

THESE MINUTES ARE SUBJECT TO APPROVAL BY BOARD OF SELECTMEN

The Board of Selectmen held a regular meeting Tuesday, January 20, 2015 in the Council Chamber of the Municipal Center, Newtown. First Selectman Llodra called the meeting to order at 7:30pm.

**PRESENT:** First Selectman Llodra and Selectman James O. Gaston, Sr.

**ABSENT:** Selectman William F.L. Rodgers

**ALSO PRESENT:** Finance Director Robert Tait, GERALYN HOERAUF, JAY MAHER, Chairman of the Municipal Buildings Strategic Plan Advisory Committee, three members of the public and one member of the press.

**VOTER PARTICIPATION:** none.

**ACCEPTANCE OF THE MINUTES:** Selectman Gaston moved to accept the minutes of 1/5/15.  
First Selectman Llodra seconded. All in favor

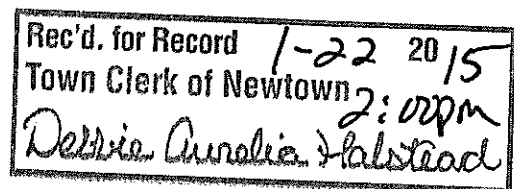
**COMMUNICATIONS:** none.

**FINANCE DIRECTOR REPORT:** Mr. Tait, First Selectman Llodra and Economic Development Coordinator Betsy Paynter held a phone conference with the rating agencies. Current ratings were confirmed. First Selectman Llodra stated that both Standard & Poor's and Moody's talked about the town policies saying that policies show evidence of strong management.

**NEW BUSINESS:**

**Discussion and possible action:**

- 1. Municipal Buildings Strategic Plan Advisory Committee Update:** GERALYN HOERAUF, of Diversified Project Management was present, along with JAY MAHER, Chairman of the Municipal Buildings Strategic Plan Advisory Committee to report on the request for proposals. Because Selectman Rodgers wants to be a part of this discussion the project dates noted in the proposals will be pushed back. The Facilities Conditions Assessment consultant would be tasked with gathering information and evaluating the physical conditions of all town owned buildings. There would be an information gathering approach and a report that would show the industry standard of when major systems need to be replaced or improved. Existing documentation on all occupied town owned buildings would be gathered. Inspectors would go to Town Hall South, Hook & Ladder and the Multipurpose building for a more in depth evaluation of all major systems. All information would be compiled into a database spreadsheet and a report that would include recommendations for replacement or enhancement of systems, cost estimates and a recommended timeline. The committee felt it important to have a complete record of the current condition of all town own buildings with more detail on the targeted three buildings. If a firm whose main role is to do facilities conditions assessments is retained and they utilize a software based system it will be turned over to the town; fewer firms are set up to do this. An individual architectural engineering firm may only turn over a database that may not be as easily interactive in the future. The space needs assessment is limited to evaluating departments and departments/commissions and will be done by an architectural firm. First Selectman Llodra asked that the Police Department and Communications be viewed separately and not as one piece.
- 2. Board of Selectman 2015-2016 budget:** First Selectman Llodra presented the budget summary which proposes an increase of 1.22% over fiscal 2015 continues with the current level of services and addresses roads, tech support and capital non-recurring with no tax increase and a reduction in the mill rate. (Att. A). Mr. Tait went over the talking points (Att. B). Mr. Tait noted the grand list increase is over 1% which helps the budget.



Selectman Gaston moved the following budget bottom line items, First Selectman Llodra seconded. All were unanimously approved:

Selectmen, \$395,576  
Selectmen – Other, \$229,483  
Human Resources, \$121,275  
Tax Collector, \$338,754  
Probate Court, \$7,000  
Town Clerk, \$300,403  
Registrars, \$129,349  
Assessor, \$ 261,215  
Finance, \$514,637  
Unemployment, \$15,000  
OPEB Contribution, 252,755  
Professional Organizations, \$34,593  
Legislative Council, \$46,500  
Sustainable Energy, \$5,000  
Fairfield Hills, \$28,058

**Ryan Knapp**, 11 Jeremiah Road, said it would be helpful to the taxpayer to have, as part of the introduction, an outline of the leadership policies, the financial policies, the long term goals, debt policy, fund balance policy, how a CIP project is defined, those thresholds, the revenue policy, investment policy and the unassigned fund balance, the percentage of the operating budget and the goal. Mr. Tait said the information is in the budget document but at this point in time it is a one sided budget, fund balance isn't discussed yet. Everything suggested will be in the budget in two weeks.

**Robert Merola**, 22 Ashford Lane commended the Board of Selectman for what looks like a good start and maybe a good end.

3. **Appointments/Reappointments:** Selectman Gaston moved the reappointment of Marianne Brown (R), to the Water & Sewer Authority for a term to expire 1/6/19 and the reappointment of Paul Fadus (U) to the Economic Development Commission for a term to expire 1/6/18. First Selectman Llodra seconded. All in favor.
4. **Driveway Bond Releases/Extensions:** none.
5. **Tax Refunds:** Selectman Gaston moved to the January 2015 Refunds No. 10, 2014-2015 in the amount of \$8,427.61. First Selectman Llodra seconded. All in favor.

**VOTER COMMENTS:** none.

**ANNOUNCEMENTS:** none.

**ADJOURNMENT:** Having no further business the Board of Selectmen adjourned their regular meeting at 8:40pm.

Respectfully submitted,

  
Susan Marcinek, Clerk

Att. A: 2015-2016 First Selectman Summary Budget Report

Att. B: 2015-2016 Budget talking points

# ANNUAL BUDGET 2015 - 2016

## SUMMARY BUDGET REPORT

First Selectman

PROPOSED

JANUARY 20, 2015



### TOWN OF NEWTOWN, CONNECTICUT





# First Selectman Proposed Budget 2015-2016

- Major Public Policies
- Overarching Budget Goals
- Critical Needs and Fiscal Policy Priority
- The Bottom Line





# Major Public Policies

- 1. Newtown must be a safe and secure place in which to live and do business.
- 2. Newtown must be a community that actively supports and promotes recreational, cultural, and social opportunities for all citizens.
- 3. Newtown's physical appearance must be the best it can be. This includes roads, sidewalks, strict enforcement of public safety, zoning, housing, environmental and health codes to prevent the appearance of neglect or unsafe conditions.
- 4. Newtown schools must continue to pursue excellence while being focused on efficiencies and economies.
- 5. Newtown must provide superior customer service.
- 6. Newtown must incorporate the market forces of competition while being mindful of public accountability.



# Overarching Budget Goals

## 2015-2016

- Continue current level of services
- Address critical needs (roads and tech support) and fiscal priority (capital non-recurring)
- **No Tax Increase**
- **Reduction in Mill Rate**





# Critical Needs and Fiscal Priority

- Increase Capital Road account by \$250,000;
- Add Information Technology support person – cost \$55,000;
- Restore funding to Capital Non-Recurring – additional \$100,00





# The Bottom Line

- Proposed budget asks for an increase of \$483,058 = 1.22% over fiscal 2015 (amended);
- Priorities add up to \$405,000;
- Budget goals can be met;
- Predicated upon growth in the grand list, favorable bond refunding, and stable state aid.
-





# Overarching Budget Goals

## 2015-2016

- Continue current level of services
- Address critical needs (roads and tech support) and fiscal priority (capital non-recurring)
- **No Tax Increase**
- **Reduction in Mill Rate**



TOWN OF NEWTOWN  
FIRST SELECTMAN BUDGET PROPOSAL FOR 2015 - 2016  
SUMMARY OF EXPENDITURES BY OBJECT

	2014 - 2015 AMENDED	2015 - 2016 1st SELECTMAN PROPOSED	Increase / (Decrease)	Percent Change
<b>BOARD OF SELECTMEN BUDGET:</b>				
<b>MUNICIPAL SERVICES:</b>				
WAGES & SALARIES	11,406,091	11,552,676	146,585	1.29%
FRINGE BENEFITS	5,091,722	5,087,541	(4,181)	-0.08%
INSURANCE	1,019,550	1,025,000	5,450	0.53%
OPERATING EXPENSES	7,306,966	7,388,807	76,841	1.05%
CAPITAL	2,240,524	2,539,929	299,405	13.36%
CONTINGENCY	144,063	350,000	205,937	142.95%
CONTRIBUTIONS TO OUTSIDE AGENCIES:				
TOWN AGENCIES	2,080,155	2,065,460	(14,695)	-0.71%
OTHER AGENCIES	88,835	88,842	7	0.01%
<b>TOTAL MUNICIPAL SERVICES</b>	<b>29,377,906</b>	<b>30,093,256</b>	<b>715,350</b>	<b>2.43%</b>
<b>CAPITAL FINANCING - DEBT SERVICE</b>	<b>10,342,994</b>	<b>10,110,702</b>	<b>(232,292)</b>	<b>-2.25%</b>
<b>TOTAL BOARD OF SELECTMEN BUDGET</b>	<b>39,720,900</b>	<b>40,203,958</b>	<b>483,058</b>	<b>1.22%</b>



BUDGET TALKING POINTS (refer to budget summary on prior page)

**\*\* FIRST SELECTMAN PROPOSED 2015-16 BUDGET = \$40,203,958; REPRESENTS AN INCREASE OF \$483,058 (1.22%) OVER 2014-15 AMENDED BUDGET\*\***

- WAGES & SALARIES – increase of \$146,585 or 1.29%
  - 1.90% general wage increases for parks & recreation and non-union employees (wage increase page 5).
  - No contract for 4 unions (communications, police, town hall & public works).
  - Three unfilled positions remain unfunded in this budget proposal.
    - 1 – Communications; 1 – building maintenance; 1- senior aide.
  - Major Components of \$146,585 increase (rounded nearest thousands):
    - Non union 1.90% increase \$52,000
    - Parks & recreation 1.90% increase 22,000
    - New IT position – Police dept/town server/network specialist 55,000
    - School Security Officer (SSO) extra hours 33,000
    - Communications overtime increase due to open position 25,000
    - Police savings due to new hires resulting in lower salary steps (21,000)
    - Economic development reorganization savings (19,000)
    - \$147,000
  
- FRINGE BENEFITS – decrease of (-\$4,181) or (-0.08%)
  - Major Components of (-\$4,181) decrease (rounded nearest thousands):
    - Medical benefit contribution stayed the same (0%). This is due to the favorable medical claims experience in the medical self-insurance fund.
    - Social security contributions increased due to salary increases \$11,000
    - Retirement contributions (pension) decreased due to actuarial calculation (10,000)
    - Fire – other employee benefits decreased ( 4,000)
    - Other misc decreases ( 1,000)
    - (\$4,000)



- **INSURANCE – increase of \$5,450 or 0.53%**
  - General liability & workers compensation insurances are estimated to increase 3%. This has been offset by saving in a new fire apparatus insurance policy.
  
- **OPERATING EXPENSES – increase of \$76,841 or 1.05%**
  - Major Components of \$76,841 increase (rounded nearest thousands):
 

▪ Increase in legal expenses based on past experience	\$50,000
▪ Increase in fire operations (maintenance & repair items)	25,000
▪ Increase in building maintenance dept for energy and contractual	28,000
▪ Increase in parks & recreation dept for maintenance and contractual	12,000
▪ Increase in winter maintenance operations	15,000
▪ Increase in emergency communications equipment rental	15,000
▪ Savings in new police system computer software fees	(75,000)
▪ Other misc items	<u>7,000</u>
	\$77,000
  
- **CAPITAL – increase of \$299,405 or 13.36%**
  - As planned, due to an aging road system, the capital road account was increased \$250,000 bringing that line item to a total of \$1,500,000. The plan is to bring the capital road line item to at least \$2,000,000 (increasing the line item \$250,000 each budget year).
  - The capital non-recurring line item was decreased by \$100,000 in the prior year's budget (from \$250,000 to \$150,000). The capital non-recurring line item has been restored to its original amount in this budget representing a \$100,000 increase. The capital non-recurring fund is the Town's "pay as you go" vehicle. It enables the purchase of some capital items thus avoiding bond interest costs.

• **CONTINGENCY**

- The contingency line item covers wage increases not yet negotiated, emergency building repairs not budgeted for, additional referenda and primary costs, and other unforeseen items. The contingency account has been increased \$100,000 over last year's adopted budget mainly because of the four outstanding employee union contracts (police contract will be for two years). The difference between the current request and the prior year's amended budget represents, for the most part, permanent commitments paid thru contingency in the prior year (union contract impacts):
 

▪ Emergency communications contract	\$21,000 (net)
▪ Parks & recreation contract	23,000
▪ Land use contractual line item (federal gov't contract)	23,000
▪ Life insurance renewal	14,000



- **CONTRIBUTIONS TO OUTSIDE AGENCIES – overall decrease of (-\$14,688)**
  - Decrease is mainly due to the elimination of the Town contribution to the Board of Managers Edmond Town Hall special revenue fund of \$50,000. The BOM ETH fund is currently able to run its operations without any help from the Town. The Town has major commitments to the BOM ETH for major capital improvements thru the Town CIP.
  
- **CAPITAL FINANCING – DEBT SERVICE – decrease of (-\$232,292)**
  - Decrease is due to a planned bond refunding in February 2015. Also there is no planned bonding for capital projects (usually every February).

**Note:**

Currently, as proposed, the **Municipal Services** part of the Board of Selectmen budget has increased 2.43% (this does not include debt service budget – total BOS budget has increased 1.22%).


If you take out the requested additional commitment for capital roads (\$250,000) and the restoration of the capital non-recurring budget (an additional \$100,000) the **Municipal Services** part of the BOS budget would increase 1.24% and the total BOS budget would increase 0.33%.



TOWN OF NEWTOWN  
 GENERAL WAGE INCREASE HISTORY  
 FOR THE FISCAL YEARS 2005-06 TO 2015-16

<u>FISCAL YR</u>	<u>MUNICIPAL UNIONS</u>						
	<u>PUBLIC WORKS</u>	<u>POLICE</u>	<u>TOWN HALL</u>	<u>DISPATCH</u>	<u>PARKS &amp; REC</u>	<u>NON UNION</u>	<u>SOC SEC COL (CPI)</u>
2005-2006	3.50	3.75	3.50	3.50	3.50	3.50	2.70
2006-2007	3.75	3.75	3.75	3.75	3.50	3.75	4.10
2007-2008	3.75	3.50	3.50	3.50	3.75	3.50	3.30
2008-2009	3.50	3.00	3.50	3.50	3.50	3.00	2.30
2009-2010	0.00	0.00	0.00	0.00	0.00	0.00	5.80
2010-2011	1.50	3.00 (a)	1.50	1.50	2.80	0.00	0.00
2011-2012	1.75	1.75	1.75	1.75	1.80	1.50	0.00
2012-2013	1.90	1.85	1.75	1.75	1.90	1.75	3.60
2013-2014	1.90	1.90	1.90	1.90	1.90	1.70	1.70
2014-2015	1.75		1.75	1.90	1.90	1.75	1.50
2015-2016						1.9	1.70
<b>Yearly Avg.</b>	2.33	2.50	2.29	2.31	2.40	2.03	2.43

(a) 2% July 1; 2% Jan 1

 To be negotiated