

Board of Finance Regular Meeting
Tuesday, May 17, 2022
7:30 pm
Via Webex
and
In-Person at BOE Conference Room 295A/B
501 Kings Hwy E., Fairfield, CT

A recording of this meeting can be found here: <https://www.youtube.com/watch?v=qFtdgUQRL04>

FINAL MINUTES

Members Present

In Person: John Mitola-Vice Chair, Sheila Marmion-Secretary, Christopher DeWitt, Mary LeClerc, James Walsh

Via Webex: Lori Charlton-Chair, Craig Curley, Kevin Starke

Members Absent: Jack Testani

Others Present and In Person: JRIB Chair Carolyn Trabuco, CFO Jared Schmitt, Controller Caitlin Bosse, Budget Director Frank Magneri, Executive Director of Operations for Fairfield Public Schools (FPS) Angelus Papageorge, Executive Director of Finance & Business for FPS Courtney Leborious, BOE Liaison to BOF Jeff Peterson

1. Call to Order

Vice Chair John Mitola called the meeting to order at 7:30 pm.

2. Pledge of Allegiance

Chris DeWitt led the Pledge of Allegiance.

3. To review the current status of the Town's Pension and OPEB Funds

The backup documents for this item begin on page 9. Carolyn Trabuco went through the reports. She said there were changes to allocations, reduced equity exposure and private equity. She said March was very volatile and funds underperformed. Ms. Trabuco said interest rates, inflation and geo-political issues caused this. She said Vanguard is maintaining the allocations.

The information for OPEB is on page 13 of the backup documents. Ms. Trabuco said the benefits transition to Milliman has been smooth and the JRIB is very happy with this company. She said the Alliance legal action suit was settled. Ms. Trabuco said she will have updates at the July 2022 meeting. She added that new JRIB members, Jim Brown and Tom Collimore, are great additions to the Board.

4. SUPERINTENDENT OF SCHOOLS (*requires RTM approval*)

To hear, consider and adopt a bond resolution entitled "A resolution appropriating \$1,094,485 for the costs of the replacement of the HVAC Rooftop Units at Fairfield Warde High School Fitts House and authorizing the issuance of bonds to finance a portion of such appropriation."

Mr. DeWitt made a motion to put Item 4 before the Board. James Walsh seconded the motion.

Fairfield Public Schools' (FPS') Executive Director of Operations Angelus Papageorge and BOE Liaison to BOF Jeff Peterson presented this item. Mr. Papageorge said three of the four air conditioning units at FWHS' Fitts House show signs of failing. He said one is completely offline and the units are for both air conditioning and heat. Mr. Papageorge said he is requesting to do all three units at the same time for cost savings since the equipment to lift the units is expensive. He said there is a contingency for steel in case the units don't fit properly on the roof. Sheila Marmion asked why three units were being replaced instead of all four. Mr. Papageorge said one of the units was replaced three years ago. Mr. Walsh asked if the project could be reimbursed by the State. Mr. Papageorge said he be looking out for any new funding regarding air conditioning and air quality and see if the Town would qualify for it. Mr. Papageorge said he will keep the Board updated regarding progress on this project. There is backup regarding the FWHS cafeteria air conditioning which is not related to this project nor this meeting; it was included in the backup erroneously.

The motion carried unanimously.

5. To review the BOE FY22 third quarter financial update
Executive Director of Finance & Business for FPS Courtney Leborious and Mr. Peterson presented this item. The backup documents begin on page 99 of packet. Ms. Leborious said the third quarter shows a surplus of \$432,200 which is approximately .23% of the overall BOE budget. She said this surplus is assuming all schools spend the full balance of school accounts and full-time staff remain through the end of the school year. She said there are also vacancies totaling \$85,000 that were thought to be filled in May. Ms. Leborious said there was also a greater number of retirees, almost double of what was budgeted originally. She said the surplus in personnel benefits offset the need in Special Education. She said there was also lower than projected electricity use. Ms. Leborious went through some additional pages that broke down the expenses, encumbrances and what created the surplus. There was a discussion about the HR challenges of not being able to keep ParaEducators and a lack of interns coming into the district. There was also a discussion among board members about their concern about the budget that passed for FY22-23 and if the estimates were calculated the same way they were calculated in the current budget.
6. To review the Town FY22 third quarter financial update
CFO Jared Schmitt and Controller Caitlin Bosse presented this item. Ms. Bosse went through the backup documents. She said there are a lot of positive numbers, but there are also costs coming up and another issue with the Water Pollution Control Facility (WPCF). She said the projected surplus could be used. Ms. Bosse said there is an RFP going out for an administrator to manage the General Cash Fund. She said there were conveyance fees paid on the sales of a large apartment building and the Whole Foods plaza. She said building permits are down \$350,000, but Ms. Bosse said she had a conversation with Building Director Shawn Reed who said he expects permits on a four-story building on Black Rock Turnpike and a 72-unit apartment building at the Metro Train Station. She said Mr. Reed also said that building should bring in \$136,000 and doesn't include trade permits.

Ms. Bosse said Mr. Reed also told her that both Fairfield University and Sacred Heart University are looking to build new dorms. Ms. Bosse continued through her documents. Ms. Bosse said the Westport Fire hasn't transitioned over to the newly combined ECC, but will do so in July and the Westport Police will transition over in September. She said there were technological issues there that have since been resolved and their revenue/expenditure should even out. Board members suggested inviting the Police to a meeting to explain the delays and issues happening at the ECC. Ms. Bosse said there was a \$400,000 favorable amount in expenses due to vacancies that have not yet been filled. Chairwoman Charlton requested an update on historical budget savings from vacancies at the next meeting.

7. To hear an update from the BOF's Purchasing Policy Committee
Mr. DeWitt gave an update on the Purchasing Policy, but said the Committee has not met. He said he and Chairwoman Charlton will go through the draft version of the Purchasing Policy on Monday. Mr. DeWitt said he also forwarded the draft version to Central Office and suggested Tom Bremer, the BOE and the education administration meet to go over this.
8. To hear, consider and act upon any communications
Mr. Schmitt gave advance notice that there have been additional requests related to an issue at the WPCF. He said there was sludge buildup in one of the processors and the pressure made the cover pop up. He said the Water Pollution Control Authority (WPCA) is working on getting out a bid to figure out what needs to be done. He said the cost will be related to materials, transportation, disposal and fixing the cover and could be close to \$1 million. Mr. Schmitt said the tank hasn't been cleaned in 20 years and the recommended time to clean it is eight years. He said it wasn't clear why the cleaning hadn't been done under the former administration. Mr. Schmitt said the WPCA will need authorization to spend the money. Chairwoman Charlton said there needs to be a proper maintenance plan put in place. Mr. Schmitt said the Town is going to file a claim with the insurance company.
9. Adjourn
Ms. Marmion made a motion to adjourn the meeting. Mr. DeWitt seconded the motion which carried unanimously. The meeting adjourned at 10:07 pm.

Respectfully submitted

Pru O'Brien
Recording Secretary