

THE FOLLOWING MINUTES ARE SUBJECT TO APPROVAL BY BOARD OF FINANCE

The **Board of Finance** held a regular meeting on Monday, November 25, 2013 in the Council Chamber of the Newtown Municipal Center, 3 Primrose Street, Newtown, CT. John Kortze called the meeting to order at 7:30 pm.

PRESENT: John Kortze, Joseph Kearney, James Filan, Jr., John Godin, Harry Waterbury and Carol Walsh.

ALSO PRESENT: First Selectman E. Patricia Llodra, Finance Director Robert Tait, Rick Camejo of Hook & Ladder Fire Department, Tax Collector Carol Mahoney, Deputy Director of Land Use Rob Sibley, Board of Education Debbie Leidlein, two members of the public, three members of the press.

VOTER COMMENTS: none.

COMMUNICATIONS: none.

MINUTES: Mr. Godin moved to accept the minutes of the regular meeting of October 24, 2013. Mr. Filan seconded. All in favor.

FIRST SELECTMAN REPORT: First Selectman Llodra explained the budget detail can be accessed through www.newtown-ct.gov, the town budget tab is on the left side and it brings user to the finance department page; it is user friendly. The board was updated on school security funding (Att. A). Monroe police funding will end on December 31, 2013 however, Monroe will pick up the cost of the officer in the driveway at Chalk Hill, Newtown will be responsible for the two officers located within the school. North Branford and Enfield are piloting the safety officer program and were visited by school and town personnel. The position is a school year position, CT retired police of any rank, uniformed and carrying arms but cannot make arrests, paid hourly with no benefits. The two communities, although using different models, think this is the right and best answer to providing school security (Att. B). First Selectman Llodra updated the board on Sandy Hook School saying it is totally demolished, the abatement was more complicated and costly. The Chairman of Public Building and Site said if the project was a remodel instead of a newly constructed building it would have been problematic. The architectural team has been working with an advisory group from various constituencies within in town; design information will become more available in December.

FINANCE DIRECTOR REPORT: none.

UNFINISHED BUSINESS:

Discussion and possible action:

1. **Update on Senior Tax Discussions:** not addressed.
2. **Board of Education Monthly Financial Report, October 31, 2013:** (Att. C)
3. **Update on Hook & Ladder Fire House:** Rick Camejo was present to report the parishioners of Trinity Church agreed to sell the 3.2 acre parcel off of the Church Hill Road driveway to Hook & Ladder for \$500,000. First Selectman Llodra said the Board of Finance now has to return to the question about what was the intent of the town and how will the transfer of funds be used from the CIP and what is the role of the town as the guarantor of the funds. Mr. Kortze said the Board of

Finance needs to understand the relationship between the town and the fire department and how that is going to work; what are the monies, what are they going to, the legality and such. First Selectman Llodra said if the \$500,000 per year for three years is used to capitalize the project it will help to pay down the mortgage, which is different from using the upfront money to purchase the land for the purpose of building. The goal is to enable H&L to build the station and be the owners and be responsible for the station the way the other departments are. Mr. Kearney reiterated the need to talk to town counsel on this matter. Mr. Camejo reported H&L was looking to take a mortgage for the entire project and pay it down with the \$500,000 for three years. The building design planning will begin soon.

NEW BUSINESS:

Discussion and possible action:

- 1. Carol Mahoney – senior tax relief update:** (Att. D) Ms. Mahoney said that Fairfield is the only town in this area that does asset testing. It is very difficult to administer. The senior tax relief programs includes over 700 households and is very time consuming; we have to be careful not to get back logged. Mr. Kearney believes an asset affidavit certifying total net worth eliminates those that may not need the help leaving more in the program for those that do. Mr. Godin noted that the program Newtown has is very generous. Mr. Tait went over the facts and figures on senior tax relief (Att. E). The second sheet quantifies all of the seniors in town. Ms. Mahoney has had requests to raise the income level from \$65,000 to \$70,000; there is a population of seniors who fall into that gap. Mr. Kortze would like to have this topic on a future agenda where all programs can be reviewed to quantify the impact. First Selectman Llodra talked about a local tax option for seniors that is not figured on income. The Town has the authority under 2008 legislation to abate property taxes for any homeowner, regardless of age, if their tax exceeds 8% of their income. Ms. Walsh thinks an oversight mechanism should be included on any spreadsheet involving means tests other programs.
- 2. Town of Newtown and Board of Education CIP:** Mr. Sibley was present to speak to the board about open space. A spread sheet of approximately 315 parcels of open space was shared (Att. F). This spread sheet is drawn from the data base of the GIS and the tax assessor; the conservation commission has identified principles associated with each property. Mr. Sibley spoke about easements vs. open space; it doesn't change the financial component of the property but as far as land use and preservation it changes the equation significantly for the town. Acquiring open space allows the town to earn grants. The active list of properties being looked into for open space is a fluid list and there is criteria that have to be met (Att. G). Mr. Kortze said purchasing open space has to have a financial benefit to tax payers. Mr. Waterbury recalls open space was used to keep enrollment from increasing. Mr. Sibley said that open space is not a financial investment; it is an investment in the community's quality of its history, passive recreation, natural resources, scenic qualities and quality of life. Mr. Kearney said open space is taking a property off the tax rolls and if the money is bonded it has a financial impact. First Selectman Llodra said that it is her personal belief for the community to thrive and grow a new population is needed. There is research that says that every dollar invested in open space generates x amount of value to a community. We have to find a balance between green spaces and a thriving population. It is critical to maintain open space in order to obtain grants; the grant applications require money to be set aside on an annual basis for open space.

Ms. Walsh asked how the GE grant will impact the CIP. First Selectman Llodra said the grant will not allow the town to complete the full project that was in mind a few years ago. It will likely be a phased project that will likely cost approximately \$25,000,000 over many years. Everything in the

CIP beyond year one should be considered a place holder. The intent of GE was not to supplant funds but to supplement. First Selectman Llodra said there will be needs for the schools that won't be covered by grants and will find their way into the CIP. This is the best approximation of needs and how we can afford those needs given the debt cap. The CIP was built in partnership with the Board of Education so those needs are represented as well, however there are still many unknowns. Mr. Kearney said phase one Hawley boiler project should come off the CIP and said the HVAC needs and cost are unknown. The expenditure represents 20% of the 2015-2016 expenditure of the CIP and 15%-20% of the next year. He does not believe it is justifiable. First Selectman stated that a municipal space needs study needs to be discussed again and the Board of Education should be included as well. Ms. Leidlein said subject to BOE discussion a space needs study will begin in the fall. First Selectman Llodra noted she would like to start with an RFP in the spring. First Selectman Llodra would like the analysis to focus on the senior center, the police station, Hawley School and the Middle School. Mr. Kearney said anything in the plan for Hawley should be on an emergency basis. Mr. Filan stated that regardless of the use of Hawley School the issues of the building still need to be dealt with but is nervous that it may take the BOE nine months to get the study started. Mr. Kortze said there is a cross section of the population in town that needs to have a good understanding of the direction the town is collectively, how the town is collectively looking at issues and ways to address issues. Selectman Llodra acknowledges Dr. Reed's concern that the timing for a study is not right but does not think the variance in the data, because of the circumstances, will be as great as Dr. Reed is concerned about. Mr. Filan moved to approve 2014-15 to 2018-19 CIP (Att. H). Mr. Godin seconded. Motion passed 4-2 (AYE: Filan, Godin, Kortze, Waterbury) (NAY: Kearney, Walsh).

- 3. Transfers:** Mr. Filan moved the \$7,151 transfer from Contingency to Salaries & Wages – Full Time. (Att. I). Mr. Kearney seconded. All in favor.

Mr. Waterbury moved the \$2,000 transfer from Contingency to Salaries & Wages – Full Time. (Att. J) Mr. Kearney seconded. All in favor.

Mr. Kearney moved the \$13,000 transfer from Contingency to Capital (Att. K). Mr. Waterbury seconded. All in favor.

ADD TO AGENDA: Mr. Waterbury moved to add to the agenda a \$4,000 transfer to from Contingency to Salaries & Wages – Full Time. Mr. Kearney seconded. All in favor.

Mr. Godin moved to enter a non-meeting. Mr. Kearney seconded. All in favor. The non-meeting was entered into at 9:35pm and returned to the regular meeting at 10:00pm with the following motion: Mr. Waterbury moved the \$4,000 transfer from Contingency to Salaries & Wages – Full Time. Mr. Kearney seconded. All in favor.

ADJOURNMENT: The Board of Finance adjourned their regular meeting at 10:10pm.

Board of Finance
November 25, 2013

- Att. A: TON Estimated Additional School Security, 2013-2014
- Att. B: email from P. Llodra re: School security at Chalk Hill
- Att. C: BOE Monthly Financial Report, Oct. 31, 2013
- Att. D: information on senior tax programs (C. Mahoney)
- Att. E: TON Facts & Figures – Senior Tax Relief, 2013-2014
- Att. F: Open Space properties
- Att. G: Criteria for Setting Open Space Protection of Properties & Inspection Report
- Att. H: TON 2014-2015 to 2018-2019 CIP (October 21, 2013)
- Att. I, J, K: Transfers