

Board of Finance
November 9, 2009

The **Board of Finance** held a regular meeting on Monday, November 9, 2009 in the Council Chamber, Newtown Municipal Center, 3 Primrose Street, Newtown, CT. John Kortze called the meeting to order at 7:30 p.m.

PRESENT: John Kortze, James Gaston, Marty Gersten, Joseph Kearney, Harry Waterbury and Michael Portnoy

ALSO PRESENT: Finance Director Robert Tait, eight members of the public and one member of the press.

VOTER COMMENTS: Ruby Johnson, 16 Chestnut Hill Road spoke about economic development and open space. She asked the board to think about open space, the trails and things that attract people to come to Newtown but they don't stay. She handed out a graph (Att. A) and an article on the older population (Att. B). She attended a meeting and asked the present Selectmen to reconsider a new senior center.

Deborah Zukowski, 4 Cornfield Ridge Road congratulated the board on the recent elections, said she has been impressed with the meetings she has sat in on and looks forward to more of that level of constructive meetings.

Bob Merola, 22 Ashford Lane also congratulated the board on their re-election.

COMMUNICATIONS: Mr. Kortze read an email (Att. C) from a resident about how we inventory and/or catalog town property specifically in the context of the recent move of town and school administration offices. Mr. Kortze asked if we have any cataloging. What is done with items that are no longer used, where does it go, do we keep it, do we sell it? Mr. Tait replied that Public Works is responsible for excess assets and do conduct a sale but does not know if there is an inventory. He said the IT department does have an inventory of computers.

ACCEPTANCE OF MINUTES: Mr. Gersten moved to accept the meeting minutes of October 22, 2009. Mr. Portnoy seconded. The acceptance of the minutes was tabled until the next meeting due to the fact that some board members did not receive copies of the minutes.

FIRST SELECTMAN REPORT: none.

FINANCE DIRECTOR REPORT: none

NEW BUSINESS:

Discussion and possible action:

1. **CIP** – Mr. Kortze discussed that given the fact that there is a new Board of Selectmen and a new make up to the Board of Education it would be a good idea to allow the new boards to take a look at the purposed CIP and either change or affirm what is being presented to the Board of Finance before going any further. The November 30 deadline would not be met. A letter will be drafted to the two boards. Mr. Tait handed out a CIP debt service analysis with two scenarios, one with an assumed \$51,000,000 five year CIP amount and the other with a \$42,000,000 CIP amount. (Att. D) and discussed the details saying the \$51,000,000 is close to last years amount, minus the

high school. The \$42,000,000 amount was arrived at after looking at different scenarios; you can take in between the \$42,000,000 and \$51,000,000. Mr. Tait explained the lease is a long term lease and belongs in debt service. It was presented that way to the Board of Selectmen; the auditors agreed. Mr. Tait spoke of the lease in accounting issues, Mr. Grogins, the Town Attorney spoke of the lease in legal terms during the budget process.

Mr. Kearney suggested coming up with a bullet point format for the new Selectmen. We are going to be up against a 10% cap with an assumption of the budget increasing at least 3.5%. Mr. Kortze stated that the plan is to communicate, digest, change or reaffirm and collectively articulate what our concerns are.

Mr. Gersten stated the dynamics effect debt service and the operating budget.

Mr. Kortze noted that the State of Connecticut has been put on negative credit watch.

Mr. Gaston stated he didn't understand how debt service can become agreed to and not find its way through the CIP process. This needs to be addressed; it is a direct violation of the Charter.

Unfinished Business

Discussion and possible action:

- 1. Update on teacher negotiations** - Mr. Portnoy reported that the teachers agreed to a contract. There will be an increase to the operating budget going forward.

ANNOUNCEMENTS: Mr. Kortze congratulated the Board of Finance on the past election and Mr. Waterbury for being the biggest vote getter. He stated that it was remarkable that both parties cross endorsed.

ADJOURNMENT:

Having no further business, the Board of Finance adjourned their regular meeting at 8:20 p.m.

Respectfully Submitted,

Susan Marcinek, Clerk

Att. A & B: Ruby Johnson handouts
Att. C: email to John Kortze re: furniture
Att. D: CIP Debt Service Analysis