

THESE MINUTES ARE SUBJECT TO APPROVAL BY BOARD OF FINANCE

The **Board of Finance** held a regular meeting on Thursday, January 24, 2013 in the meeting room of Town Hall South, 3 Main Street, Newtown, CT. John Kortze called the meeting to order at 7:30 pm.

PRESENT: John Kortze, Joseph Kearney, James Gaston, Jr., Harry Waterbury, and Richard Oparowski

ABSENT: Carol Walsh

ALSO PRESENT: First Selectman E. Patricia Llodra, Director of Finance Robert Tait, Bob Merola and one member of the press.

VOTER COMMENTS: None

COMMUNICATIONS: None

MINUTES: Mr. Kearney moved to accept the minutes of January 14, 2013. Mr. Waterbury seconded. All in favor.

FIRST SELECTMAN REPORT: Discussed the funds that have developed since December 14th. None of these funds are under the jurisdiction of the Town of Newtown. Jim Gaston is trying to catalog this information as a service to the community only; the town has no authority at all. The United Way fund is over 8 million dollars. There will be a board of directors and they will identify a distribution committee. The distribution of the United Way funds is under the jurisdiction of that fund, not of the town.

FINANCE DIRECTOR REPORT: Hard copies of the financial statements for 2012 were given to the board. The financial results for the year were good.

Mr. Tait explained how the town was handling funds that have been sent to the town. The current total of funds is \$256,000. If the funds were designated for something specific, a fund was set up for that purpose.

Mr. Kearney questioned if a check written to the Town of Newtown for \$500 was sent to the PO Box set up for the Sandy Hook Support Fund, what happened to it? Mr. Tait explained that it would be sent back to the town. Mrs. Llodra explained that if a donation was made to the

United Way but for a specific purpose, the donor was contacted and said to either send it to the appropriate area or undesignated the funds. The United Way cannot accept designated funds.

Mr. Tait explained that the Auditing services was to be put out to bid this year but has requested to the Legislative Council hold the current bid for one more year. It would be more prudent for the town to go onto the Board of Education financial system in the short term. We are guaranteed to be on one accounting system by July 1st. This will allow us to be more prepared to move to another database in 4 or 5 years. There is a savings but not significant. Not going through the bidding process would allow Mr. Tait to focus on moving the town accounts to Phoenix.

Mr. Tait questioned the June 2012 Legislative Council meeting minutes. There is a resolution that states \$40,000 will go to the town and \$200,000 will go to the Board of Education for unassigned capital and non-recurring funds. Can the Board of Education and the Board of Selectman purchase capital items without coming to this board or the Legislative Council? This will be discussed at the next meeting.

Mrs. Llodra explained there are significant corporate donations available. There is a group of three people who will be the corporate contacts and assist in the channeling of the efforts.

Mrs. Llodra also explained the path laid out to the decision that needs to be made with Sandy Hook School. It starts with community dialog to find out what interests people may have. The subsets are the teachers at the school, parents of the victims, parents of the surviving children. Each elective official not representing their board will need come forward with their feelings. There is a target time frame to have these done by May. We are luckily to have the use of Chalk Hill School in Monroe but there is an obligation to the Town to move forward. We owe it to those students to bring them home.

UNFINISHED BUSINESS

Discussion and possible action:

Policy on depositing unexpended education funds to the Capital/Non-Recurring Fund – item not discussed

Board of Education Reserve Fund Statute – item not discussed

NEW BUSINESS

Discussion and possible action:

Mr. Kearney moved to a Resolution regarding the authorizing of two funds to account for Sandy Hook donations directed to the Town of Newtown (including the Board of Education) and the authorizing of appropriations of such funds.

Be it resolved that the Board of Finance authorize the creation of two funds to account for the collection of Sandy Hook Donations directed to the Town of Newtown (including the Board of Education); (1) The Sandy Hook Special Revenue Fund, to account for donations specified for the benefit of the town to be used for a public purpose (such as schools, police, fire, parks, playgrounds, memorials, undesignated, etc.) and (2) The Sandy Hook Private Purpose Trust Fund, to account for donation that will benefit individuals (victims families/scholarships)

Be it further resolved that expenditures from these funds be formally authorized and appropriated (1) by the Board of Education for funds donated for education purposes and (2) by the Board of Finance and the Legislative Council for funds donated for public purposes other than education. Mr. Waterbury seconded. All in favor.

Mr. Kearney moved to a Resolution: RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$78,485.87 FOR EQUAL DISTRIBUTION TO THE FAMILIES OF THE TWENTY-SIX VICTIMS OF THE SANDY HOOK SCHOOL INCIDENT OCCURRING ON DECEMBER 14, 2012, AND AUTHORIZING SUCH DISTRIBUTIONS IS TO BE FINANCED FROM THE SANDY HOOK PRIVATE PURPOSE TRUST FUND (#34) Mr. Waterbury seconded. This is unique and this is not a special appropriation from the general fund, this is a separate fund. When a special appropriation is done, it has to be warned correctly otherwise they cannot act. It is an outside revenue fund and creating a process to get the funds distributed, but it is not part of the General Fund. Mr. Kearney asked if consideration was given to the individuals who were wounded to make the total victims 28. Mr. Oparowski moved to amend the motion to increase the total number of victims to 28. Mr. Gaston seconded. Mr. Waterbury moved to amend the language to include any other addition income to come in for this purpose under account 34-400 of the Sandy Hook Private Purpose Fund. Mr. Kearney seconded all in favor.

STEAP impact statement – Shortly after the events of December 14th they realized that traffic had hurt the businesses in Sandy Hook the two weeks before Christmas. This is a very fast acting response from the Governor and OPM to initiate the grant. Volunteers stepped forward to help come up with an application process and already have applicants to get the money back into the stream as quickly as possible. If there are not enough applicants for the funds, the funds can be used for the improvements in Sandy Hook.

2013-2014 Budget schedule – There is a suggested budget schedule for February 21, 25, 26 and 28. Mr. Kortze asked that board members review the dates so they can set a schedule at the next meeting.

ANNOUNCEMENTS: None

ADJOURNMENT: Having no further business the regular Board of Finance meeting was adjourned at 8:37pm

Arlene Miles
Clerk Pro-Tem