

Board of Finance
March 24, 2011

The **Board of Finance** held a regular meeting on Thursday, March 24, 2011 in the Council Chambers, 3 Primrose Street, Newtown, CT. John Kortze called the meeting to order at 7:35 p.m.

PRESENT: John Kortze, James Gaston, Harry Waterbury, Michael Portnoy and Martin Gersten

ABSENT: Joseph Kearney

ALSO PRESENT: First Selectman E. Patricia Llodra, Finance Director Robert Tait, no members of the public and one member of the press.

VOTER COMMENTS: none.

COMMUNICATIONS: Mr. Kortze noted the Conservation Commission sponsored a presentation by the Yale School of Forestry in February (Att. A). He also received an email from Bill Hart (Att. B) letting the board know the Board of Education hasn't gotten to the transfer policy issue yet because of scheduling. The financials show they are doing transfers. Mr. Kortze talked about an email received from Desiree Galassi of the Sustainable Energy Commission. The notion, intent and goal is wonderful, however, the tone and the tenor of the delivery of the email was inappropriate. If persons don't participate their names would be noticeably absent from material on the website, a presentation and communication distributed throughout the community. Ask the civic leaders to get involved, welcome the support but don't politicize the issue. It could be problematic to endorse one issue and not another, should another be brought before the board in the future. There is also an issue of cost; people may already have a previous arrangement that may be more economical. The two options, to contribute or to switch are fantastic ideas.

MINUTES: No action was taken on the acceptance of the minutes as all members of the board who were present during the meetings were not present for this meeting.

FIRST SELECTMAN REPORT: First Selectman Llodra said the Public Building and Site Commission has put together a process to manage municipal building projects. She shared the Middle School roof project as an example (Att. C). There will be updated financials, clarity of documentation, work schedule and benchmarks related to timing. As a matter of course the Board of Selectman is referring all projects to Public Building and Site; they make the choice to take on responsibility for the project. Public Building Site Commission does not take on all projects.

FINANCE DIRECTOR REPORT: Mr. Tait shared the Town of Newtown Capital Projects Status Report, Dec. 21, 2010 (Att. D) saying the report is on the website and includes photos under three public works projects. The purpose of the report is to let everyone know how the projects are doing. A cost estimate for the Newtown Middle School and alternates was shared (Att. E). Mr. Kortze asked Mr. Tait about a schedule of how to combine projects and when, and asked him to remember to do that when sending the CIP to the council. Mr. Tait said it will be done a few months before going to various boards, packaging the bond resolutions. First Selectman Llodra said everything in the Middle School cost estimate was identified as desirable work to be accomplished at the same time as the roof work; they were identified as alternates, not part of the base price. The bids will go to Public Building and Site. It is the understanding of the First Selectman that Mr. Mitchell, Chairman of the Public Building and Site Commission, feels confident about the base price. If good prices are received on the alternates, PBSC will make a recommendation to the Board of Selectmen who will then have to bring it to the Board of Finance. First Selectman Llodra verified that everything identified as alternates are within the description in the bond resolution and is all bondable in this package.

OLD BUSINESS:

Discussion and possible action:

1. **Newtown Board of Education Monthly Financial Report, Feb. 28, 2011:** (Att. F) no action or discussion.
2. **Town of Newtown Year to Date Budget Report, February 28, 2011:** (Att. G) no action or discussion.

NEW BUSINESS

Discussion and possible action:

1. **Referral of CIP from Legislative Council:** (Att. H) (Att. I) Mr. Gaston moved to approve the CIP as presented with the suggestion of the First Selectman with an overarching goal to become more aggressive in year five and beyond to try to get closer to 9% sooner; this will be readdressed in the summer. Mr. Gersten seconded. Mr. Portnoy questioned a ten year plan vs. a five year plan. Mr. Kortze said that there is not a lot of room beyond five years and recommended this as a guideline. First Selectman Llodra agreed there is very little space to incur debt going out ten years. All in favor.
2. **Transfer:** Mr. Gersten moved to transfer \$170,000 from 01570-2000 Contingency to 01510-1003 Overtime, \$35,000, 01510-2032 Salt, \$60,000 and to 01510-4060 Contractual Services, \$75,000. Mr. Gaston seconded. All in favor.
3. **Transfer:** Mr. Gaston moved to transfer \$19,587.63 from 01570-2000 Contingency to 01180-1006 Primaries. Mr. Gersten seconded. All in favor.
4. **Transfer:** Mr. Gaston moved to transfer \$9,000 from 01570-2000 Contingency to 01190-4061 Field Service. Mr. Gersten seconded. All in favor. This invoice is from the time between assessors.

ANNOUNCEMENTS: First Selectman Llodra asked that the Board of Finance discuss the concept of developing policies or recommendations to support the practices relative to capital non-recurring, getting to the 9%, the commitment to build the fund balance and improvements to the fund balance policy. Policy language is needed to guide future decision makers. It is a package of behaviors that is only powerful if it works together.

ADJOURNMENT:

Having no further business, the Board of Finance adjourned their regular meeting at 8:11.m.

Susan Marcinek, Clerk

- Att. A: Conservation email, 2/22/10
- Att. B: BOE transfer policy email, 3/15/10
- Att. C: Middle School Roof Project Schedule
- Att. D: CIP Project Status Report, 12/31/10
- Att. E: Cost Estimate – Middle School Roof
- Att. F: BOE Monthly Financial Report, 2/28/11
- Att. G: Town of Newtown Year to Date Budget, 3/3/11
- Att. H: BOS adjustment to BOF approved 2011-2012 to 2015-2016, March 2011
- Att. I: BOS submission to the BOF regarding review of the 10% debt cap

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