

**MINUTES OF THE MEETING OF THE TOWN OF FAIRFIELD**  
**April 25, 2016**

A meeting of the Town of Fairfield was held on Monday, April 25, 2016 at 8 PM at the Education Center, 501 Kings Highway East, Fairfield.

The meeting was called to order at 8:03 PM by Moderator Pamela Iacono.

**PRESENT:** 37                                    **ABSENT:** 3                                    **VACANCY:** 0

**PRESENT:** P. Ambrose, Bateson, McCullough, Varian, Gerber, Lynch, Newman, Perham, Dean, Durrell, Harrison, Orriss, Hochberg, Pires, Zezima, Garskof, Smey, Way, Wolk, M. Ambrose, Gale, Neuberger, Solomon, McCarthy, McDermott, Vergara, Wackerman, Ference, Iacono, Messina, Tallman, Farnen, Lee, Perugini, Cargill, Herley

**ABSENT:** Gottlieb, Georgiadis, Fattibene

**ITEM NO. 1 ON CALL:** PLEDGE OF ALLEGIANCE & MOMENT OF SILENCE

Moderator Iacono led the Pledge of Allegiance and asked the Body to observe a moment of silence.

**ITEM NO. 2 ON CALL:** APPROVAL OF FEBRUARY 29, 2016 MINUTES

Ed Bateson, District 1, moved this item as distributed with the Call, duly seconded.

**VOTE:** Upon motion made and duly seconded the minutes were unanimously approved (K. Varian was absent for this vote).

**ITEM NO. 3 ON CALL:** TO HEAR, CONSIDER AND ACT UPON THE FOLLOWING RESOLUTION AS RECOMMENDED BY THE BOARD OF SELECTMEN: "RESOLVED, THAT THE TOWN OF FAIRFIELD (1) ESTABLISH THE SCHOOL SAFETY AND SECURITY BUILDING COMMITTEE; (2) AUTHORIZE THE PREPARATION OF SCHEMATIC DRAWINGS AND OUTLINE SPECIFICATIONS FOR THE PROJECT; AND (3) AUTHORIZE THE BOARD OF EDUCATION TO FILE AN APPLICATION FOR A SCHOOL BUILDING GRANT."

Heather Dean, District 3 moved this item as distributed with the Call, duly seconded.

Schools Superintendent David Title presented this item to the Body.

Dr. Title stated that the Board of Education believes it may be eligible for state reimbursement for the security projects that were approved in the capital plan by the RTM. First Selectman Tetreau said the Special Projects Building Committee will oversee the project as it is limited in its scope and in order to be eligible for reimbursement there must be a building committee.

Ed Bateson, District 1 expressed his concern that the bonding resolution contained language that the First Selectman is authorized to apply for grants and reimbursements. Mr. Tetreau indicated that the bonding resolutions contain standard language which authorizes the application for other manner of funding projects, but he will have the Town Attorney confirm that this language was included in the resolution.

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Carol Way, District 5 stated that she was concerned, given the current uncertainty of the State's budget, that the state might rescind grants. Mr. Tetreau replied that when he visited Hartford last week he received no indication that the State might rescind grant monies but would follow up with the Fairfield delegation.

**VOTE:** This item was approved by unanimous voice vote.

**ITEM NO. 4 ON CALL:** TO HEAR AND CONSIDER BUDGET REDUCTION RECOMMENDATIONS FROM THE FIRST SELECTMAN AND THE CHAIRMAN OF THE BOARD OF EDUCATION IN ORDER TO ADDRESS THE POTENTIAL STATE OF CONNECTICUT REDUCTION AND/OR ELIMINATION OF THE EDUCATION COST SHARING GRANT FOR THE TOWN OF FAIRFIELD IN THE AMOUNT OF \$3,583,484.

Heather Dean, District 3, moved this item as distributed with the Call, duly seconded.

Moderator Iacono invited Phil Dwyer, BOE Chairman to address the Body. Mr. Dwyer stated that he believes that the budget prepared by the staff of the Board of Education which has a 1.5% increase over the last budget is a very good budget with no room to make cuts without having to make a drastic reduction in services. Mr. Dwyer noted that a complication in this year's budget process is the added dynamic of Hartford's budget confusion. He suggested that our elected officials advocate for the Town and our schools by solving the State's budget problems. He noted that the Republican budget proposal has no cut to the ECS, while the governor's proposal has a 3% cut to Education Cost Sharing.

Mr. Dwyer reminded the Body of several instances where the BOE in good faith returned savings to the Town and asked the RTM that whatever the final issue with the State budget is that everyone work together. He felt that to make cuts in the BOE budget prior to a decision from State is not in the best interest of the Town.

Moderator Iacono invited First Selectman Tetreau to address the Body. Mr. Tetreau stated that when he first proposed the Town Budget for the coming fiscal year with a 1% increase, using the most recent data available from the Governor's budget, he thought that life would be easier this year. Then the Governor released his new budget with a proposed cut to ECS of \$3.5 million and another \$1.1 million cut in State aid, reducing the Town's revenue by \$4.6 million.

Messrs. Tetreau and Dwyer met with the Speaker of the House he noted that the Governor's proposal has no support on either side of the aisle, and that the Speaker has said he is talking to the Republican minority to work on this issue. The Governor's budget is not moving forward.

First Selectman Tetreau's suggestion to the Body is to postpone the vote on the budget until the State budget is resolved. He stated that any significant cuts made to the budget will affect everyone. There would be a split between the Town and BOE and a mil rate increase. Mr. Tetreau has asked the Town Attorney to investigate if a postponement of a vote by the RTM on the budget is legal, and also asked the CFO what the impact of a postponement would be upon the Town. He explained that there are many instances of other Towns that have legally and logistically gone beyond the July 1<sup>st</sup> deadline without having resolved budget issues. He stated that a vote on the budget now would either result in over-taxation or cuts which are too deep. He respectfully asked that the RTM consider postponing the budget vote on May 2<sup>nd</sup>.

Moderator Iacono called upon Tom Flynn, Chairman of the Board of Finance to address the Body.

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Mr. Flynn noted that Sen. John McKinney had warned that the State budget was in peril, and now the Governor is transferring the tax burden to the local towns. He stated that the BOF had approved the budget with 8 members in favor and one against, and, further that the members of the BOF are standing behind that vote. He had informally polled the BOF to see if they would be willing to change the mil rate. He reported that the BOF is opposed to changing the mil rate because it sets a bad precedent to increase taxes after the boards have voted and that a change to the mil rate at this time would send a wrong message to the lawmakers in Hartford that this Town would accept the State's tax increases.

Mr. Flynn stated that annually the town's residents and businesses send \$260 million to the state of Connecticut, and the Town only gets \$12 million in return. He further noted that of the \$530 million paid by Fairfield taxpayers each year breaks down to \$9,000 per person of our 60,000 residents. He felt that everyone had done a good job on the budget this year but warned that next year will be worse.

Ray Neuberger, District 6 stated that he understands it is difficult not having definitive numbers from Hartford but at what point would education programs be cut.

Mr. Dwyer replied that there is a risk in the BOE budget that there is a need to hire additional teachers should the population increase. However, they are not putting anything on the table until they know the number.

Hannah Gale, District 6 noted that her house had decreased in value by 1/3 since she bought it in 2003 along with many others. She researched the State of Connecticut income stream to see what has been affected by this drop in personal wealth. She asked Mr. Flynn what the Town officials could do about the low capital gains tax. Mr. Flynn replied that the capital gains tax is part of the State Income Tax and that local officials have nothing to do with setting state tax rates.

The Moderator noted that Senator Tony Hwang was present and asked if he wished to address the Body regarding the State tax rates.

Senator Hwang noted that the House was in session, so the rest of the delegation was unable to attend. He advised that the capital gains tax is calculated into our income tax rate. He stated that since the state budget passed in June of 2015, there has been a tremendous outflow of tax revenue from the state. He said that the House won't get information on revenue until late April. He hopes that in the future the State would structure the budget process so that it would be resolved much earlier in the year and not affect the local municipality's budget processes in such a negative manner.

Brian Farnen, District 9 asked if the RTM did postpone the budget vote, when did Senator Hwang think the Town would get more information from the State.

The Senator replied that the Republican minority had proposed their budget today (Monday) which restored ECS funding for Fairfield and that the Democratic majority would most likely propose their budget by the end of the week. He would like to see the State adopt a 5-year budget to give everyone involved a better ability to predict revenue streams. The biggest challenge at this time is that the Governor is not talking to the majority leaders.

Moderator Iacono asked if the Senator thought that the budget would be voted on by May 4<sup>th</sup>. Senator Hwang said he could not say.

Peter Ambrose, District 1 asked First Selectman Tetreau that, if we were to assume that we will not get our anticipated funding and there is no increase in the mil rate, would he ask the unions about taking

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furlough days. Mr. Tetreau replied that not knowing what the revenue loss is, no options would be eliminated.

Mary McCullough, District 1 thanked Messrs. Tetreau, Dwyer, Flynn and Hwang for their presentations. She further noted that she has had to think about her own loss of revenue recently. She asked Mr. Tetreau if he had learned about this proposed cut from the State any earlier than April 12 when the members of the RTM were notified by e-mail. Mr. Tetreau answered that everyone in Town government learned about it at the same time. Ms. McCullough asked if the First Selectman had asked the various Town departments what cuts could be made at this time in order to help with this shortfall. Mr. Tetreau replied that while the shortfall is affecting the Town's budget for next year, the Town usually does ask all departments to save money wherever possible at all times.

Carol Way, District 5 asked Mr. Tetreau if he had met with State Representatives regarding the budget cuts. First Selectman Tetreau replied that he met with the Majority Leader and had asked Rep. Kupchick for a meeting with Minority Leader Klarides.

Ms. Way asked what concerns Mr. Tetreau has regarding the libraries, DPW and Parks & Recreation. Mr. Tetreau replied that the RTM reviewed the budget over multiple nights and it was his belief that any adjustments would come from the budget book.

Tom McCarthy, District 7 stated that he couldn't agree more with Messrs. Tetreau and Dwyer that the budget problem began in Hartford. He asked if there is a shortfall in funding from the state are there any plans to share the pain between the Town and the Board of Education. The First Selectman stated that there is no such agreement, and that such a plan would be up to the RTM to vote upon.

Michael Herley, District 10 asked the Superintendent of Schools to explain to the Body how the BOE at the start of the budget process factors in the Education Cost Sharing Grant. Dr. Title replied that since it is in the Town's revenue stream it is not a factor in the BOE's budget process. Mr. Herley asked why then it is called Education Cost Sharing. Dr. Title answered that it is a grant to municipalities, but an Excess Cost Grant would come directly to the BOE. He said in planning the budget, staff uses as an assumption that the BOE will receive the same amount of money it has received for the past several years. This particular grant, unlike other grants the BOE receives, goes into the Town's coffers. Mr. Dwyer further explained that the BOE does not take the ECS grant into consideration as they figure it is used to cover school bonding costs, etc. and it is on the Town side of the budget.

Mr. Herley asked Mr. Tetreau if he had spoken to the Governor directly about the budget to which First Selectman Tetreau answered no, but that he had made it clear that he is not happy with the Governor's budget proposal.

### **ADJOURNMENT**

There being no further business the meeting adjourned at 9:06 p.m.

Respectfully submitted,

Elizabeth P. Browne, CMC, MCTC  
Town Clerk

Recorded by: Frances Daly