

Board of Selectman
January 29, 2014

THESE MINUTES ARE SUBJECT TO APPROVAL BY BOARD OF SELECTMEN

The Board of Selectmen held a regular meeting Wednesday, January 29, 2014 in the Council Chamber of the Municipal Center, Newtown. First Selectman Llodra called the meeting to order at 7:30 pm.

PRESENT: First Selectman Llodra, Selectman William F.L Rodgers, Selectman James Gaston, Sr.

ALSO PRESENT: Robert Tait, Fred Hurley, Ron Bolmer, Elizabeth Stocker, Don Sharpe, Paul Mangiafico, members of Westport Resources, members of the Pension Committee, Margot Hall; Carole Ross, members of the Library Board, five members of the public and two members of the press.

VOTER PARTICIPATION: none.

ACCEPTANCE OF THE MINUTES: Selectman Rodgers moved to accept the regular meeting minutes of January 22, 2014. Selectman Gaston seconded. All in favor.

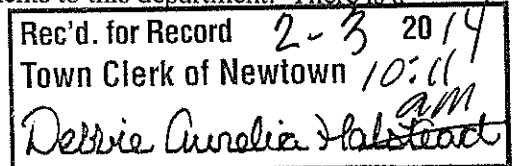
COMMUNICATIONS: Mr. Rodgers stated there was a noticeable difference in the roads in Monroe vs. Newtown after a recent storm and commended the public works department for doing a good job.

FINANCE DIRECTOR REPORT: none

UNFINISHED BUSINESS:

Discussion and possible action:

1. **2014-2015 Budget: Economic Development Commission (Att.)** – First Selectman Llodra is in support of an increase of \$5,000 for fees and professional services; the EDC requested an increase of \$10,000. Mr. Sharpe requested short term funding of \$30,000 to attract development and hire an additional consultant. **Police (Att.):** Mr. Mangiafico explained the increase in the budget is due to pension contribution and insurance. **Edmond Town Hall Board of Mangers (Att.)** - First Selectman Llodra explained the reduction in the budget is because the revenue allows the operational challenges to be met and the fund balance has an excess of \$300,000. The ETH is also in the CIP. **C.H. Booth Library (Att.)** – Mr. McCarthy said the request was for an increase of \$143,000 which was then modified to an increase of \$60,000 but then reduced by the First Selectman and Finance Director to an increase of \$30,000. First Selectman Llodra stated if she can find the opportunity to increase the \$30,000 to get the library closer to the \$60,000 she would be more than willing. Ms. Robilotti said the library has more hours than other area libraries; reducing hours will also mean reducing staff. Closing the library on Sunday's year around will save \$19,000. The intention was to hire a non-degreed, part time position which was a position vacated eight years ago. Ms. Harrison said it is a critical position, a circulation desk supervisor; this position, in most libraries, is a master degree level job. A position for community outreach is being requested; someone to do fundraising, grants, community outreach to seniors, businesses. The position will eventually pay for itself in fundraising. Mr. McCarthy noted the saving from the departure of the director will be used partly for flooding items and possibly for a consultant involved in the search for a new director. Through the 12/14 tragedy money was received for the Books Heal Hearts program; the money was used to purchase books. Money was also put into an individual account to be used for expenses related to programs with prominent speakers. Selectman Rodgers suggested explaining, to the Legislative Council the limited purposes for dedicated funds. First Selectman Llodra suggested the board develop strong fiscal policies in terms of dedicating funds to the capital account. The Library is in the CIP so the town can be the safety net. The Friends of the Library is tracked separately and has not been reflected in the budget; First Selectman Llodra said it is better to know all expenses and the revenues for the Library. **Highway (Att.)** - The transfer station has a reduction due to unit prices. Increases are contractual, social security and salaries. There is now a better handle on Public Building Maintenance costs; utility costs were shifted from other departments to this department. There is a



Board of Selectman
January 29, 2014

\$51,408 decrease in salaries because a position left vacant by a retiree will not be filled. Mr. Hurley said due to shared cooperation the town will get help from the Board of Education maintenance staff if needed. Contractual services include two line items put together. Highway fees and professional services are reduced because of money put in for the investment grade audit and the professional oversight. Contractual overlay may be different in the spring; one road may take precedence over another. First Selectman Llodra requested priorities be established. There is a commitment to the Sandy Hook Streetscape to finish Washington Avenue, Riverside Road and Glen Road; those monies are set aside. Overlay is not lasting as long; this is a problem in other municipalities as well as state. Studies in NY are being conducted. FEMA reimbursements do not mean all the money allotted was not spent.

The following bottom line motions were moved by Selectman Rodgers, seconded by Selectman Gaston and unanimously approved:

Selectman	\$ 342,071
Selectman - Other	\$ 233,069
Human Resources	\$ 113,773
Registrars	\$ 127,899
Assessor	\$ 260,710
Finance	\$ 507,918
Building Department	\$ 404,869
Land Use	\$ 617,035
NW Conservation Dist.	\$ 1,500
Technology	\$ 501,206
Lake Authorities	\$ 48,506
Cultural Arts	\$ 5,000
Emergency Med. Serv.	\$ 270,000
Parade Committee	\$ 1,000
Highway	\$ 6,473,711
Winter Maintenance	\$ 707,118
Economic Development	\$ 152,666

The following bottom line motions were moved by Selectman Gaston, seconded by Selectman Rodgers and unanimously approved.

Tax Collector	\$ 336,059
Probate	\$ 6,686
Town Clerk	\$ 298,716
Social Services	\$ 142,905
Senior Center	\$ 313,454
Health District	\$ 384,364
Newtown Youth & Fam.	\$ 298,208
Sustainable Energy	\$ 5,000
NW Safety Comm.	\$ 9,783
NW CT EMS Council	\$ 250
Board of Managers – ETH	\$ 99,719
Transfer Station	\$1,475,810
Public Bldg & Maint.	\$ 786,090

2. Newtown Parent Connection: This item will be carried.

3. **Business Incentive Program, Lexington Village:** Ms. Stocker reported that at the special Economic Development meeting on January 28 there was a greater, more in depth conversation about the subject incentive. They decided to maintain the incentive at 45% but extend it from three years to seven years given the privately funded improvements for the public good including the traffic light on Church Hill Road, road widening to accommodate that improvement; an improvement to the Chase building that is already on site and the connection between the Caraluzzi parking lot and the Lexington Village parking lot. The improvements total \$450,000-\$500,000. There was no specific calculation to incentive; the EDC felt it was appropriate for this project. Mr. Sharpe said the town incentive plan is small compared to other towns and the EDC is trying to work to attract more businesses. Mr. Rodgers moved the business incentive of the Economic Development Commission (Att.). Selectman Gaston seconded. All in favor.

NEW BUSINESS:

Discussion and possible action:

1. **Pension Committee Update (Att.):** John Vaccaro, Joseph Tatusko and Christopher DeLaura of Westport Resources were present to update the board. First Selectman Llodra noted that the board relies on Westport Resources for guidance relative to assumptions. Mr. DiCandido stated the portfolio is conservative as dictated by the Pension Committee; he believes we should do away with the defined benefit program. The Pension Committee agreed to return in September 2014.
2. **Appointments/Reappointments:** none.
3. **Driveway Bond Release:** none.
4. **Tax Refunds:** none.

VOTER COMMENTS: none.

ANNOUNCEMENTS: A Town Meeting will be held, likely on February 13, relative to the Hawley Sewers. This will be verified at the Feb. 3 meeting.

ADJOURNMENT: Having no further business the Board of Selectmen adjourned their regular meeting at 10:40 pm.

Respectfully submitted,



Susan Marcinek, Clerk

Attachments: Economic Development Commission budget, Police budget, Edmond Town Hall Board of Mangers budget, Library budget (3 pages), Highway budget (3 pages), Public Building & Maintenance budget, Lexington Village tax incentive, pension presentation (23 pages)

ANNUAL BUDGET 2014 - 2015

ECONOMIC & COMMUNITY DEVELOPMENT BUDGET

ECONOMIC & COMMUNITY DEVELOPMENT	2011 - 2012		2012 - 2013		2013 - 2014		2014 - 2015 BUDGET		BOF		LC ADOPTED	CHANGE		
	ACTUALS		ACTUALS		ADOPTED		AMENDED		PROPOSED			RECOMMENDED		%
SALARIES & WAGES - FULL TIME	85,812	87,410	88,925	88,925	88,925	88,925	88,925	90,481				1,556	1.75%	
SALARIES & WAGES - PART TIME	-	-	-	-	-	-	-	-				-		
GROUP INSURANCE	952	2,955	3,014	3,014	3,014	3,014	3,014	3,051				37	1.23%	
SOCIAL SECURITY CONTRIBUTIONS	6,574	6,621	6,803	6,803	6,803	6,803	6,803	6,922				119	1.75%	
RETIREMENT CONTRIBUTIONS	4,003	3,931	3,570	3,570	3,570	3,570	3,570	4,562				992	27.78%	
FEES & PROFESSIONAL SERVICES	18,453	39,996	41,000	41,000	41,000	41,000	41,000	46,000				5,000	12.20%	
DUES, TRAVEL & EDUCATION	1,646	1,691	1,650	1,650	1,650	1,650	1,650	1,650				-	0.00%	
	117,440	142,604	144,962	144,962	144,962	144,962	144,962	152,666				7,704	5.31%	

ANNUAL BUDGET 2014 - 2015

POLICE BUDGET

	2011 - 2012		2012 - 2013		2013 - 2014		2014 - 2015 BUDGET							
	ACTUALS		ACTUALS		ADOPTED	AMENDED	ESTIMATED	1st SELECTMAN PROPOSED	BOS PROPOSED	BOF RECOMMENDED	LC ADOPTED	CHANGE \$	CHANGE %	
POLICE														
SALARIES & WAGES - FULL TIME	3,475,300		3,550,677		3,661,035	3,661,035	3,661,035	3,661,035					(29,344)	-0.80%
SALARIES & WAGES - PART TIME	-		-		-	-	-	-					-	-
SALARIES & WAGES - SEASONAL	16,344		12,197		16,758	16,758	16,758	16,758					700	4.18%
SALARIES & WAGES - TEMPORARY			-		-	-	-	-					-	-
SALARIES & WAGES - OVERTIME	131,908		129,999		135,000	135,000	135,000	135,000					5,000	3.70%
GROUP INSURANCE	813,047		763,102		799,971	799,971	799,971	799,971					29,896	3.74%
SOCIAL SECURITY CONTRIBUTIONS	277,597		283,489		291,480	291,480	291,480	291,480					(1,610)	-0.55%
RETIREMENT CONTRIBUTIONS	514,960		530,277		560,418	560,418	560,418	560,418					68,974	12.31%
OTHER EMPLOYEE BENEFITS	58,421		53,846		52,700	52,700	52,700	52,700					6,550	12.43%
SOFTWARE/HARDWARE	156,940		170,879		176,145	176,145	176,145	176,145					9,745	5.53%
OTHER PURCHASED SERVICES	15,800		17,417		17,400	17,400	17,400	17,400					-	0.00%
CONTRACTUAL SERVICES	87,374		97,603		104,296	104,296	104,296	104,296					1,039	1.00%
DUES, TRAVEL & EDUCATION	36,466		35,589		37,500	37,500	37,500	37,500					2,500	6.67%
MACHINERY & EQUIPMENT - VEHICLES	75,806		105,600		101,000	101,000	101,000	101,000					10,000	9.90%
POLICE EQUIPMENT	16,931		19,824		20,000	20,000	20,000	20,000					-	0.00%
CAPITAL	15,600		-		30,600	30,600	30,600	30,600					(600)	-1.96%
OTHER EXPENDITURES	4,467		10,299		4,500	4,500	4,500	4,500					-	-
	5,696,961		5,780,798		6,008,803	6,008,803	6,008,803	6,008,803					102,851	1.71%

ANNUAL BUI GET 2014 - 2015

DEPARTMENT: TOWN HALL BOARD OF MANAGERS

TOWN HALL BOARD OF MANAGERS BUDGET

	2011 - 2012				2012 - 2013		2013 - 2014		2014 - 2015 BUDGET				
	ACTUALS		ACTUALS		ACTUALS		AMENDED		1st SELECTMAN		BOS		LC
									PROPOSED	RECOMMENDED	ADOPTED	CHANGE	
TOWN HALL BOARD OF MANAGERS													
GROUP INSURANCE	53,248		51,626	45,870	45,870				47,615			1,745	3.80%
RETIREMENT CONTRIBUTIONS	3,698		3,659	1,686	1,686				2,104			418	24.79%
CONTRIBUTIONS TO OUTSIDE	165,000		147,000	93,000	93,000				50,000			(43,000)	-46.24%
	221,946		202,285	140,556	140,556				99,719			(40,837)	-29.05%

ACCOUNT DETAIL

Group Insurance; Retirement Contributions: Group Insurance – This amount includes medical benefits, life insurance and long term disability. The medical benefit piece reflects the amount charged by the Medical Self Insurance Fund for the employer's share of employee medical benefit costs. See the Medical Self Insurance Fund section, starting on page 311, for a breakdown of medical benefit costs and the distribution of costs to the various departments. The life insurance piece reflects the cost of the life insurance benefit per union contract. The long term disability piece reflects the cost of the long term disability benefit per union contract. Retirement Contributions – this amount reflects a portion of the annual required contribution (ARC) that is needed to properly fund the pension plan. The ARC is expressed as a percent of payroll. See the Pension Fund section starting on page 309 for a description of the pension plans and a breakdown of the ARC (by department).

Contributions to Outside Agencies: The contribution to the Edmond Town Hall Board of Manager's offsets the annual operating deficit of the Edmond Town Hall and provides funding for capital expenditures. The difference between the amount contributed and the operating deficit has been accumulated in the Edmond Town Hall (special revenue) fund balance for capital expenditures. It is expected that as the Edmond Town Hall adds more programs that the requested contribution amount will decrease.

ANNUAL BUDGET 2014 - 2015

DEPARTMENT: LIBRARY

Contributions to Outside Agencies - Library Contribution: The Town of Newtown funds the library's operating and capital budget after the application of grants, fees, fund raising and investment income. The following is the library's internal budget for 2014-2015:

	13-14 Budget	Revised 14-15 Budget	Difference	% Change	Initial 14-15 Budget	Revised vs. Initial Difference
Ordinary Income/Expense						
Income						
GRANTS						
1000 - State of Connecticut	3,000.00	3,000.00	0.00	0.00%	3,000.00	0.00
1100 - Town of Newtown	1,118,428.00	1,179,530.00	61,102.00	5.46%	1,261,048.00	-81,518.00
1200 - Other grants	7,500.00	7,500.00	0.00	0.00%	7,500.00	0.00
Total GRANTS	1,128,928.00	1,190,030.00	61,102.00	5.41%	1,271,548.00	-81,518.00
OPERATIONS						
2100 - Fines and miscellaneous sales	30,000.00	24,000.00	-6,000.00	-20.00%	24,000.00	0.00
2200 - Photocopy revenue	6,000.00	5,000.00	-1,000.00	-16.67%	5,000.00	0.00
2300 - Other-operating	3,500.00	2,500.00	-1,000.00	-28.57%	2,500.00	0.00
Total OPERATIONS	39,500.00	31,500.00	-8,000.00	-20.25%	31,500.00	0.00
FUND RAISING						
3000 - Annual fund drive	32,000.00	50,000.00	18,000.00	56.25%	50,000.00	0.00
3112 - Books Heal Hearts		outside of this budget			0.00	
Total 3100 - Bequests/gifts	15,000.00	15,000.00	0.00	0.00%	15,000.00	0.00
3300 - Brick fund					0.00	0.00
3500 - Fund raising-other	36,000.00	55,000.00	19,000.00	52.78%	55,000.00	0.00
Total FUND RAISING	83,000.00	120,000.00	37,000.00	44.58%	120,000.00	0.00
INVESTMENT INCOME						
4000 - Knotts-income	11,500.00	14,000.00	2,500.00	21.74%	14,000.00	0.00
4400 - Hawley trust transfers	50,500.00	50,500.00	0.00	0.00%	50,500.00	0.00
Total 4650 - NSB-Restricted Funds	1,500.00	1,082.00	-418.00	-27.87%	1,082.00	0.00
Total INVESTMENT INCOME	63,500.00	65,582.00	2,082.00	3.28%	65,582.00	0.00
Total Income	1,314,928.00	1,407,112.00	92,184.00	7.01%	1,488,630.00	-81,518.00
Gross Profit	1,314,928.00	1,407,112.00	92,184.00	7.01%	1,488,630.00	-81,518.00

ANNUAL BUDGET 2014 - 2015

DEPARTMENT: LIBRARY

	Budget 12/13	Proposed Budget 13/14	Difference	% Change	Actual 11/12	Proposed Budget 13/14	Difference	% Change
EXPENSES								
PERSONNEL								
(20) Salaries	\$ 722,577.00	\$ 734,861.00	\$ 12,284.00	1.70%	\$ 711,642.32	\$ 734,861.00	\$ 23,218.68	3.26%
(21) Benefits	\$ 160,000.00	\$ 160,000.00	\$ -	0.00%	\$ 153,538.17	\$ 160,000.00	\$ 6,461.83	4.21%
(22) Social Security	\$ 55,278.00	\$ 56,217.00	\$ 939.00	1.70%	\$ 52,656.77	\$ 56,217.00	\$ 3,560.23	6.76%
(23) Total Personnel	\$ 937,855.00	\$ 951,078.00	\$ 13,223.00	1.41%	\$ 917,837.26	\$ 951,078.00	\$ 33,240.74	3.62%
LIBRARY OPERATIONS								
(24) Maintenance	\$ 1,500.00	\$ 1,500.00	\$ -	0.00%	\$ 1,781.25	\$ 1,500.00	\$ (281.25)	-15.79%
(25) Equipment	\$ 4,000.00	\$ 2,000.00	\$ (2,000.00)	-50.00%	\$ 988.32	\$ 2,000.00	\$ 1,011.68	102.36%
(26) Contractual Services	\$ 32,000.00	\$ 34,000.00	\$ 2,000.00	6.25%	\$ 42,740.44	\$ 34,000.00	\$ (8,740.44)	-20.45%
AV/Software								
(27) Adult Dept.	\$ 4,500.00	\$ 4,500.00	\$ -	0.00%	\$ 3,819.10	\$ 4,500.00	\$ 680.90	17.83%
(28) Juv. Dept.	\$ 700.00	\$ 1,500.00	\$ 800.00	114.29%	\$ 450.85	\$ 1,500.00	\$ 1,049.15	232.70%
(29) Ref. Dept.	\$ 500.00	\$ 500.00	\$ -	0.00%	\$ 192.57	\$ 500.00	\$ 307.43	159.65%
(30) YA Dept.	\$ 500.00	\$ 1,850.00	\$ 1,350.00	270.00%	\$ 105.99	\$ 1,850.00	\$ 1,744.01	1645.45%
(31) Total AV Software	\$ 6,200.00	\$ 8,350.00	\$ 2,150.00	34.68%	\$ 4,568.51	\$ 8,350.00	\$ 3,781.49	82.77%
(32) Bibliomation	\$ 47,000.00	\$ 45,018.00	\$ (1,982.00)	-4.22%	\$ 45,834.54	\$ 45,018.00	\$ (816.54)	-1.78%
(33) Binding/misc.	\$ 500.00	\$ 250.00	\$ (250.00)	-50.00%	\$ -	\$ 250.00	\$ 250.00	
Books								
(34) Adult Dept.	\$ 16,000.00	\$ 17,500.00	\$ 1,500.00	9.38%	\$ 3,939.75	\$ 17,500.00	\$ 13,560.25	344.19%
(35) Juv. Dept.	\$ 14,000.00	\$ 14,000.00	\$ -	0.00%	\$ 3,335.96	\$ 14,000.00	\$ 10,664.04	319.67%
(36) Ref. Dept.	\$ 16,000.00	\$ 17,380.00	\$ 1,500.00	9.38%	\$ 2,739.89	\$ 17,500.00	\$ 14,760.11	538.71%
(37) YA Dept.	\$ 6,000.00	\$ 6,000.00	\$ -	0.00%	\$ 1,627.24	\$ 6,000.00	\$ 4,372.76	268.72%
(38) eBooks	\$ -	\$ 5,000.00	\$ 5,000.00	na	\$ -	\$ 5,000.00	\$ 5,000.00	na
(39) Total Books	\$ 52,000.00	\$ 60,000.00	\$ 8,000.00	15.38%	\$ 11,642.84	\$ 60,000.00	\$ 48,357.16	415.34%
Books-special funds								
(40) Brush	\$ 450.00	\$ 450.00	\$ -	0.00%	\$ 692.82	\$ 450.00	\$ (242.82)	-35.05%
(41) Smith	\$ 340.00	\$ 340.00	\$ -	0.00%	\$ 334.80	\$ 340.00	\$ 5.20	1.55%
(42) Landau	\$ 292.00	\$ 292.00	\$ -	0.00%	\$ -	\$ 292.00	\$ 292.00	na
(43) Total Books-spec. funds	\$ 1,082.00	\$ 1,082.00	\$ -	0.00%	\$ 1,027.62	\$ 1,082.00	\$ 54.38	5.29%

ANNUAL BUDGET 2014 - 2015

DEPARTMENT: LIBRARY

EXPENSES CONTINUED										
(44)	Databases									
(45)	Juv. Dept	\$ 1,676.00	\$ 3,400.00	\$ 1,724.00	102.86%	\$ 1,691.00	\$ 3,400.00	\$ 1,709.00	101.06%	
(46)	Ref. Dept.	\$ 6,000.00	\$ 13,000.00	\$ 7,000.00	116.67%	\$ 4,922.50	\$ 13,000.00	\$ 8,077.50	164.09%	
(47)	Databases-Other	\$ 1,200.00	\$ 850.00	\$ (350.00)	-29.17%	\$ -	\$ 850.00	\$ 850.00	na	
(47)	Total Databases	\$ 8,876.00	\$ 17,250.00	\$ 8,374.00	94.34%	\$ 6,613.50	\$ 17,250.00	\$ 10,636.50	160.83%	
(48)	Memberships	\$ 2,500.00	\$ 2,500.00	\$ -	0.00%	\$ 1,844.00	\$ 2,500.00	\$ 656.00	35.57%	
(49)	Other Grants	\$ -	\$ 7,500.00	\$ 7,500.00	na	\$ -	\$ 7,500.00	\$ 7,500.00		
(50)	Periodicals	\$ 4,000.00	\$ 4,000.00	\$ -	0.00%	\$ 4,559.95	\$ 4,000.00	\$ (559.95)	-12.28%	
(51)	Programs									
(51)	Adult Dept.	\$ 3,000.00	\$ 3,000.00	\$ -	0.00%	\$ 4,653.34	\$ 3,000.00	\$ (1,653.34)	-35.53%	
(52)	Juv. Dept.	\$ 3,500.00	\$ 2,700.00	\$ (800.00)	-22.86%	\$ 3,233.42	\$ 2,700.00	\$ (533.42)	-16.50%	
(53)	YA Dept.	\$ 2,500.00	\$ 2,500.00	\$ -	0.00%	\$ 2,456.85	\$ 2,500.00	\$ 43.15	1.76%	
(54)	Total Programs	\$ 9,000.00	\$ 8,200.00	\$ (800.00)	-8.89%	\$ 10,343.61	\$ 8,200.00	\$ (2,143.61)	-20.72%	
(55)	Professional Development	\$ 2,000.00	\$ 1,500.00	\$ (500.00)	-25.00%	\$ 1,335.41	\$ 1,500.00	\$ 164.59	12.33%	
(56)	Technology	\$ -	\$ 20,000.00	\$ 20,000.00	na	\$ -	\$ 20,000.00	\$ 20,000.00		
(57)	Total Library Operations	\$ 170,688.00	\$ 205,650.00	\$ 34,962.00	20.50%	\$ 133,279.99	\$ 205,650.00	\$ 72,370.01	54.30%	
	OCCUPANCY									
(58)	Supplies	\$ 3,500.00	\$ 3,500.00	\$ -	0.00%	\$ 3,795.94	\$ 3,500.00	\$ (295.94)	-7.80%	
(59)	Contractual Services	\$ 37,000.00	\$ 34,000.00	\$ (3,000.00)	-8.11%	\$ 28,559.37	\$ 34,000.00	\$ 5,440.63	19.05%	
(60)	Electricity	\$ 60,000.00	\$ 60,000.00	\$ -	0.00%	\$ 55,690.31	\$ 60,000.00	\$ 4,309.69	7.74%	
(61)	Heat	\$ 12,000.00	\$ 12,000.00	\$ -	0.00%	\$ 11,139.20	\$ 12,000.00	\$ 860.80	7.73%	
(62)	Maintenance	\$ 2,500.00	\$ 2,000.00	\$ (500.00)	-20.00%	\$ 1,650.00	\$ 2,000.00	\$ 350.00	21.21%	
(63)	Telephone	\$ 5,000.00	\$ 5,400.00	\$ 400.00	8.00%	\$ 5,259.77	\$ 5,400.00	\$ 140.23	2.67%	
(64)	Water	\$ 1,200.00	\$ 1,600.00	\$ 400.00	33.33%	\$ 1,615.11	\$ 1,600.00	\$ (15.11)	-0.94%	
(65)	Total Occupancy	\$ 121,200.00	\$ 118,500.00	\$ (2,700.00)	-2.23%	\$ 107,709.70	\$ 118,500.00	\$ 10,790.30	10.02%	
	ADMINISTRATION									
(66)	Committees	\$ 200.00	\$ 200.00	\$ -	0.00%	\$ -	\$ 200.00	\$ 200.00	na	
(67)	Fund Raising	\$ 17,000.00	\$ 20,000.00	\$ 3,000.00	17.65%	\$ 17,502.15	\$ 20,000.00	\$ 2,497.85	14.27%	
(68)	Postage/petty cash	\$ 2,500.00	\$ 2,500.00	\$ -	0.00%	\$ 1,811.95	\$ 2,500.00	\$ 688.05	37.97%	
(69)	Professional Service-audit	\$ 7,500.00	\$ 7,500.00	\$ -	0.00%	\$ 7,500.00	\$ 7,500.00	\$ -	0.00%	
(70)	Supplies	\$ 8,500.00	\$ 8,500.00	\$ -	0.00%	\$ 8,895.90	\$ 8,500.00	\$ (395.90)	-4.45%	
(71)	Working contingency	\$ 1,000.00	\$ 1,000.00	\$ -	0.00%	\$ 709.49	\$ 1,000.00	\$ 290.51	40.95%	
(72)	Total Administration	\$ 36,700.00	\$ 39,700.00	\$ 3,000.00	8.17%	\$ 36,419.49	\$ 39,700.00	\$ 3,280.51	9.01%	
(73)	EXPENSE TOTAL	\$ 1,266,413.00	\$ 1,314,928.00	\$ 48,515.00	3.83%	\$ 1,195,246.44	\$ 1,314,928.00	\$ 119,681.56	10.01%	
	CAPITAL RESERVE									
(74)	Capital Reserve	\$ 13,000.00	\$ -	\$ (13,000.00)	-100.00%	\$ 44,597.00	\$ -	\$ (44,597.00)	-100.00%	
(75)	EXPENSE TOTAL	\$ 1,279,413.00	\$ 1,314,928.00	\$ 35,515.00	2.78%	\$ 1,239,843.44	\$ 1,314,928.00	\$ 75,084.56	6.06%	

ANNUAL BUDGET 2014 - 2015

HIGHWAY BUDGET

HIGHWAY	2011 - 2012		2012 - 2013		2013 - 2014		2014 - 2015 BUDGET				CHANGE		
	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ADOPTED	AMENDED	ESTIMATED	1st SELECTMAN PROPOSED	BOS PROPOSED	BOF RECOMMENDED	LC ADOPTED	\$	%
SALARIES & WAGES - FULL TIME	2,113,717	2,099,652	2,258,969	2,328,144	2,238,144	2,369,337	41,193	1.77%					
SALARIES & WAGES - OVERTIME	26,373	31,670	45,000	618,520	618,520	642,596	24,076	3.89%					
GROUP INSURANCE	576,564	574,343	188,149	193,440	193,440	184,697	(8,743)	-4.52%					
SOCIAL SECURITY CONTRIBUTIONS	181,735	183,025	90,694	93,041	93,041	119,001	25,960	27.90%					
RETIREMENT CONTRIBUTIONS	105,120	102,865	47,730	47,730	47,730	47,730	-	0.00%					
OTHER EMPLOYEE BENEFITS	46,591	41,991	13,500	100,500	100,500	14,000	(86,500)	-86.07%					
FEES & PROFESSIONAL SERVICES	12,000	13,200	445,000	445,000	445,000	455,000	10,000	2.25%					
REPAIR & MAINTENANCE SERVICES	452,364	561,434	608,400	608,400	608,400	634,600	26,200	4.31%					
CONTRACTUAL SERVICES	711,814	578,034	4,000	4,000	4,000	4,000	-	0.00%					
DUES, TRAVEL & EDUCATION	3,250	4,023	456,137	456,137	456,137	448,150	(7,987)	-1.75%					
ENERGY - GASOLINE	387,286	488,560	36,000	36,000	36,000	40,800	4,800	13.33%					
STREET LIGHTS	34,267	39,174	22,000	22,000	22,000	22,000	-	0.00%					
CONSTRUCTION SUPPLIES	26,270	20,533	15,000	15,000	15,000	15,000	-	0.00%					
STREET SIGNS	15,647	13,613	100,000	100,000	100,000	100,000	-	0.00%					
DRAINAGE MATERIALS	90,000	99,039	85,000	85,000	85,000	85,000	-	0.00%					
ROAD PATCHING MATERIALS	71,688	85,009	1,000,000	1,000,000	1,000,000	1,000,000	-	0.00%					
ROAD IMPROVEMENTS - PUBLIC	967,964	878,276	10,000	10,000	10,000	50,000	40,000	400.00%					
ROAD IMPROVEMENTS - PRIVATE	1,939	38,800	200,000	213,000	213,000	196,800	(16,200)	-7.61%					
CAPITAL	167,849	5,853,241	6,244,099	6,420,912	6,330,912	6,473,711	52,799	0.82%					
	5,992,438	5,853,241	6,244,099	6,420,912	6,330,912	6,473,711							

ANNUAL BUDGET 2014 - 2015

DEPARTMENT: HIGHWAY

ACCOUNT DETAIL

Salaries & Wages - Full Time: The Director of Public Works, Town Engineer and the Deputy Public Works Director are non union positions. Non union positions reflect an increase of 1.75% in this budget which matches the Town Hall union increase. The Administrator, Assistant Administrator, Operations Manager and the Fleet & Facility Manager positions are in the Town Hall Employees CSEA, Local 2001 SEU Union. The negotiated wage increase for 2014 - 2015 is 1.75%. Thirty two positions belong in the Public Works Employees Union, Local 1303-200 of Connecticut Council #4, AFSCME, AFL-CIO Union. The negotiated wage increase for 2014 - 2015 is 1.75%.

POSITION	2013 - 2014		2014 - 2015		INCREASE (DECREASE)		
	AMENDED		1st SELECTMAN				
	#AUTHL	BUDGET	#AUTHL	PROPOSED			
Public Works Director	nu	102,117	1	103,904	0	1,787	
Town Engineer	nu	113,442	1	115,427	0	1,985	
Deputy PW Director/Asst Engineer	nu	82,053	1	83,489	0	1,436	
Administrator	th	42,495	1	43,239	0	744	
Assistant Administrator	th	35,540	1	36,162	0	622	
Operations Manager	th	77,250	1	78,602	0	1,352	
Fleet & Facility Manager	th	71,665	1	72,919	0	1,254	
Clerk	th	32,677	1	33,249	0	572	
Truck Driver	hwy	798,259	15	812,229	0	13,970	
Heavy Equipment Operator	hwy	220,126	4	223,978	0	3,852	
Leadman	hwy	224,618	4	228,549	0	3,931	
Yardman	hwy	56,155	1	57,138	0	983	
Mechanic	hwy	171,576	3	174,579	0	3,003	
Crew Chief	hwy	229,200	4	233,211	0	4,011	
Master Mechanic	hwy	62,569	1	63,664	0	1,095	
Payment out of Classification		3,000		3,000			
Stipend Pay on Call & Bucket Truck		5,402		6,000			
		40	2,328,144	40	2,369,337	0	40,595

ANNUAL BUDGET 2014 - 2015

DEPARTMENT: HIGHWAY

		<u>2014 - 15 Proposed</u>	<u>2013 - 14 Adopted</u>	
Contractual Services:				
Tree Removal		75,000	75,000	
Drainage:				
Mile Hill South	65,000			
Monitor Hill South	9,500			
Nunnawauk Road	102,000			
Pastors Walk	5,250			
Pine Street	2,000	183,750	154,000	
Sealing		65,000	65,000	
Line Painting		30,000	30,000	
Overlays:				
Mile Hill South	191,500			
Monitor Hill South	67,200			
Nunnawauk Road	185,400			
Pastors Walk	81,750			
Pine Street	44,000			
Poorhouse/Shut Road	122,000	691,850	259,400	
Roadside		25,000	25,000	
Total		1,070,600		
	REQUESTED	634,600	608,400	

ANNUAL BUI GET 2014 - 2015

PUBLIC BUILDING MAINTENANCE BUDGET

	2011 - 2012		2012 - 2013		2013 - 2014	
	ACTUALS	ACTUALS	ACTUALS	ADOPTED	AMENDED	
PUBLIC BUILDING MAINTENANCE						
SALARIES & WAGES - FULL TIME	136,911	137,429	139,345	141,992	141,992	
SALARIES & WAGES - OVERTIME	10,230	11,062	11,360	11,360	11,360	
GROUP INSURANCE	44,496	43,209	43,981	43,981	43,981	
SOCIAL SECURITY CONTRIBUTIONS	10,999	11,119	11,529	11,732	11,732	
RETIREMENT CONTRIBUTIONS	6,379	6,373	5,594	5,594	5,594	
OTHER EMPLOYEE BENEFITS	705	215	975	975	975	
WATER / SEWERAGE	55,781	62,872	69,636	69,636	69,636	
REPAIR & MAINTENANCE SERVICES	19,103	28,141	36,160	36,160	36,160	
CONTRACTUAL SERVICES	127,365	128,815	101,762	101,762	101,762	
GENERAL MAINTENANCE SUPPLIES	10,824	9,860	9,360	9,360	9,360	
ENERGY - ELECTRICITY	139,337	190,831	210,592	210,592	210,592	
ENERGY - OIL	78,000	119,683	82,604	82,604	82,604	
CAPITAL	23,495	20,000	32,000	32,000	32,000	
	663,626	769,609	754,898	757,748	757,748	

	2014 - 2015 BUDGET				LC	CHANGE
	ESTIMATED	1st SELECTMAN PROPOSED	BOS PROPOSED	BOF RECOMMENDED		
	141,992	90,584				(51,408) -36.20%
	11,360	11,662				302 2.66%
	43,981	45,602				1,621 3.69%
	11,732	7,822				(3,910) -33.33%
	5,594	4,567				(1,027) -18.36%
	975	650				(325) -33.33%
	69,636	71,989				2,353 3.38%
	36,160	36,850				690 1.91%
	101,762	121,520				19,758 19.42%
	9,360	9,500				140 1.50%
	210,592	217,368				6,776 3.22%
	82,604	100,376				17,772 21.51%
	32,000	67,600				35,600 111.25%
	757,748	786,090				28,342 3.74%

Lexington Village - 30 Church Hill Road
Draft Analysis of Business Incentive
For Discussion Purposes Only

Address	2013 Real Property Assessment*	Existing Real Property Tax Bill (33.32 mills)	Estimated Investment	Assumed Real Property Assessment (After all Improvements are Completed)	Increase in RP Assessment (Existing vs. Post Improvements)	Assumed Real Property Tax Bill on New Assessment (33.32 mills)
30 Church Hill Road*	\$616,000	\$20,525	\$7,064,000	\$9,026,300	\$8,410,300	\$300,756
30 Church Hill Road **	\$100,000	\$3,332	n/a	n/a	n/a	n/a
30 Church Hill Road ***	\$1,577,280	\$52,555	\$50,000	n/a	n/a	n/a
	\$2,293,280	\$76,412				
*The real estate is comprised of development rights for 5 buildings with a total of 54,000 sf						
** The real estate is comprised of development rights for 1 building having 6,500 sf (NSB)						
*** The real estate is comprised of an existing 16,000 sf building						
30 Church Hill Road has 6.1 acres of land						
Scenarios for Fixing the Assessment						
<i>Approved by EDC 1/23</i>						
Requested by Alan 1/9/14						
Annual Real Property Tax Due if 45% of the Increase in Assessment is fixed						
\$174,652						
\$126,104 (Max. 7 years)						
\$882,728.27						
TAX PAYMENT IF ASSESSMENT IS FIXED						
ANNUAL TAX ABATEMENT						
Total Abatement:						
Approvals for the Business Incentives must be given by the Board of Selectmen, Board of Finance and the Legislative Council						
Assumptions: No increase in Mill Rate over 3 year period						

**Newtown Board of
Selectmen Meeting**

January 29, 2014

Presented by

**John Vaccaro, CFP®, CLU
Joseph Tatusko, CFP®, CFA
Christopher DeLaura, CFP®**

**WESTPORT
RESOURCES**



Newtown Board of Selectmen Attendees

January 29, 2014

- First Selectman Patricia Llodra
- Selectman William F.L. Rodgers
- Selectman James Gaston, Sr.

Newtown Pension Committee Attendees

January 29, 2014

- Thomas Murtha, Chair
- Dunham Smith, Vice-Chair
- Barbara Bloom
- Joseph DiCandido
- Charles Farfaglia
- Mark Korotash
- Richard Monckton
- Carole Ross, Human Resources Administrator

Newtown Pension Committee Agenda for January 29, 2014

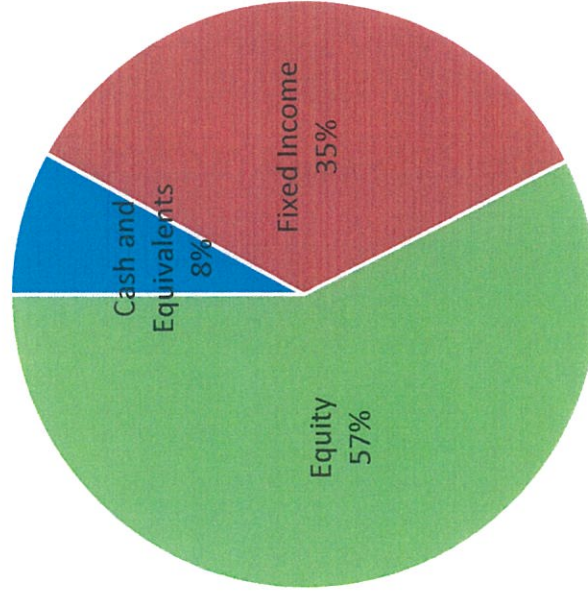
- **IPS Overview**
- **Pension Plan Performance information FY 2014**
- **Review of Equity Performance and Strategy**
- **Review of Fixed Income Performance and Strategy**

Investment Policy Statement Overview

- Investment Time Horizon: Greater than 10 years
- Target Rate of Return: 7.75% (reduced to 7.50% in July of 2014)
- Risk Tolerance: Moderate
- Target Asset Allocation: 60% Equities, 40% Fixed Income
 - Variance limit: 10%
- Evaluation Benchmark:
 - Total portfolio return to perform above the weighted average return of the indexes

**Pension Plan
Performance Information**

Current Asset Allocation – 1/28/14



■ Cash and Equivalents ■ Fixed Income ■ Equity

Description	Weight	Current Value
Cash and Equivalents	8%	\$ 2,716,338.40
Fixed Income	35%	\$11,711,556.51
Equity (incl. High Yield Bonds)	57%	\$19,563,050.23
Total	100%	\$34,387,556.14

YTD FY 2014 Portfolio Performance Review

Consolidated Accounts 6/30/13 – 1/28/14*	
Beginning Value	\$ 30,864,897.92
Net Contributions/Withdrawals	\$ 881,075.54
Unrealized Gain (Loss)	\$ 139,573.76
Realized Gain (Loss)	\$ 1,830,590.13
Dividend Income	\$ 69,044.04
Interest Income	\$ 399,238.49
Net Management Fees	\$ 82,374.68
Other Expenses	\$ 280.00
Change in Accrued	\$ 49,511.65
Ending Value	\$ 34,052,253.55
Investment Gain	\$ 2,259,579.17

* Includes OPEB accounts

FY 2014 Portfolio Review (through 1/28/14)

Since inception*, the portfolio has an investment gain of \$18,467,577.92

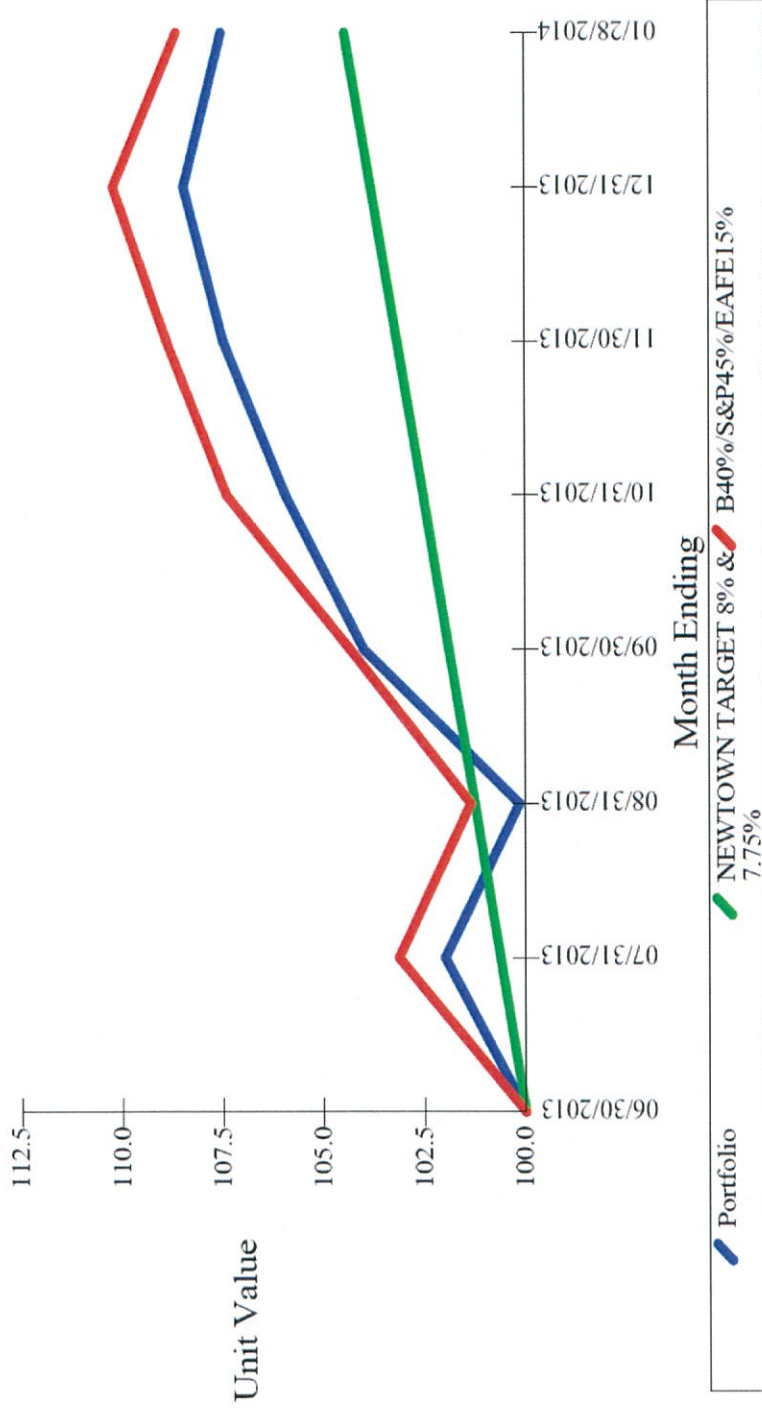
	Q1 FY 2014	Q2 FY 2014	Q3 FY 2014	YTD FY 2014*	Since Inception**
Internal Rate of Return (net)	3.86%	4.16%	(1.04)%	7.11%	6.36%
Time Weighted Return (net)	3.87%	4.16%	(1.04)%	7.12%	6.39%
Benchmark***	4.33%	5.54%	(1.43)%	8.64%	5.47%
Difference	(0.46)%	(1.38)%	0.39%	(1.52)%	0.92%

* Return through 1/28/14

** Annualized returns 9/30/1999 through 1/28/14 - excludes OPEB accounts

*** Benchmark: 40% Barclay's Capital Aggregate Bond Index/ 45% S&P 500/ 15% MSCI EAFE

Graphical Comparative Performance 6/30/2013 through 1/28/2014



DRG Funding Information

	Newtown ²	Ridgefield ²	Easton ²	Brookfield ²	Trumbull ²	Simsbury ³	Glastonbury ³	Westport ³
Plan/Town Funded Level ¹	102.1%	92.1%	85.9%	77.6%	28.10%	78.31%	66.60%	83.20%
Police Funded Level ¹	88.0%	87.2%	N/A	N/A	N/A	83.27%	N/A	80.50%
Interest Assumption	7%	7%	7%	6.5%	7.5%	7.75%	7.50%	6.125%
Salary Assumption	4%	4%	3%	3%	4%	4%	Varied	Service Dependent

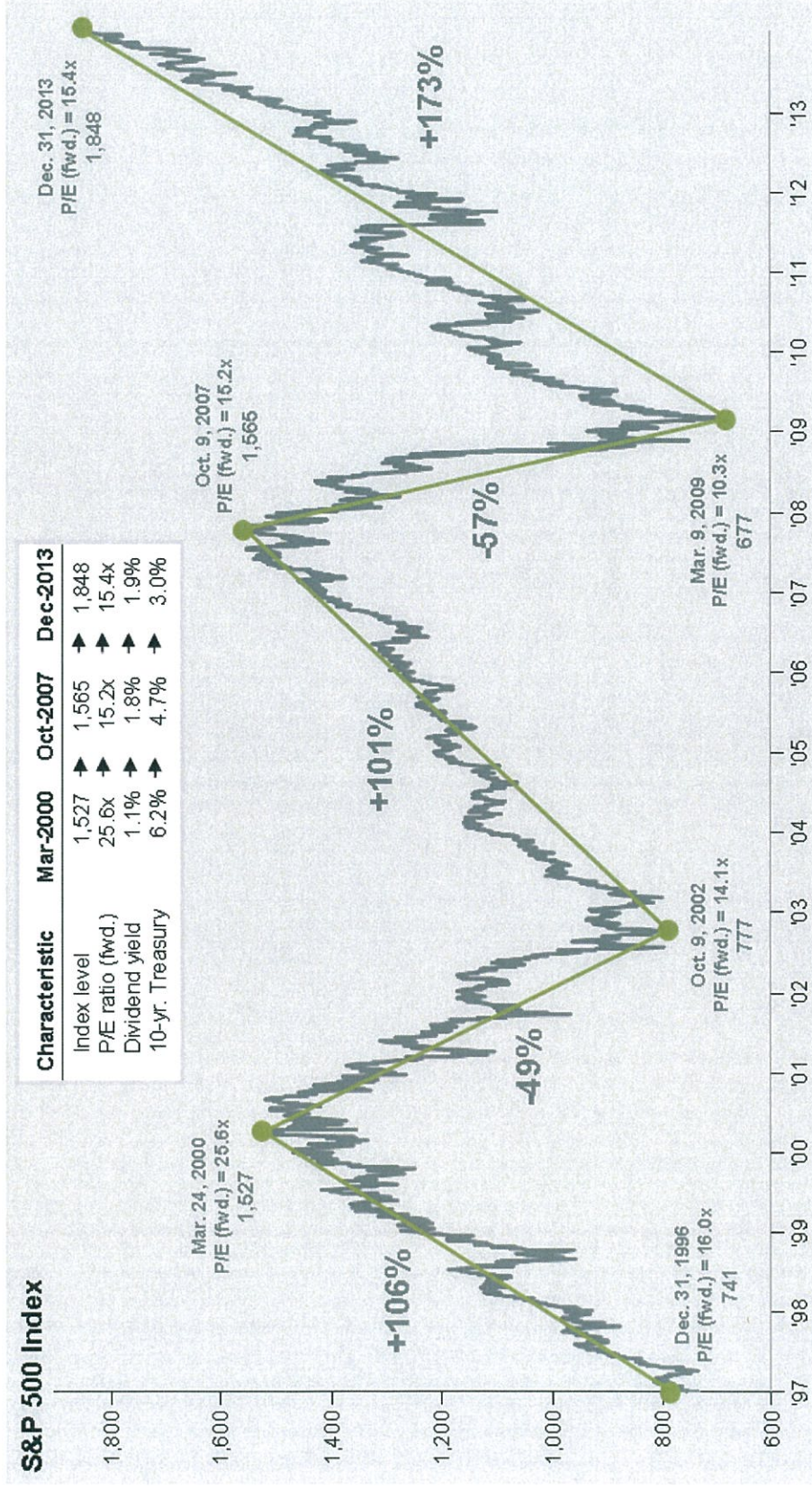
1. Funded levels as of: Newtown, 7/1/12; Ridgefield 2012; Easton 7/1/11; Brookfield 1/1/12; Trumbull 7/1/2012; Simsbury 7/1/11; Glastonbury 7/1/12; Westport 7/1/11
2. Interest and salary assumptions and performance provided by David Leonard and Robert Tait
3. Simsbury, Glastonbury and Westport information from Comprehensive Annual Financial Reports.

Equity Allocation
Christopher DeLaura, CFP®

FY 2014 Portfolio Performance Review: Equity

- Newtown Equity FY YTD as of 1/28/14:
 - FY 2014 YTD Performance: 10.02%
 - 75% S&P 500/25% EAFE: 13.35%
- Newtown Equity 12/31/13 through 1/28/14:
 - Q3 FY 2014 Performance: (2.19)%
 - 75% S&P 500/25% EAFE: (2.91)%

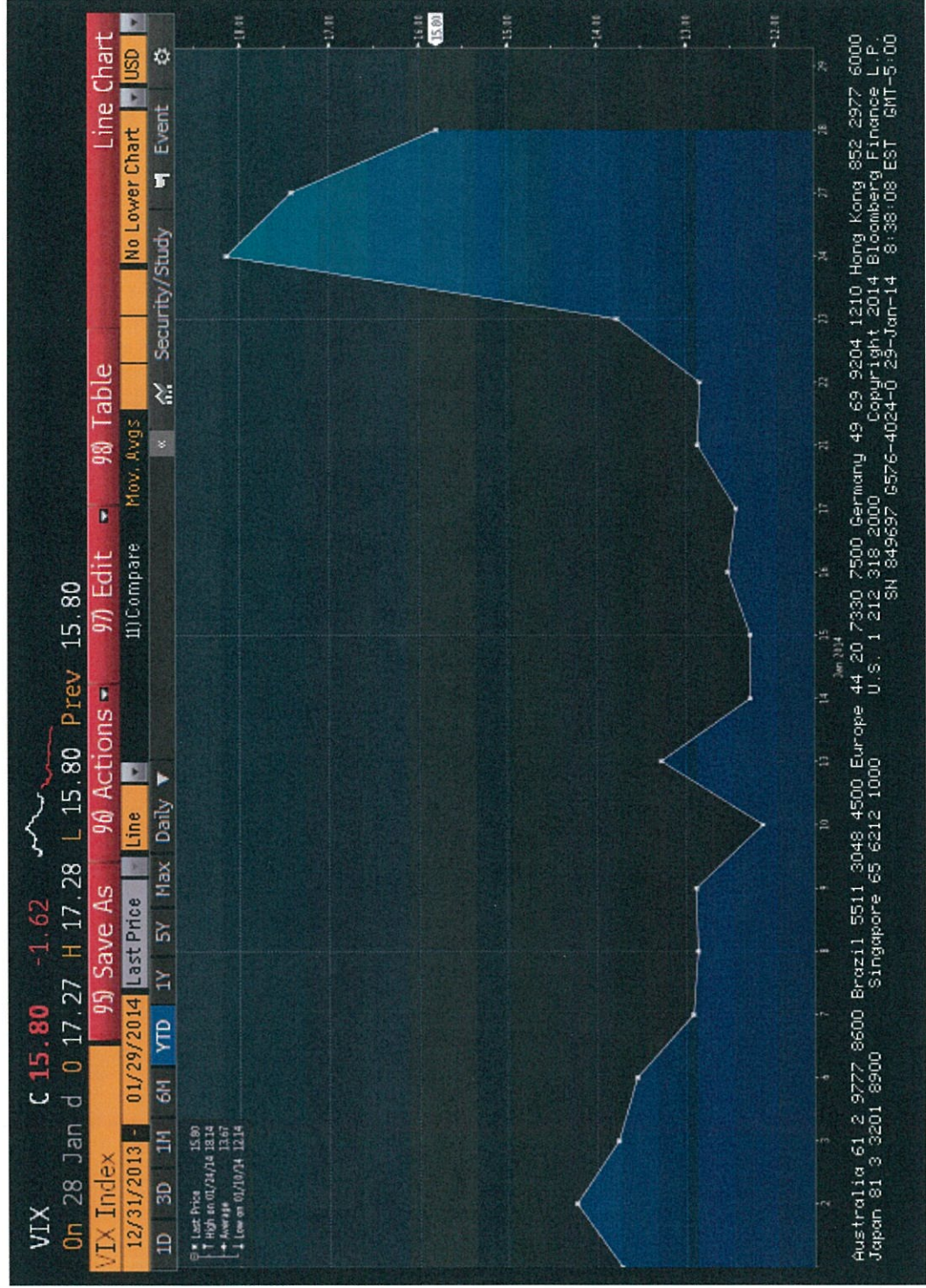
Focus on managing volatility



Source: Standard & Poor's, First Call, Compustat, FactSet, J.P. Morgan Asset Management.
















Dividend yield is calculated as the annualized dividend rate divided by price, as provided by Compustat. Forward Price to Earnings Ratio is a bottom-up calculation based on the most recent S&P 500 Index price, divided by consensus estimates for earnings in the next 12 months (NTM), and is provided by FactSet Market Aggregates. Returns are cumulative and based on S&P 500 Index price movement only, and do not include the reinvestment of dividends. Past performance is not indicative of future returns.

Increased volatility as the year begins



Current Allocation – Equity

1/28/14

Stock Sector Holdings Detail ▶		Portfolio (% of Stocks)	S&P 500 (%)
	Cyclical	31.84	31.71
	Basic Materials	1.74	3.42
	Consumer Cyclical	8.08	11.23
	Financial Services	12.52	15.33
	Real Estate	9.50	1.72
	Sensitive	39.67	42.29
	Communication Services	7.13	3.57
	Energy	2.45	10.27
	Industrials	14.31	11.68
	Technology	15.77	16.77
	Defensive	28.49	26.00
	Consumer Defensive	1.53	10.35
	Healthcare	18.82	12.80
	Utilities	8.15	2.85
	Not Classified	0.00	0.00

SOURCE: Morningstar

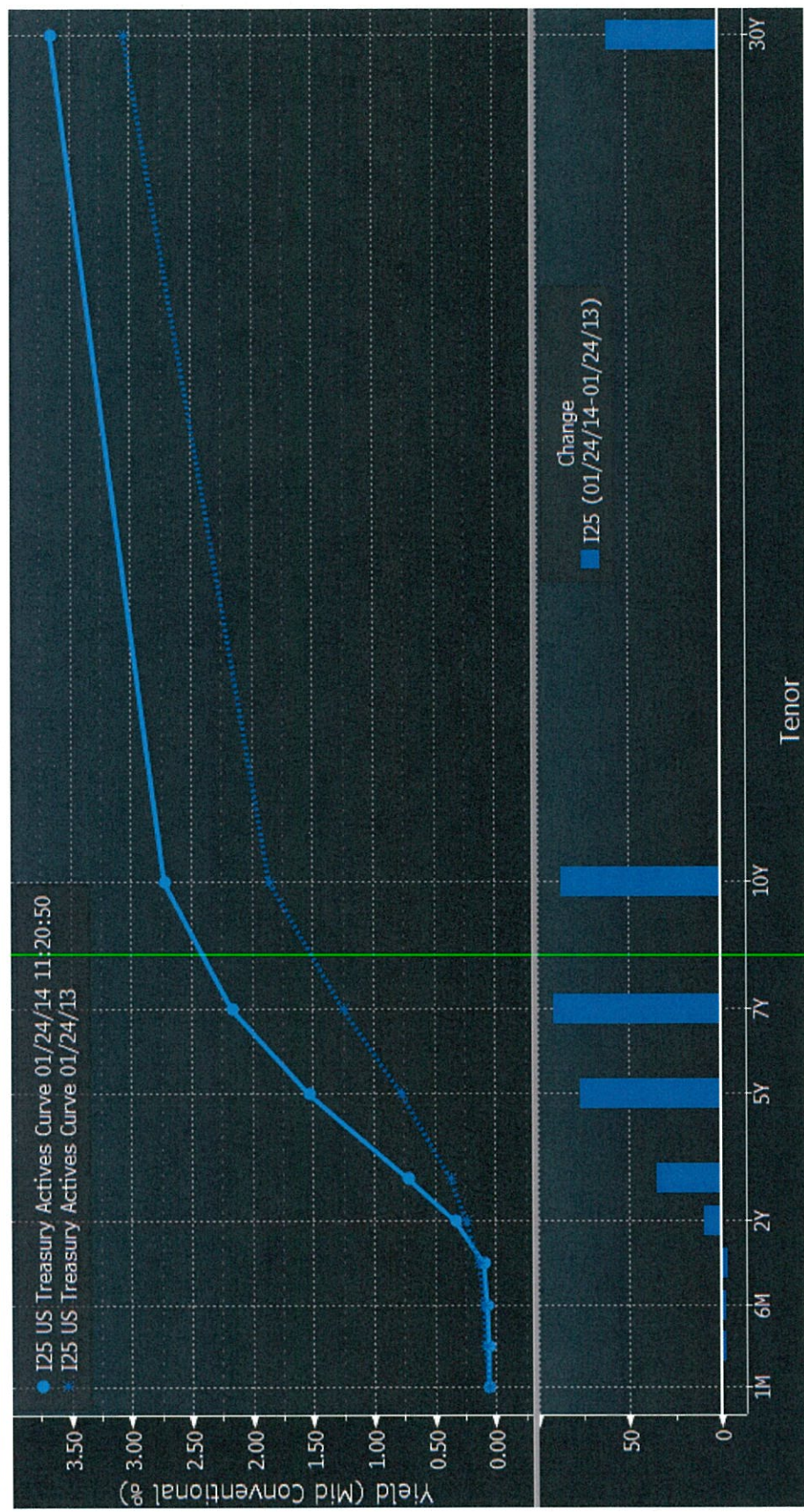
Fixed Income Allocation
Joseph Tatusko, CFA, CFP®

FY 2014 Portfolio Performance Review: Fixed Income

- Newtown Fixed Income as of 1/28/14:
 - FY 2014 YTD Performance: 2.15%
 - Barclay’s Aggregate Bond Index: 1.60%
- Newtown Fixed Income 12/31/13 through 1/28/14:
 - Q3 FY 2014 Performance: 1.37%
 - Barclay’s Aggregate Bond Index: 1.16%



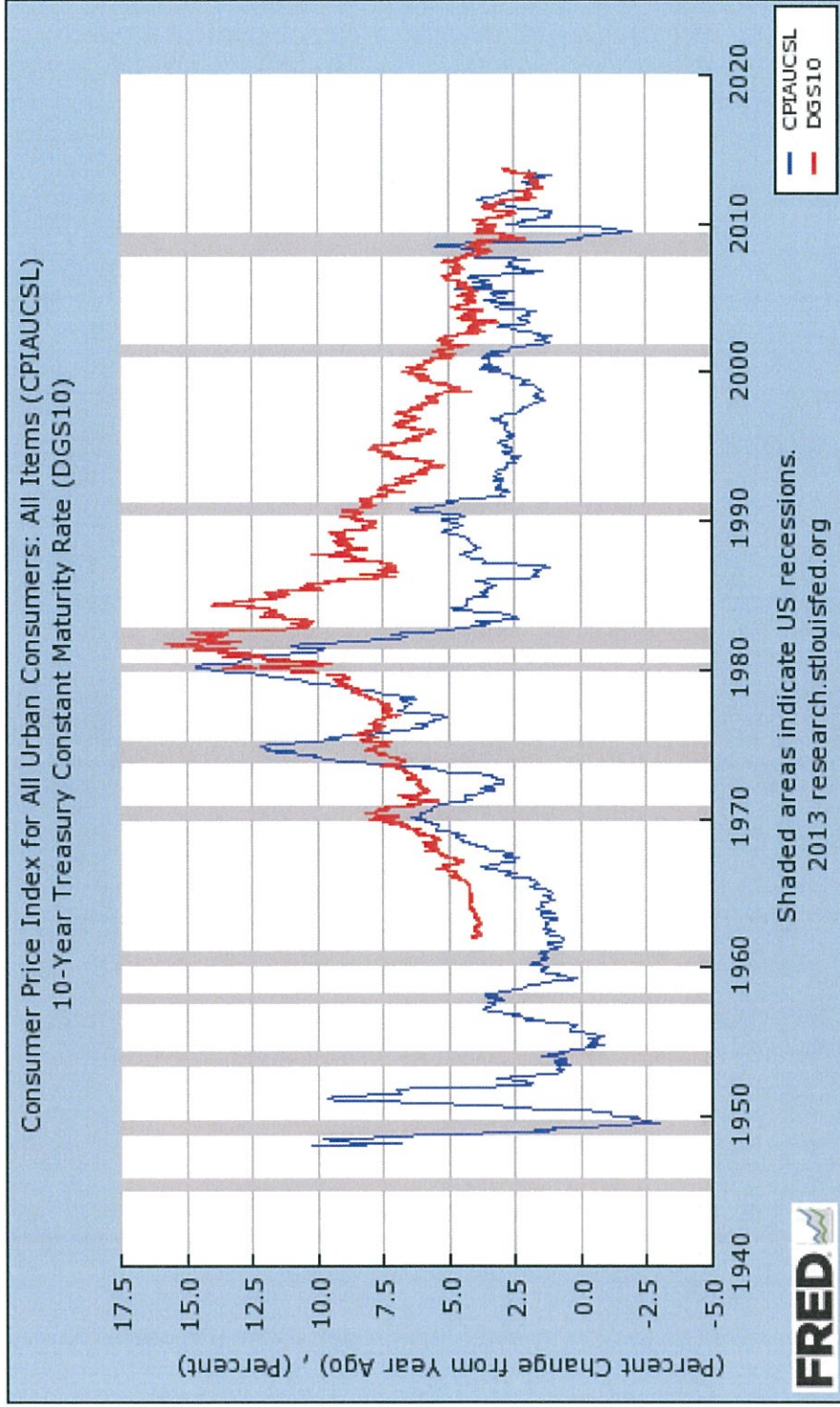
Treasury yield curve: year over year change



Source: Bloomberg



10 year Treasury vs. CPI



Average spread 2.49%, Max 9.39% 1884, Min -4.66% 1974, 0.54% June



Fixed income performance and activity summary

- FY 2013 2.37% total return (time weighted, net) versus (0.69%) for the Barclays Aggregate Bond Index
- FY 2014 (6/30/2013 through 12/31/2013) 0.77% versus 0.43% for the Barclays Aggregate Bond Index
 - 2.04% vs. 1.51% FY 2014 YTD through 1/23/2014
- Reduced bond holdings by \$1.5 million (reallocated to equities) in August 2013
- Parallel effort to reduce the average duration and interest rate risk of the portfolio
 - New purchases limited to maturities of six years or less



Effects of the fixed income repositioning

February 2013

- 6.8 year average duration
- 3.73% average yield to maturity
- 6.16% average interest rate
- Baa1 average Moody's rating (Investment Grade)

January 2014

- 5.2 year average duration
- 3.23% average yield to maturity
- 6.03% average interest rate
- Baa1 average Moody's rating (Investment Grade)



Disclosure

- The information set forth herein is being provided by Westport Resources solely for informational purposes and is neither an offer nor a solicitation of an offer to buy or sell any securities and may not be used or relied upon in connection with any offer or sale of securities.
- This presentation above may contain security or investment-related information obtained from sources believed to be reliable. No guarantees are made about the accuracy or completeness of information provided. Past performance is no guarantee of future results.