

**Town of Newtown Legislative Council Regular Meeting
Wednesday, February 6, 2013
3 Primrose Street, Newtown, CT**

PRESENT: Jeff Capeci, Mary Ann Jacob, George Ferguson, Joseph Girgasky, Daniel Honan, Kathy Fetchick, Dan Amaral, Neil Chaudhary, Dan Wiedemann, Paul Lundquist, Phil Carroll **ABSENT:** Bob Merola

ALSO PRESENT: First Selectman Pat Llodra, Finance Director Robert Tait, John Kortze (BOF), State Rep Mitch Bolinsky, Barry Bernabe (Webster), Joseph Centofanti (CohnReznick), Melissa Boone (CohnReznick), Curt Symes (COA), Ed Shanley, 3 members of press, Jan Andras (Clerk)

Chairman Capeci called the meeting to order at 7:30 p.m. with the Pledge of Allegiance.

VOTER PARTICIPATION: None noted at this time.

APPROVAL OF MINUTES: Upon motion by Ms. Jacob, the minutes of the 12/5/12 Regular Meeting and the 12/17/12 Emergency Meeting were unanimously approved. Upon motion by Ms. Jacob, the minutes of the 1/2/13 Special Meeting were unanimously approved. (Date was erroneously listed as 1/3 on minutes)

COMMUNICATIONS: Council members have received numerous e-mails of support for a budget with enhanced security for schools. Mr. Capeci received a memo from the First Selectman regarding a committee to determine the process followed to come to a conclusion on what to do with the Sandy Hook School. Along with members from the BOF, BOE and BOS, the Council will be represented by Ms. Jacob, Ms. Fetchick and Mr. Chaudhary.

COMMITTEE REPORTS: Finance – Mr. Ferguson reported that the committee met tonight to discuss the CIP, which they agreed to pass as presented. Education – Ms. Fetchick reported that the BOE met last night and passed a budget with a 6.26% increase. They removed \$250,000 from building and site maintenance and increased security officers by \$82,000. Charter Revision Charge – Mr. Wiedemann reported that the committee should be finished after one more meeting.

FIRST SELECTMAN'S REPORT: The Board of Selectmen have completed their budget review and passed on to the BOS a recommended budget with a 1.92% increase. That does not include any of the recommendations that may come as a comprehensive approach to school security. Ms. Llodra has asked that a proposal be drafted in comprehensive form as a separate document. At the end of the process, costs can be apportioned to the respective budgets.

Ms. Llodra distributed a memo from Town Counsel regarding a property that is being proposed for "purchase" due to tax foreclosure. The Charter is unclear as to the role of the Legislative Council and the BOS. If the Council believes that they have a role, she will bring this matter to them for approval.

Bids were opened for Phase 1 for Hawley School boiler replacement. All bids were below the estimates. This will require a special appropriation which will be processed through the BOS, BOF and Council.

NEW BUSINESS

2011-12 Comprehensive Annual Financial Report

Mr. Joseph Centofanti and Ms. Melissa Boone of Cohn Reznick gave a presentation on the annual audit for the year ended 6/30/12. All Council members had received a copy prior to this meeting.

Ms. Jacob moved to accept the Town of Newtown 2011/2012 Comprehensive Annual Financial Report as presented. Motion seconded and unanimously carried.

Presentation on Financial Best Practices

Mr. Barry Bernabe, VP, Government Banking Group, Webster Bank gave a presentation on interest rate outlook, debt analysis and a credit overview. Mr. Bernabe, the Town's Financial Advisor, stated that Newtown has put a lot of effort into handling debt management but still has the lowest Fund Balance percentage of towns with the Aa1 Rating.

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.

Ms. Jacob moved the following: BE IT RESOLVED that the Legislative Council 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 donations that will benefit individuals (victims' families/scholarships). BE IT FURTHER RESOLVED that expenditures from these funds be formally authorized and appropriated by the Board of Education for funds donated for education purpose and by the Board of Finance and Legislative Council for funds donated for public purposes other than education. Motion seconded and unanimously carried.

Resolution- Special Appropriation - Victims of Sandy Hook Tragedy

Ms. Jacob moved the Resolution Providing For A Special Appropriation In The Amount Of \$78,485.87 For Equal Distribution To The Families Of The Twenty-Eight Victims Of The Sandy Hook School Incident Occurring On December 14,2012 and Authorizing Such Distribution Is To Be Financed From The Sandy Hook Private Purpose Trust Fund (#34) (copy attached to these minutes). Motion seconded and unanimously carried.

Charter Revision

After discussion, it was decided that there are too many other important issues to be resolved at this time and that the convening of another Charter Revision Committee should wait until after the November elections. However, the Charge Committee will continue to develop a charge to be passed on to the next Council.

Newtown Gift Policy

Ms. Jacob moved to ask the Board of Selectmen to consider the proposed gift policy as presented (attached to these minutes) and to adopt as a Policy. Motion seconded and unanimously carried.

VOTER COMMENT: None noted

ANNOUNCEMENTS: None noted.

Having no further business, the meeting was adjourned at 9:45 p.m.



Jan Andras
Recording Secretary

att: Resolution
Proposed Gift Policy

These are draft minutes and as such are subject to correction by the Legislative Council at the next regular meeting. All corrections will be determined in minutes of the meeting at which they were corrected.

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$78,485.87 FOR EQUAL DISTRIBUTION TO THE FAMILIES OF THE TWENTY-EIGHT 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).

WHEREAS, the Town of Newtown, Connecticut and Newtown Board of Education (collectively, the "Town") received donations for the benefit of the families of the victims of the Sandy Hook School incident occurring on December 14, 2012 (the "Sandy Hook School Incident");

WHEREAS, the Town has established a private purpose trust fund for the deposit and safekeeping of such donations (the "Sandy Hook Private Purpose Trust Fund (#34)");

WHEREAS, the Town has deposited all funds donated for such purpose into the Sandy Hook Private Purpose Trust Fund (#34); and

WHEREAS, the Town now wishes to distribute \$78,485.87 of the donated funds and funds to be received in the future equally to the affect families.

NOW, THEREFORE, BE IT RESOLVED, by the Newtown Legislative Council on this the 6th day of February, 2013 at their regularly scheduled meeting:

Section 1. The Town hereby appropriates the sum of \$70,828.68 and any additional income to be received in the future from the Sandy Hook Private Purpose Trust Fund (#34) to be distributed equally among the families of the twenty-eight victims of the Sandy Hook School Incident.

Section 2. The [Financial Director] is hereby authorized, on behalf of the Town, to (i) verify the identity and authority of the designated payees to receive the fund and (ii) do all acts necessary for the consummation of the transactions contemplated by this resolution.

Section 3. The sum of \$78,485.87 is a special appropriation made pursuant to the provisions of Chapter 6, Section 6-30, of the Town Charter.

Town of Newtown - Proposed Gift Policy (for CoA/NSC, etc.)

(Updated Draft by Curt Symes - 10/2/12 - 4 Pages with 6 Sections)

Updated by Jeff Capeci – 2/4/12 After LC Review

Policy for Gifts to Newtown

(Approved - MM/DD/YY; Amended - MM/DD/YY)

1. Purpose.
2. General and Administrative Procedures.
3. Monetary Donations.
4. Nonmonetary Gifts.
5. Criteria for Acceptance of Gifts; Tax Considerations.
6. Naming as a Condition.

1. Purpose.

The purpose of this Gift Policy is to establish uniform procedures to govern the donation to and receipt by the town of gifts of money or of value from citizens, foundations, business concerns and others, both for specific purposes and for general use by the town. It complements the information contained in Sections 6-100a and 7-90b of the Newtown Charter, adopted October 2, 1961, amended to April 22, 2008 ("Charter").

2. General and Administrative Procedures.
 - A. When a donor offers a gift greater than \$1,000 to the town, the donor shall submit a letter, or Newtown pledge card, designating the purpose and conditions, if any, of the gift. Such letter shall be submitted to the Legislative Council which shall thereupon secure any additional information pertinent to the decision whether to accept the gift.
 - B. All gifts shall be submitted to the Legislative Council to be placed on the agenda for the next available meeting. Gifts shall not be considered as received until formal action is taken by the Legislative Council to accept them notwithstanding any other actions which may have been taken. Gifts below \$1,000 may be applied to either the Town's general purposes or the general purposes of the fund or commission to which they are given.
 - C. The Town of Newtown will not establish a special purpose fund for gifts of less than \$10,000.

- D. Donors to a program, department or the Town shall be thanked and advised that their gift will be forwarded to the Legislative Council for formal acceptance and that this policy is in the mutual interest of the Town and Donor. In determining whether to accept a gift, the Legislative Council will base its determination upon whether the gift is in the best interests of the town and the community at large.
- E. All gifts of \$100 or more will be formally acknowledged by either the First Selectman, appropriate Commission Chair, or a Department head, as determined by the First Selectman.
- F. The Legislative Council is empowered, on behalf of the town to devote, apply, expand or utilize such gifts to such purposes and with such restrictions, if any, as may have been established by the donor; and to take all necessary and appropriate actions to accomplish the purpose set forth by the donor. If no special purposes have been set forth, funds shall be deposited in the general fund.
- G. The Legislative Council shall be empowered to remove, dispose of, or modify those gifts that become unwanted or obsolete as conditions warrant.
- H. Individuals desiring anonymity shall so state in writing, in which event the town will undertake to preserve their anonymity.
- I. The Legislative Council encourages all gifts no matter how large or small but reserves the right to specify the manner in which gifts are made, to define the type of gift which it considers appropriate, and to reject those which it deems inappropriate or unsuitable.
- J. At the conclusion of each fiscal year, the Financial Director shall compile a list of all gifts accepted by the town during the preceding fiscal year. All such gifts will be acknowledged in the Town's printed annual report, subject to space limitations making this impractical, unless the donor has indicated that they wish to remain anonymous.
- K. Any gifts to the (Board of Education, Newtown Senior Center, Newtown Park & Rec, Booth Library, etc.) which directly impact the financial position of the Town or Town-owned property shall be reviewed in accordance with this policy and its administrative procedures.
- L. Recognition of individual donor gifts in the form of a Letter, Legacy Society, etc. shall be the responsibility of each individual town entity participating in a cooperative Town wide process to be managed by a designee(s) of the First Selectman.

3. Monetary Donations.
 - A. All monetary gifts over \$1,000 must be approved by the Legislative Council with a recommendation from the Board of Finance, per Section 7-90b of the Charter, after a Financial Impact Statement, prepared by the Financial Director, has been received by the Board of Finance and Legislative Council.
 - B. Contributors of \$1,000 or more to the town, either in cash or deferred payment, shall provide a letter or pledge card properly designating the purpose and conditions, if any, of the gift. Individuals desiring anonymity shall so state, in which event the town will undertake to preserve their anonymity. (Redundant but OK)
 - C. Monetary gifts shall be deposited into either the town General Fund or the designated Commission Gift Fund pending acceptance of the gift by the Legislative Council.
4. Nonmonetary Gifts.
 - A. A nonmonetary gift to the Town shall only be accepted after approval by the Board of Selectman or the Board of Education and the approval of the Legislative Council. Contributors shall execute a document properly designating the purpose and conditions, if any, of the gift or giving the town the right to use the gift in its sole and absolute discretion and relinquishing any future claim to the gift.
 - B. A nonmonetary gift to the town of real estate or of a structure which is intended to be permanently placed on town property shall be accepted only upon the prior approval of the Legislative Council. All such gifts must secure any necessary approval pursuant to CGS §8-24 by the Planning and Zoning Commission, and must also secure any necessary approvals from other land use agencies and a Financial Impact Statement.
 - C. All gifts to the town which are works of art shall be referred to the Cultural Arts Commission which shall forward its written recommendation as to acceptance and placement of the work of art to the Legislative Council. It is the responsibility of the donor of such gifts to consult with their advisors to determine the appropriateness of the gift.
5. Criteria for Acceptance of Gifts, Tax Considerations.
 - A. In considering whether to approve acceptance of such a gift, the Legislative Council shall consider the following:
 - (1) Whether the gift is appropriate for a public building, facility or parcel of land.
 - (2) Whether the gift is being offered by a donor who is acceptable to the reviewing entity.

- (3) Whether the gift will benefit the town and the community.
- (4) Whether there is space in a public facility to accommodate it.
- (5) Whether there are maintenance, repair or other recurring costs involved and, if so, how they will be funded.
- (6) Whether there are insurance costs associated with receiving and maintaining the gift and, if so, how they will be funded.
- (7) Whether the gift will begin a program or service which the town would be unwilling to take over when the gift or grant funds are exhausted.
- (8) Whether receipt of the gift may conflict in any way with the town's ethical, moral or purchasing policies.
- (9) Whether any conditions attached to the gift conflict with or in any way commit the town to a course of action which conflicts with town policies, plans, practices, ordinances, standards, or state or federal laws or regulations.

B. The town will not evaluate gifts for tax purposes. The First Selectman or accepting entity (Commission, etc.), shall acknowledge the receipt of gifts of \$100 or more. The First Selectman shall specify the form and method of this acknowledgement and it may include email. It is the responsibility of the donor of such gifts to consult with their advisors to determine the appropriateness of the gift.

6. Naming as a Condition attached to a gift.

- A. In considering whether to approve naming a property, the reviewing entity shall make a finding that, in light of all the circumstances, it is in the best interests of the town to honor the condition of naming.
- B. All gifts dedicated to the memory of an individual may be recognized in an appropriate manner, to be approved by the Donor, and Board of Selectman or Board of Education, and the Legislative Council.

AMENDMENTS TO POLICY FOR GIFTS TO TOWN (Amendment Number & Date, specified as MM/DD/YY)