay structure impacts the budget. He said the BOE said we'd never get to a 3% increase because of turnover and now we are 4.29% over budget. He said what the Board of Selectmen approved isn't how it was presented to the RTM. He said adding another 11 people and another 20 with declining enrollments is what the Board is having difficulty understanding. He is concerned it is escalating.

First Selectman Tetreau said he was caught by surprised with the deferred maintenance and has not received a presentation. He said we could have had this discussion in October or November. Dr Jones suggested the spring. He asked how far behind they are and do they have a five or ten-year plan for HVAC, air quality, flooding and other projects. She said the BOE is discussing this and reviewing projects. He said the BOE is increasing salaries and staffing, and they need to make sure everyone is aware of the impact. He said we can't keep cutting the Town side. Selectman Tymniak asked what evidence the BOE has that enrollment is going back up because it is down this year. Dr Jones said the Milone & McBroom study and said they received more high school students from private schools.

The Board took a break at 3:27 p.m. and reconvened at 3:33 p.m.

Finance

Steven Holcombe reviewed the pension plan actuarial presentation he gave to the Pension Board last week. He said OPEB is going up. Mr. Mayer said it is divided in two pieces by Town and WPCA and explained the changes. He discussed premiums, types of coverage and pension numbers based on July 1, 2018 valuations. Mr. Mayer said OPEB numbers are based on July 1, 2016 and are calculated every other year and that the latest numbers will be completed this month. He said the Board of Selectmen won't have the numbers before they vote next week but that the Board of Finance will have the numbers by the time they vote. He said no changes were made to the assumptions. Mr. Holcombe explained the drivers, salary scales, projections, and gains and losses. First Selectman Tetreau noted the Pension Board is not tied back to the Town budget.

The board took a break at 3:56 p.m. and reconvened at 4:00 p.m.

AON

Mr. Carlton gave an overview of the working rates that represent the full cost of the plan going down 1% from the November numbers. He said it is a favorable change of \$386k that can reduce the budget on the Town side or be used to cover unexpected surprises. He said the explanation is that the workforce stayed healthy and the union contract employee share has gone up and employer contribution has gone down. He is meeting with ESI and Blue Cross to review data and trends. He said there are no dramatic shifts in the marketplace. Emmet Hibson said contracts supersede any passage of federal law.

Human Services

Emmet Hibson said there is an 8% increase for insurance claims. He reviewed line items for property insurance, E&O, risk management, deductibles and legal fees. He said CIRMA, flood and cyber risk increased, brokerage fees decreased. He said the largest increase is in interscholastic sports insurance largely due to concussion protocol. Mr. Mayer said the Town is self-insured and explained vehicle and property damage coverage. Mr. Hibson said heart and hypertension cases are trending downward. He said they are going out to bid when the the Town's contract is up with PMA and CIRMA.

Finance

Robert Mayer said there is a large decrease in the Contingency line due to labor contract settlements and that the ECC is the only remaining contract to be settled.

Mr. Mayer explained the contribution to surplus. He said the Board of Finance has a policy to try to increase the fund balance percentage while doing no harm. He said the budget increase is to maintain the fund balance at 10%. He said the second component is the Town realized a surplus of \$3m and that surplus increased the fund balance. Selectman Tymniak said the fund balance has tripled in three years and asked what happens when we get to 11%. Mr. Mayer said the Board of Finance discussed increasing the target. First Selectman Tetreau said other AAA towns use and replenish the fund balance and the town has had a AAA rating since 2012 but hasn't received any benefit. He said there is no benefit to get to 8% or 10%. Selectman Tymniak said we could have paid for the Smith Richardson clubhouse with the money and wouldn't have had to bond or pay bond premiums. Selectman Bateson is concerned if we keep going higher.

Mr. Mayer reviewed the debt service reserves and department head salaries increase from 2.5% to 3%. First Selectman Tetreau said the town has to stay competitive with the health insurance contribution benefit and retirement program.

First Selectman Tetreau said the economic development increase is to be used in the Fairfield Five Group, a pilot marketing program.

5) ADJOURN

Selectman Bateson motioned to adjourn the meeting at 5:07 p.m. Selectman Tymniak seconded the motion which carried unanimously, 3-0.

Respectfully submitted,
Sheila Tesei
Recording Secretary