

THESE MINUTES ARE SUBJECT TO APPROVAL BY BOARD OF FINANCE

The **Board of Finance** held a regular meeting on Thursday, October 25, 2012 in the Council Chamber of the Newtown Municipal Center, Newtown, CT. John Kortze called the meeting to order at 7:30 pm.

PRESENT: John Kortze, Joseph Kearney, Harry Waterbury, Richard Oparowski and Carol Walsh.

ABSENT: James Gaston, Jr.

ALSO PRESENT: First Selectman E. Patricia Llodra, Finance Director Robert Tait, Board of Education member Richard Gaines, Director of Facilities Gino Faiello, one member of the public and one member of the press.

VOTER COMMENTS: none.

COMMUNICATIONS: none.

MINUTES: Mr. Oparowski moved to accept the minutes of October 17, 2012. Mr. Waterbury seconded. All in favor.

FIRST SELECTMAN REPORT: First Selectman Llodra informed the board that Roderick MacKenzie, Jr., who served as First Selectman from 1987-1989 passed away on October 22, 2012. Also, after a twenty year struggle a completed contract has been executed with the federal government and the federal EPA to start the clean up at the Batchelder property. It will take about two months; we have a \$150,000 grant from VCOG to do additional cleanup with the goal to return that property to the tax rolls. The \$1 lease proposal at Fairfield Hills was briefly discussed. The intention of Elizabeth Stocker and the Economic Development Commission is to have a discussion about the RFP with the Board of Finance and the Legislative Council.

FINANCE DIRECTOR REPORT: Mr. Tait explained that we don't have a fund balance just for the purpose of getting a better bond rating. We have a fund balance for the reason stated in the fund balance policy: emergencies, cash flow and for managing dramatic increases and decrease in the budget if we lost all state revenue. A better credit rating and better interest rate is a benefit from having a good fund balance as well as interest earnings on the fund balance (Att. A). Mr. Kortze noted the efforts to articulate the benefits of fund balance have been mischaracterized by a group of people. Mr. Oparowski suggested putting a marketing piece on the website relative to fund balance. State statutes dictate where the fund balance can be invested.

UNFINISHED BUSINESS

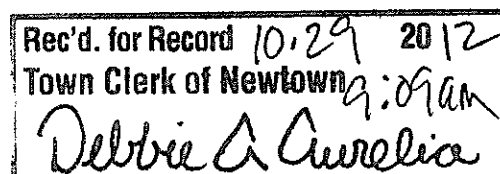
Discussion and possible action:

1. **Policy on depositing unexpended funds to the Capital/Non-Recurring fund:** item to be carried.
2. **Board of Education Reserve Fund Statute:** item to be carried.

NEW BUSINESS

Discussion and possible action:

1. **Presentation by the Board of Selectmen & the Board of Education on the Capital Improvement Plan:** First Selectman Llodra presented the Selectmen CIP, which includes the Board of Education (Att.



B) and passed out back up material (Att. C). She encouraged the board to review all documents and let her know who, if anybody, they would like to have at a future meeting for more detailed answers to questions. The Hawleyville Sewer project was discussed. This is a different type of project in terms of borrowing. Ms. Walsh would like Ms. Mangold, of Parks & Recreation, to attend a future meeting. Mr. Oparowski would like Rob Sibley, Deputy Director of Planning & Land Use to attend a future meeting to discuss the financials involved in open space. The combined CIP compiled by the Finance Director was handed out (Att. D). First Selectman Llordra talked about a Community Center saying it has been in the pipeline longer than a Senior Center. A space needs study will look at the police facility. Mr. Tait shared different scenarios of the CIP with different budget growth assumptions and different bond interest rate assumptions (Att. E). Mr. Gaines of the Board of Education was present to discuss the education CIP. The Board of Education has approved putting out an RFP to hire a consultant to help study school facility uses and to update the enrollment projections that were done five years ago. The First Selectman noted that the Selectmen will join the December 18 Board of Education meeting. They would like to partner with the Board of Education relative to a town wide space needs study that includes education. Mr. Oparowski hopes that overall judgment prevails as far as evaluating the projects. First Selectman Llodra explained that the timing of the Hawley phase 2 project was switched with a high school project with the Board of Education's authorization.

2. Discussion on charter revision request from the Legislative Council for input: Mr. Kortze reminded the board to get him any questions relative to charter revision for the next meeting.

ANNOUNCEMENTS: none.

ADJOURNMENT: Having no further business the regular Board of Finance meeting was adjourned at 9:02 pm.



Susan Marcinek, Clerk

Att. A: Fund Balance document

Att. B: CIP, 2013-2014 to 2017-2018

Att. C: back up documentation for CIP

Att. D: TON Combined BOS-BOE CIP, 2013-2014 to 2017-2018

Att. E: CIP scenarios