

THE FOLLOWING MINTUES ARE SUBJECT TO APPROVAL BY THE BOARD OF FINANCE

The **Board of Finance** held a regular meeting on Thursday, March 13, 2014 in the Council Chamber of the Newtown Municipal Center, 3 Primrose Street, Newtown, CT. John Kortze called the meeting to order at 7:00pm.

PRESENT: John Kortze, James Filan, Jr., John Godin, Michael Portnoy and Harry Waterbury

ABSENT: Joseph Kearney

ALSO PRESENT: First Selectman E. Patricia Llodra, Finance Director Robert Tait, Deputy Land Use Director Rob Sibley, Board of Fire Commissioners Chairman Rob Manna, Board of Fire Commissioners Budget Committee Chairman Ernie Descheneaux, Interim Superintendent Dr. John Reed, Business Director Ron Bienkowski, Board of Education members Debbie Leidlein, Kathy Hamilton, Michelle Ku, Keith Alexander (7:35 pm), three members of the public and one members of the press.

VOTER COMMENTS: none.

COMMUNICATIONS: Mr. Kortze read a letter from Joe Kearney (Att. A) and submitted budget information from Dr. Reed (Att. B).

FIRST SELECTMAN REPORT: none.

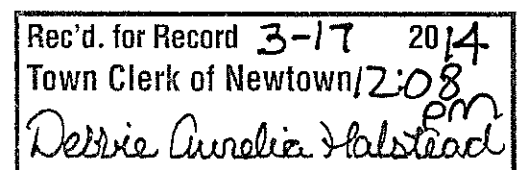
FINANCE DIRECTOR REPORT: \$6.5 million in Newtown bids were sold in a competitive bid done over the internet. Nine companies bid on the bonds. The interest rate was 2.71% which represents a savings of approximately \$32,500 - \$35,000 per year in debt service. (Att. C)

NEW BUSINESS

Discussion and possible action:

1. **Overall budget deliberations and possible adoption:** Mr. Manna and Mr. Descheneaux were present to answer question on the fire budget. Hook and Ladder is moving forward with the new building, expect to have contracts by month end and are progressing with site and architectural plans. Mr. Manna thinks they potentially may need to come back to the town for additional money. Equipment is being upgraded piece by piece in order to maintain a zero percent increase in the budget. Mr. Manna stated the companies have been successful with grants. Repair and Maintenance cost are down because there is not a transmission inspection; this is done bi-annually. Insurance is increased because Dodgingtown opted out of the insurance in the prior year to purchase a command vehicle. Dues and Travel & Education line item is used for training and is based on the amount of personnel.

Mr. Bienkowski explained the transfer YTD for principal salaries. The Hawley School principal is retiring and entitled to her vacation payout; a Vice Principal at the High School is on military leave, we pay the difference between the military pay and his school salary. One principal is on medical leave, a per diem principal is filling in. There is a small difference having a Vice Principal at Sandy Hook School vs. a Lead Teacher. The current surplus is in excess of \$160,000, taking into account the first 75% payment on the excess cost grant, which actually came in at approximately 82%. The expenses have also gone up, such as tuition and transportation for an additional student out placed. Mr. Kortze suggested Mr. Bienkowski use the estimated figures in the report rather than in a footnote. Mr. Bienkowski said that in some cases



estimated figures in some accounts, such as professional services, can end up varying from the actuals so he prefers the footnote.

Mr. Kortze went over scenarios and the effect on the mill rate and the budget. (Att. D). Mr. Waterbury moved to add under the Police Salary & Wages, \$243,262 for the School Security Officers (SSO); \$18,610 for Social Security; \$1,508 for Other Employee Benefits and \$16,000 for Police Equipment for a total addition of \$279,380. Mr. Portnoy second. All in favor.

Mr. Portnoy moved to add \$279,380 to Intergovernmental Revenues. Mr. Godin seconded. All in favor.

Mr. Waterbury moved to add \$100,000 to the Selectman budget for Medical Self Insurance based on the recommendation of the Medical Self Insurance Board. Mr. Portnoy seconded. Mr. Portnoy stated the claims for December, January and February have been positive. Each year of the 3 ½ years of experience in the plan we have come in less than expected, which builds the reserve. He has a problem with a 13% projected increase for next year. He believes part of the \$400,000 suggested increase be used for senior tax relief or roads. Mr. Waterbury asked about the concern of added cost of claims. Mr. Tait said there is an analysis and forecast now and next year and believes the recommendation is a wise decision. Mr. Godin thinks we may see more inflation in health care and thinks \$400,000 is a modest contribution; he would prefer to have more in surplus. Mr. Filan agreed with Mr. Portnoy saying we have a strong reserve now and the last three months experience has been positive. Mr. Portnoy moved to amend the Selectman budget for Medical Self Insurance increase from \$100,000 to \$50,000. Mr. Filan seconded. Motion failed: (AYE: Portnoy, Filan); (NAY: Waterbury, Godin, Kortze). Mr. Portnoy moved to amend the increase from \$100,000 to \$75,000. Mr. Filan seconded. Motion failed: (AYE: Portnoy, Filan); (NAY: Waterbury, Godin, Kortze). The original motion to add \$100,000 to the Selectman budget for Medical Self Insurance based on the recommendation of the Medical Self Insurance Board passed: (AYE: Waterbury, Godin, Kortze); (NAY: Portnoy, Filan).

Mr. Waterbury moved to increase the Board of Education budget for Medical Self Insurance \$300,000 based on the recommendation of the Medical Self Insurance Board. Mr. Godin seconded. Mr. Portnoy moved to amend the recommended increase to \$150,000. Mr. Filan seconded. Motion failed: (AYE: Portnoy, Filan); (NAY: Waterbury, Godin, Kortze). Mr. Portnoy moved to amend the recommended increase to \$225,000. Mr. Filan seconded. Motion failed: (AYE: Portnoy, Filan); (NAY: Waterbury, Godin, Kortze). The original motion to increase the Board of Education budget for Medical Self Insurance \$300,000 based on the recommendation of the Medical Self Insurance Board passed: (AYE: Waterbury, Godin, Kortze); (NAY: Portnoy, Filan).

Mr. Waterbury moved to increase the Elderly Credit amount of \$1,500,000 by \$150,000 to \$1,650,000 on the tax levy (mill rate) calculation sheet. Mr. Godin seconded. Mr. Filan is in favor of tax relief for seniors and was in favor of having the Legislative Council review it. He would like to see relief go to those who need it and is concerned we don't know enough about it to vote on it. Mr. Kortze said anything the Board of Finance does is a recommendation to the Legislative Council; a recommendation which included the parameters of a dollar amount and an asset test that was voted on already. A third tier of income and or indexing was also discussed and presented to the Legislative Council. An ordinance subcommittee has met on this topic. Mr. Godin said the intent was that the relief is for people who need it; \$150,000 given what has been in the past is a modest amount. The Legislative Council received a recommendation with a broad enough range allowing them a lot of flexibility. Mr. Kortze stated the additional senior tax relief is based on

diversity in the community, the benefits the seniors provide and that the senior demographic is the largest and growing. There was also a lot of conversation with the seniors. Despite the fact that the senior communities have received a large tax increase there are very few that benefit from the existing program. The motion passed unanimously.

Mr. Waterbury moved to add \$200,000 to Highway for road improvements. Mr. Godin seconded. Mr. Portnoy believes more money needs to be in road improvements. He is also very concerned about the Board of Education budget and the unsure about the savings in turnover. Mr. Portnoy moved to increase road improvements by \$500,000. Mr. Waterbury seconded. Mr. Filan said the goal of a flat budget is making people realize we have to get by with less. He believes we need more money for roads; we need to find more sources of revenue and savings so that money can be put into our infrastructure. Mr. Waterbury does not want to increase taxes and believes small steps need to be taken. Motion failed: (AYE: Portnoy); (NAY: Waterbury, Godin, Filan, Kortze). The original motion to increase roads by \$200,000 passed unanimously.

Mr. Waterbury moved the Town of Newtown bottom line budget of \$111,066,204 and the estimated revenues of \$11,066,204. Mr. Godin seconded. All in favor.

Mr. Waterbury moved to allow the Finance Director to make any clerical adjustments and report back to the Board of Finance. Mr. Godin seconded. All in favor.

(Att. E)

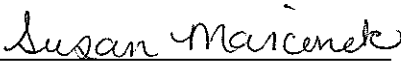
ANNOUNCEMENTS: none.

EXECUTIVE SESSION: Land Acquisition: Mr. Waterbury moved to enter executive session to discuss land acquisition and invited First Selectman Llodra, Mr. Tait and Mr. Sibley to attend. Mr. Filan seconded. All in favor. Executive session was entered into at 8:23pm and returned to regular session at 8:30pm with the following motion: Mr. Waterbury moved to approve and recommend the land acquisition of parcel number 08-07. Mr. Filan seconded. All in favor.

2. Resolution: RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$255,000 FOR THE PURCHASE OF AN APPROXIMATELY 37 ACRE PARCEL OF LAND TO BE HELD AS OPEN SPACE AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2013-14 TO 2017-2018 INCLUSIVE) AND AUTHORIZING THE ISSUANCE OF \$255,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE. Mr. Waterbury waived the reading of the entire resolution and moved the Resolution: RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$255,000 FOR THE PURCHASE OF AN APPROXIMATELY 37 ACRE PARCEL OF LAND TO BE HELD AS OPEN SPACE AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2013-14 TO 2017-2018 INCLUSIVE) AND AUTHORIZING THE ISSUANCE OF \$255,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE (Att. F). Mr. Filan seconded. All in favor.

ANNOUNCEMENTS: none.

ADJOURNMENT: Having no further business the Board of Finance adjourned their regular meeting at 8:36 pm.


Susan Marcinek, Clerk

- Att. A: letter from Joe Kearney
- Att. B: memo from Dr. John Reed (3 pages)
- Att. C: sale of \$6.5 million general obligation bonds
- Att. D: scenarios, 3/12/14, Calculation of Tax Levy (Mill Rate)
- Att. E: motions
- Att. F: Resolution & excerpts

Dear Board of Finance members,

Business related travel prevents me from attending the final BOF vote on the proposed 2014-2015 budgets but I wanted to make my opinion public for the record.

I support both budgets as presented (less any adjustments to correct commodity price changes) and any additional reserves to our medical self insurance plan that were recommended provided that there will be no increase in taxation as a result of those measures.

I also want to acknowledge the difficult task of the BOS and BOE in this budget year and especially the burden placed on Dr Reed to deliver a budget that reflected the challenges of enrollment decline now and in the future. At the same time, I strongly believe that we are making a mistake by not accelerating a process that will reduce our physical school structure footprint (and the associated cost savings that could be realized.)

I was a member of the commission that recommended building a new Sandy Hook school, and I continue to believe that it was the right decision for our town. It does not mean that I believe it is necessary to continue to keep open one or more of our older schools if we can find a more practical alternative. That conversation should be happening now, and I would much rather layoff an aging school than any teachers. I have confidence that we will eventually arrive at the right decision but I worry that we have lost 2 years in unnecessary delays for failure to act on a trend that has been noticeable since 2007-2008 and has become even more acute.

Nevertheless, the 2014-2015 budget is the most responsible I have seen in years and if I were present today, my vote would be YES to both the town and education budgets.

Respectfully Submitted,

Joseph W Kearney
Vice Chairman

Hi John:

Enclosed is some information that I had with me last night to share with the Board of Finance and thought I would just forward it to you. This information is in response to some inquiries that were made at our first meeting on Monday evening.

The first item was prepared by Dr. Gejda in response to the question about cost data for a slide Debbie used mentioning state mandates.

Exclusive of staff time, the following budget figures pertain to district-wide programs, professional development and resources supporting (see Curriculum: pg. 221-225) in the following areas:

Graduation requirements: Content areas requirements (see BOE policy #7-302 "Requirements for Graduation")

Teacher Evaluation (p. 225):

Professional Development: Inter-rater reliability training: \$5,000

Surveys: \$12,000

Northwest Evaluation Association: \$33,000

New statewide testing:

Technology: Infrastructure, hardware, support (see pp. 226-240)

Curriculum revision and resource adoption (including 9-12 science, World Language, business, PE, K-12 social studies, math, ELA: \$218,050)

Professional development (Readers/Writers summer workshops grades K-8: \$44,600)

Student Success Plans:

Naviance (grades 5-12): online program

Professional Development (\$500)

Safe School Climate

Surveys: \$10,000

The second pertains to the question asked about the amounts in the Board budget for anticipated savings from turnover. The column on the left was what was originally requested. The column on the right is sometimes a larger number such as last year when the Board gave me the responsibility of identifying approximately \$106,000 in cuts as a part of the final budget adoption. That amount was added to the budget for savings from turnover. We have met our targets for savings from turnover every year.

YEAR	BOE REQUESTED BUDGET	BOARD OF FINANCE ADJUSTMENT	BOARD OF EDUCATION ADJUSTMENT	APPROVED BUDGET *
2014-15	(\$325,000)			
2013-14	(\$200,000)	(\$17,950)	(\$88,217)	(\$306,167)
2012-13	(\$100,000)			(\$100,000)
2011-12	(\$150,000)		(\$75,110)	(\$225,110)
2010-11	\$0		(\$321,482)	(\$321,482)
2009-10	(\$25,000)		(\$30,316)	(\$55,316)
2008-09	(\$150,000)		(\$76,528)	(\$226,528)

* PRIOR TO ALLOCATION OF SAVINGS TO TEACHER LINES.

The next is a series of questions pertaining to security. Some of these may have been answered that evening.

Are the “net 18 people” (\$) still in the budget?

- In the 2014-2015 budget, we have 12 security personnel. The budgeted amount is \$305,843. We anticipate 6 security guards to be grant funded which brings our total to 18.

Where in the budget are the security people?

- The costs associated with security personnel can be found in general support services.

What is the change in security prior to 12/14 as compared to after 12/14?

- Prior to 12/14 the BOE had 3 security guards located at the high school and one director, totaling 4. During the 2012-13 budget process (January 2013), the BOE added 8 new positions totaling 12. The BOE cost for the additional positions was \$61,204.
- For the 2013-14 budget, the Superintendent increased the security personnel, adding 3 new positions totaling 15. However, we currently have 18 in place, 3 positions being funded by grants. The BOE cost for the additional positions was \$227,150.
- For the 2014-15 budget, the BOE has a total of 12 security personnel. We anticipate 6 to be funded by grants. The BOE cost for the additional positions is \$165,200. The overall reduction of costs is \$61,950 - \$2,690 for a net reduction of \$59,260.

How much of security \$\$ is in the 2013-14 budget?

- Security personnel budgeted costs total \$365,103.

The next pertains to your question about what the \$344,647 stood for in the financial report. The short answer is that was money encumbered for actual known transportation expenses which were deducted from the overall estimated excess cost.

Components of the Excess Cost Reimbursement Grant

2013-2014 excess cost grant was for \$1,452,304. The projected amount to be received is \$1,741,239. We currently have \$344, 647 encumbered in transportation which leaves a balance of \$1,396,592.

<u>Accounts</u>	<u>Tuition</u>	<u>Transportation</u>	<u>Total Grant</u>
Out of District	\$1,089,599	\$311,744	\$1,401,343
Local Special Ed		\$17,087	\$182,916
STARR		<u>\$15,816</u>	<u>\$156,980</u>
Totals		\$344,647	\$1,741,239

From John Reed

2:25:14 p.m. EDST	Upcoming Calendar	Overview	Compare	Summary
-------------------	-------------------	----------	---------	---------

Bid Results

**Newtown (Town)
\$6,500,000 General Obligation Bonds, Issue of 2014**

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input checked="" type="checkbox"/> Reoffering	BOSC, Inc.	2.713651
<input type="checkbox"/>	BMO Capital Markets	2.736910
<input type="checkbox"/>	Roosevelt & Cross, Inc.	2.764452
<input type="checkbox"/>	FTN Financial Capital Markets	2.778788
<input type="checkbox"/>	Janney Montgomery Scott LLC	2.783787
<input type="checkbox"/>	Piper Jaffray	2.787860
<input type="checkbox"/>	Raymond James & Associates, Inc.	2.798086
<input type="checkbox"/>	Robert W. Baird & Co., Inc.	2.802980
<input type="checkbox"/>	Stifel, Nicolaus & Co., Inc.	2.824004

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

© 1981-2002 i-Deal LLC, All rights reserved, [Trademarks](#)

TOWN OF NEWTOWN

“WHAT IF’S” TO THE BOS/BOE PROPOSED BUDGETS
AND THEIR EFFECT ON THE PROPOSED MILL RATE

3/12/2014

ANNUAL BUDGET 2014 - 2015

CALCULATION OF TAX LEVY (MILL RATE)

<u>MILL RATE CALCULATION - 2014 / 2015</u>		2012 List
Millrate Calculation		
▶	TOTAL NET ASSESSMENT (LESS EXEMPTIONS)	a 3,055,134,793
▶	ADD(MINUS) ESTIMATED VALUATION ADJUSTMENTS (BEFORE TAX BILLS GO OUT & DURING THE YEAR)	b (5,000,000)
▶	EFFECTIVE ASSESSMENT ON CIRCUIT BREAKER TAX CREDIT OF	b (4,823,636)
▶	EFFECTIVE ASSESSMENT ON LOCAL CREDITS: NEWTOWN ELDERLY TAX BENEFITS OF	c (45,221,586)
TOTAL TAXABLE NET ASSESSMENT		3,000,089,571
▶	Amount to be raised by taxation (from "current year taxes" - revenue budget)	98,207,176
▶	TAX LEVY - assuming a tax collection rate of (= billed amount) (Amount to be Raised divided by Collection Rate)	d 99,199,167
▶	MILL RATE = (Tax Levy divided by (Taxable Net Assessment / 1,000))	33.07
1 MILL =		3,000,090
PRIOR YEAR MILL RATE =		33.32
EFFECTIVE TAX INCREASE(DECREASE) =		-0.76%
a	PER ASSESSOR REPORT; SEE NEXT PAGE	
b	PER ASSESSOR ESTIMATE	
c	PER TAX COLLECTOR	
d	PER BOARD OF FINANCE	
prior yr taxable net assessment		2,983,053,750
		0.57%

MILL RATE CALCULATION - 2014 / 2015

Millrate Calculation

2012 List

▶	TOTAL NET ASSESSMENT (LESS EXEMPTIONS)	a	3,055,134,793
▶	ADD (MINUS) ESTIMATED VALUATION ADJUSTMENTS (BEFORE TAX BILLS GO OUT & DURING THE YEAR)	b	(5,000,000)
▶	EFFECTIVE ASSESSMENT ON CIRCUIT BREAKER TAX CREDIT OF	b	(4,823,636)
▶	EFFECTIVE ASSESSMENT ON LOCAL CREDITS: NEWTOWN ELDERLY TAX BENEFITS OF	c	(45,221,586)
	TOTAL TAXABLE NET ASSESSMENT		3,000,089,571
▶	Amount to be raised by taxation (from "current year taxes" - revenue budget)		98,607,176
▶	TAX LEVY - assuming a tax collection rate of (= billed amount) (Amount to be Raised divided by Collection Rate)	d	99,603,208
▶	MILL RATE = (Tax Levy divided by (Taxable Net Assessment / 1,000))		33.20
	1 MILL =		3,000,090
	PRIOR YEAR MILL RATE =		33.32
	EFFECTIVE TAX INCREASE(DECREASE) =		-0.36%
a	PER ASSESSOR REPORT; SEE NEXT PAGE		
b	PER ASSESSOR ESTIMATE		
c	PER TAX COLLECTOR		
d	PER BOARD OF FINANCE		
	prior yr taxable net assessment		2,983,053,750
			0.57%

[Yellow Box] = FIELD TO BE INPUTTED; ALL OTHER FIELDS ARE CALCULATED

0.1 MILL =

300,009

MILL RATE CALCULATION - 2014 / 2015

Millrate Calculation

2012 List

➤	TOTAL NET ASSESSMENT (LESS EXEMPTIONS)		a	3,055,134,793
➤	ADD(MINUS) ESTIMATED VALUATION ADJUSTMENTS (BEFORE TAX BILLS GO OUT & DURING THE YEAR)		b	(5,000,000)
➤	EFFECTIVE ASSESSMENT ON CIRCUIT BREAKER TAX CREDIT OF	\$ 160,000	b	(4,923,077)
➤	EFFECTIVE ASSESSMENT ON LOCAL CREDITS: NEWTOWN ELDERLY TAX BENEFITS OF	\$ 1,650,000	c	(50,769,231)
				<u>2,994,442,485</u>
		TOTAL TAXABLE NET ASSESSMENT		
➤	Amount to be raised by taxation (from "current year taxes" - revenue budget)			98,607,176
➤	TAX LEVY - assuming a tax collection rate of (= billed amount) (Amount to be Raised divided by Collection Rate)		d	99,603,208
➤	MILL RATE = (Tax Levy divided by (Taxable Net Assessment / 1,000))			33.26
		1 MILL =		2,994,442
		PRIOR YEAR MILL RATE =		33.32
		EFFECTIVE TAX INCREASE(DECREASE) =		-0.17%
a	PER ASSESSOR REPORT; SEE NEXT PAGE			
b	PER ASSESSOR ESTIMATE			
c	PER TAX COLLECTOR			
d	PER BOARD OF FINANCE			
		prior yr taxable net assessment		2,983,053,750
				0.38%

[Yellow Highlight] = FIELD TO BE INPUTTED; ALL OTHER FIELDS ARE CALCULATED

0.1 MILL =

299,444

MILL RATE CALCULATION - 2014 / 2015

Millrate Calculation

	<u>2012 List</u>
➤ TOTAL NET ASSESSMENT (LESS EXEMPTIONS)	a 3,055,134,793
➤ ADD(MINUS) ESTIMATED VALUATION ADJUSTMENTS (BEFORE TAX BILLS GO OUT & DURING THE YEAR)	b (5,000,000)
➤ EFFECTIVE ASSESSMENT ON CIRCUIT BREAKER TAX CREDIT OF	b \$ 160,000
➤ EFFECTIVE ASSESSMENT ON LOCAL CREDITS: NEWTOWN ELDERLY TAX BENEFITS OF	c \$ 1,650,000
	<hr/> TOTAL TAXABLE NET ASSESSMENT <hr/>
➤ Amount to be raised by taxation (from "current year taxes" - revenue budget)	98,807,176
➤ TAX LEVY - assuming a tax collection rate of (= billed amount) (Amount to be Raised divided by Collection Rate)	d 99.0%
➤ MILL RATE = (Tax Levy divided by (Taxable Net Assessment / 1,000))	33.32
	1 MILL = 2,995,797
a PER ASSESSOR REPORT; SEE NEXT PAGE	PRIOR YEAR MILL RATE = 33.32
b PER ASSESSOR ESTIMATE	EFFECTIVE TAX INCREASE(DECREASE) = -0.01%
c PER TAX COLLECTOR	
d PER BOARD OF FINANCE	prior yr taxable net assessment 2,983,053,750 0.43%

➤ = FIELD TO BE INPUTTED; ALL OTHER FIELDS ARE CALCULATED

**TOWN OF NEWTOWN
NEW REVENUE ESTIMATES IN THE 2014-15 BUDGET VS. WHAT IF'S**

NEW REVENUES IN THE 2014-15 BUDGET:	562,000	Before BAA
INCREASE IN THE GRAND LIST (NEW REAL PROPERTY & MOTOR VEHICLES)		
INCREASE IN REVENUE ESTIMATES:		
SUPPLIMENTAL MOTOR VEHICLE	275,000	
STATE PAYMENTS	152,000	
CHARGES FOR SERVICES	(80,000)	
INTEREST ON INVESTMENTS	(25,000)	
	884,000	
TOTAL NEW REVENUES IN THE 2014-15 BUDGET		

WHAT IF'S:

ADDITIONAL AMOUNT TO MEDICAL SELF INSURANCE	400,000
ADDITIONAL ELDERLY TAX CREDIT	150,000
ADDITIONAL AMOUNT TO TOWN ROADS	200,000
	750,000
ADD BOARD OF SELECTMEN PROPOSED BUDGET INCREASE	117,000
	867,000

NOTE: SCHOOL SECURITY OFFICERS ADDED TO BOS BUDGET WILL BE OFFSET BY INCREASED REVENUE ESTIMATES (FEDERAL GRANT REVENUE)

"WHAT IF" INCREASES DO NOT INCREASE THE MILL RATE BECAUSE THEY ARE COVERED BY NEW REVENUES .

BOF - POSSIBLE MOTIONS - 3/13/2014

1	SSO'S ADDED TO BOS BUDGET	PROPOSED ADJUSTMENT	BOS/BOE		BOF RECOMMENDED
			PROPOSED	RECOMMENDED	
	POLICE				
	1-101-12-310-5140-0000	243,262	-	243,262	243,262
	1-101-12-310-5220-0000	18,610	289,870	308,480	308,480
	1-101-12-310-5290-0000	1,508	59,250	60,758	60,758
	1-101-12-310-5746-0000	16,000	20,000	36,000	36,000
		<u>279,380</u>			
	INTERGOVERNMENTAL REVENUES				
	2-101-02-200-4290-0000	279,380	-	279,380	279,380
	OTHER FEDERAL GRANTS				

2	INCREASE ROAD IMPROVEMENTS				
	HIGHWAY				
	1-101-13-500-5735-0000	200,000	1,000,000	1,200,000	1,200,000
	ROAD IMPROVEMENTS - PUBLIC				

3	INCREASE CONTRIBUTION TO MEDICAL SELF INSURANCE FUND				
	MEDICAL SELF INSURANCE:				
	1-101-11-270-5210-0000	100,000	57,405	157,405	157,405
	GROUP INSURANCE				
	Will distribute amount to the various departments				
	1-101-17-900-5890-0000	300,000	71,045,304	71,345,304	71,345,304
	BOARD OF EDUCATION BUDGET				

	TOTAL BUDGET	879,380	110,186,824	111,066,204	0.91%
--	--------------	---------	-------------	-------------	-------

4 INCREASE ELDERLY CREDIT AMOUNT OF \$1,500,000 BY \$150,000 TO \$1,650,000 ON THE TAX LEVY (MILL RATE) CALCULATION SHEET (IN THE BUDGET DOCUMENT).

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$255,000 FOR THE PURCHASE OF AN APPROXIMATELY 37 ACRE PARCEL OF LAND TO BE HELD AS OPEN SPACE AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2013-14 TO 2017-2018 INCLUSIVE) AND AUTHORIZING THE ISSUANCE OF \$255,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$255,000 is a special appropriation made pursuant to Chapter 6, Section 6-30 (a), (b) and (c) of the Town Charter of the Town of Newtown (the "Town") for the purchase of an approximately 37 acre parcel of land, otherwise known as "Property #08-07", to be held as open space, as authorized in the Capital Improvement Program (2013-14 To 2017-2018 Inclusive) and for administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof.

Section 2. To meet said appropriation, \$255,000 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of the State of Connecticut, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Financial Director, and the amount of bonds of each series to be issued shall be fixed by the Financial Director, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of State and Federal grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of the bonds outstanding at the time of the issuance thereof, and to pay for the costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Financial Director, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds including approval of the rate or rates of interest shall be determined by the First Selectman and the Financial Director, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman and the Financial Director in a competitive offering and the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. To the extent required by the Charter of the Town of Newtown, bids shall be solicited from at least three lending institutions. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds.

Section 4. The First Selectman and the Financial Director are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the First Selectman and the Financial Director, have the seal of the Town affixed, be payable at a bank or trust company designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. They shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The First Selectman or his designee is authorized in the name and on behalf of the Town to apply for and accept any and all Federal and State loans and/or grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith to contract in the name of the Town with sellers, engineers, contractors and others.

Section 6. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount and for the Project with the proceeds of bonds or bond anticipation notes or other obligations ("Tax Exempt Obligations") authorized to be issued by the Town. The Tax Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Financial Director or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax Exempt Obligations, and to amend this declaration.

Section 7. The First Selectman and the Financial Director are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 8. The First Selectman is hereby authorized, on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

3 Primrose Street
Newtown, CT 06470
203-270-4351
Fax: 203-270-4278
rob.sibley@newtown-ct.gov



*Robert Sibley
Deputy Director
Planning and Land Use*

TOWN OF NEWTOWN

Date: March 10, 2014

To: John Kortze, Chair of Board of Finance

From: Rob Sibley, Land Use Deputy Director

RE: Property #08-07:

Total Acres – 36.89

The Conservation Commission and I wish to apply for the state matching grant for OS, which is due by March 31st. We have identified an existing 37± acre parcel, which we have had on the OS list since 2008, and is currently on the market. The parcel has been recommended to be acquired by the Conservation Commission, Board of Selectmen and the Planning and Zoning Commission.



The parcel links and abuts current town-owned open space, and it would create a 70± acre preserve. The parcel has been rated and recommended by the CC with emphasis on the scenic, aesthetic, protection of water quality and linkage to other protected lands.



Two appraisals were commissioned for the grant, meeting the Uniform Appraisal Standards for Federal Land Acquisitions standard. The new values established were between \$220,000.00 and \$290,000.00.

The owner has tentatively accepted an offer of **\$255,000.00**.

The current fund for OS (\$200,000) in the CIP (13-14) and remaining OS money (\$168,000) we have in the town account is sufficient to cover a contracted cost of \$255,000. If we are awarded the grant, it would reimburse the town 60% (\$153,000) of the cost of the property. In order to apply for the grant we have to have an approved contract agreement for purchase before March 31.

I am requesting the amount **\$255,000.00** be bonded, to be reduced by any received grants or pre-existing OS funds. I am further requesting that the BOF recommend for purchase said property OS (#08-07).

Excerpt for Minutes of Board of Finance Meeting
to be held March 13, 2014

A meeting of the Board of Finance of the Town of Newtown was held in the Council Chamber of the Newtown Municipal Center on March, 13, 2014, at 7 o'clock P.M. (E.D.T.).

* * *

Members present and absent were as follows:

<u>Present</u>	<u>Absent</u>
John Kortze	Joseph Kearney
Harrison Waterbury	
Michael Portnoy	
James Filan, Jr.	
John Godin	

* * *

Mr. Waterbury introduced and read the following resolution:

RESOLVED: That the resolution entitled "Resolution Providing For A Special Appropriation In The Amount Of \$255,000 For The Purchase Of An Approximately 37 Acre Parcel Of Land To Be Held As Open Space As Authorized In The Capital Improvement Program (2013-14 To 2017-2018 Inclusive) And Authorizing The Issuance Of \$255,000 Bonds Of The Town To Meet Said Special Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose", a copy of which is attached hereto, is hereby adopted and recommended to the Legislative Council for consideration and action, said special appropriation was requested in a letter dated March 10, 2014 from Rob Sibley, Land Use Deputy Director, a copy of which is attached hereto, in accordance with Chapter 6, Section 6-30 (a), (b) & (c) of the Town Charter.

Mr. Waterbury moved that said resolution be adopted as introduced and read and the motion was seconded by Mr. Filan, Jr. Upon roll call vote the ayes and nays were as follows:

<u>AYES</u>	<u>NAYS</u>
John Godin	
James Filan, Jr.	
John Kortze	
Harrison Waterbury	
Michael Portnoy	

Mr. Kortze thereupon declared the motion carried and the resolution adopted.

* * *