

THESE MINUTES ARE SUBJECT TO APPROVAL BY THE BOARD OF FINANCE

The Board of Finance held their regular meeting on Monday, August 11, 2014 in the Council Chambers at the Municipal Center, 3 Primrose Street, Newtown, CT. Chairman John Kortze called the meeting to order at 7:30pm.

Present: John Kortze, Harry Waterbury, James Filan, Mike Portnoy, James Filan, Joseph Kearney

Absent: John Godin

Also Present: First Selectman Pat Llodra, Director of Finance Bob Tait, Director of Public Works Fred Hurley, 2 members of the press

VOTER COMMENTS: None

COMMUNICATIONS: John Kortze received an e-mail from Kathy Hamilton that the BOE will be ready to present their CIP at the August 28th meeting. He also received an e-mail and spreadsheet from Superintendent Dr. Erardi regarding the affordable health care act tax (Attachment A).

MINUTES: Mr. Waterbury moved to approve the minutes of the 7/14/14 meeting, Mr. Portnoy seconded, unanimously approved.

FIRST SELECTMANS REPORT – NONE

FINANCE DIRECTOR REPORT – NONE

NEW BUSINESS

Mr. Kearney moved A RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$250,000 FOR THE REMEDIATION AND DEMOLITION OF DANBURY HALL AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2013-2014 TO 2018-2019, INCLUSIVE) AND AUTHORIZING THE ISSUANCE OF \$250,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION OFFSET BY ANY GRANTS AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE IS HEREBY AMENDED BY INCREASING THE AMOUNT OF THE APPROPRIATION THEREIN BY \$100,000 TO \$350,000. Mr. Kearney also moved to way the reading of the entire resolution. Mr. Waterbury seconded (Attachment B). Mrs. Llodra explained the history of the project (Attachment C). The additional funds do not include the 8 white houses. They have spent \$80,000 on them to date and 2 have been completed. Motion unanimously accepted.

ANNOUNCEMENTS – Mr. Kortze suggested at the next meeting the BOE and the Selectman will present their CIP's, discuss space needs and senior tax relief. Joe Spurgeon, the town's Employee Medical Benefit Consultant will be available to come to the September 8th meeting to discuss the Affordable Care Act

Having no further business, the meeting was adjourned at 8:01pm

Respectfully Submitted,
Arlene Miles, Clerk

Attachment A - Communications

Attachment B – Resolution

Attachment C – Breakdown of Danbury Hall

To: Kortze, John; Bob Tait
Subject: Board of Ed CIP

Good Afternoon,

Gino and I met this morning to discuss the CIP and in particular the High School Auditorium project. We are working with Chuck Boos to develop an estimate for this project. We still have a couple of options to review and get estimates for. The bottom line is that we will not be ready to present to the Board of Finance on August 11. We will be ready to vote at our regular BOE meeting on August 19 and present to you on the 28th.

All my best,

Kathy Hamilton
email: KathyLHamilton@att.net
phone: 203-304-8192
mobile: 203-417-2167

Fwd: Affordable Care Act

Wed 8/6/2014 3:06 PM

From: JOHN KORTZE

To: arlene.miles@newtown-ct.gov



For correspondence

Begin forwarded message:

From: Joe Erardi <erardij@newtown.k12.ct.us>
Subject: Affordable Care Act
Date: July 28, 2014 at 7:34:53 AM EDT
To: Mary Ann Jacob <mjacob4404@charter.net>, JOHN KORTZE <jkortze@mac.com>

Mary Ann and John

The attached document was shared with the school board over the weekend and I wanted to make sure that you had the same information as we all go forward with the ACA. I believe that a joint meeting with Joe Spurgeon (Newtown's health insurance consultant) and all interested elected and appointed officials may make sense. As you can see the potential \$1.2 million dollar increase would be crippling to the BOE's budget.

I recently returned from Washington with Joe Spurgeon as we met individually with CT federal delegate and had a very meaningful discussion on the impact of this act on local budgets.

Informational to you-

JE

Copy - NBOE; Ron Bienkowski, Joe Spurgeon

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Note that any views or opinions presented in this email are solely those of the author and do not necessarily represent those of the Newtown Public Schools.

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Attachments:

- 14 cadillac tax_Teachers Plan.pdf

Newtown: BOE-Assume All in Teacher Copay Plan
 Cadillac Tax Exhibit
 July 23, 2014

July 2014 Teacher Copay Plan			
Full Allocation Rates-Copay (includes Med & RX)			
40% excise tax on premiums over the threshold amounts of:			
Threshold-Single	\$ 10,200		
Threshold-Other	\$ 27,500		
Assumed Trend:	8%		
	Single	2 Person	Family
2014 Monthly Rates:	\$ 751.71	\$ 1,616.16	\$ 2,029.60
Annual Rates			
2014 Proj. Rates	\$ 9,021	\$ 19,394	\$ 24,355
2015 Proj. Rates	\$ 9,742	\$ 20,945	\$ 26,304
2016 Proj. Rates	\$ 10,522	\$ 22,621	\$ 28,408
2017 Proj. Rates	\$ 11,363	\$ 24,431	\$ 30,681
2018 Proj. Rates	\$ 12,272	\$ 26,385	\$ 33,135
Amount over	\$ 2,072	\$ -	\$ 5,635
Tax impact	\$ 829	\$ -	\$ 2,254
Revised Rate	\$ 13,101	\$ 26,385	\$ 35,389
2019 Proj. Rates	\$ 13,254	\$ 28,496	\$ 35,786
Amount over	\$ 3,054	\$ 996	\$ 8,286
Tax impact	\$ 1,222	\$ 398	\$ 3,314
Revised Rate	\$ 14,476	\$ 28,894	\$ 39,100
% Increase due to Tax			
2018	6.75%	0.00%	6.80%
2019	9.22%	1.40%	9.26%

ALL BOE (not just teachers)			
2018 TAX IMPACT			
I	II	III	Total
174	141	282	597
\$ 144,233	\$ -	\$ 635,626	\$ 779,859
2019 TAX IMPACT**			
I	II	III	Total
174	141	282	597
\$ 212,566	\$ 56,176	\$ 934,636	\$ 1,203,378

**Assumes 2018 Thresholds

A RESOLUTION AMENDING A RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$250,000 FOR REMEDIATION AND DEMOLITION OF DANBURY HALL LOCATED ON THE FAIRFIELD HILLS CAMPUS IN THE TOWN OF NEWTOWN, CONNECTICUT AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2013-14 TO 2017-2018, INCLUSIVE) AND AUTHORIZING THE ISSUANCE OF \$250,000 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. Section 1 of the resolution entitled “Resolution Providing For A Special Appropriation In The Amount Of \$250,000 For The Remediation and Demolition Of Danbury Hall Located On The Fairfield Hills Campus In The Town Of Newtown, Connecticut As Authorized In The Capital Improvement Program (2013-14 To 2017-2018, Inclusive) And Authorizing The Issuance Of \$250,000 Bonds Of The Town To Meet Said Special Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose”, approved at a Town Meeting held July 10, 2013 (the “Resolution”) is hereby amended by increasing the amount of the appropriation therein by \$100,000 from \$250,000 to \$350,000, thereby making said Section read as follows:

“Section 1. The sum of \$350,000 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 remediation and demolition of Danbury Hall located on the Fairfield Hills Campus in the Town, as authorized in the Capital Improvement Program (2013-14 to 2017-18, inclusive), including, but not limited to, removal of hazardous materials, and related site improvements, 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. The first sentence of Section 2 of the Resolution is hereby amended by increasing the amount of the bond authorization therein by \$100,000 from \$250,000 to \$350,000, thereby making said sentence read as follows:

“Section 2. To meet said appropriation, \$350,000 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”).”

Section 3. Section 5 of the Resolution shall be applicable to the appropriation and bond authorization added by this amendment, as of the date of the adoption of such amendment.

NEWTOWN MUNICIPAL CENTER
3 PRIMROSE STREET
NEWTOWN, CONNECTICUT 06470
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ELIZABETH STOCKER, AICP
DIRECTOR

TOWN OF NEWTOWN

OFFICE OF ECONOMIC AND COMMUNITY DEVELOPMENT

MEMORANDUM

DATE: August 8, 2014

TO: John Kortz, Chairman, Board of Finance

FROM: Elizabeth Stocker, AICP, Director of Economic & Community Development

RE: Request to increase Appropriation for Danbury Hall Cleanup/Demo

A handwritten signature in dark ink, appearing to be 'ES', is written over the 'FROM' line of the memorandum.

The subject project has been bid and the cost estimates are short by approximately \$100,000. This memo is a request to increase the appropriation by \$100,000 for the cleanup and demo of Danbury Hall (from \$250,000 to \$350,000). It is requested that this additional appropriation be funded by bonding.

**TOWN OF NEWTOWN
FINANCIAL IMPACT STATEMENT
(Per Town Charter 6-100)**

REQUESTING DEPARTMENT ECONOMIC DEVELOPMENT

PROJECT: DANBURY HALL REMEDIATION AND DEMOLITION

PROPOSED SPECIAL APPROPRIATION AMOUNT: \$ 350,000.00

PROPOSED FUNDING:

BONDING	\$	350,000.00
GRANT		
CONTINGENCY		
OTHER		
	<u>\$</u>	<u>350,000.00</u>

ANNUAL FINANCIAL IMPACT ON OPERATING BUDGET (GENERAL FUND):

List any financial impact your request will have on the Town's annual operating budget.
Attach spreadsheet(s) showing your calculation of the estimated impact.

EXPENDITURE CATEGORY:	<small>**FOR BRACKETS USE NEGATIVE SIGN BEFORE NUMBER**</small>	(POSITIVE IMPACT) / NEGATIVE IMPACT	Attachment #
SALARIES & BENEFITS			
PROFESSIONAL SERVICES			
CONTRACTED SERVICES			
REPAIRS & MAINTENANCE			
UTILITIES			
OTHER			
DEBT SERVICE (1st year)		<u>\$ 29,000.00</u>	
TOTAL IMPACT ON EXPENDITURES		<u>\$ 29,000.00</u>	

REVENUE CATEGORY:		POSITIVE IMPACT / (NEGATIVE IMPACT)	Attachment #
PROPERTY TAXES			
CHARGES FOR SERVICES (FEES)			
OTHER			
TOTAL IMPACT ON REVENUES		<u>\$ -</u>	

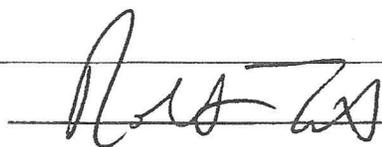
TOTAL FINANCIAL IMPACT ON OPERATING BUDGET \$ 29,000.00

EQUIVALENT MILL RATE OF TOTAL IMPACT 0.0075 mills

(using current year's information)

COMMENTS:

IMPACT WOULD INVOLVE RISK MANAGEMENT. DEMOLITION WOULD REPRESENT ONE LESS EMPTY BUILDING ON CAMPUS, REDUCING THE RISK ASSOCIATED WITH AN EMPTY BUILDING. BUILDING INSURANCE SAVINGS WOULD BE MINIMAL.

PREPARED BY:  DATE: 8/8/14

TO: BOF, LC

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

A meeting of the Board of Finance of the Town of Newtown was held in the
_____ on _____, _____, at _____
o'clock __M. (E.D.T.).

* * *

Members present and absent were as follows:

Present
(List Names)

Absent

* * *

_____ introduced and read the following resolution:

RESOLVED: That the resolution entitled "A Resolution Amending A Resolution Providing For A Special Appropriation In The Amount Of \$250,000 For Remediation And Demolition Of Danbury Hall Located On The Fairfield Hills Campus In The Town Of Newtown, Connecticut As Authorized In The Capital Improvement Program (2013-14 To 2017-2018, Inclusive) And Authorizing The Issuance Of \$250,000 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 August 8, 2014 from Elizabeth Stocker, AICP, Director of Economic and Community Development, a copy of which is attached hereto, in accordance with Chapter 6, Section 6-30 (a), (b) & (c) of the Town Charter.

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

AYES
(List Names)

NAYS

_____ thereupon declared the motion carried and the resolution adopted.

* * *

(Letterhead of Board of Finance)

_____, 2014

To the Legislative Council

Members of the Council:

At a meeting of the Board of Finance held _____, _____, the following resolution was adopted:

RESOLVED: That the resolution entitled "A Resolution Amending A Resolution Providing For A Special Appropriation In The Amount Of \$250,000 For Remediation And Demolition Of Danbury Hall Located On The Fairfield Hills Campus In The Town Of Newtown, Connecticut As Authorized In The Capital Improvement Program (2013-14 To 2017-2018, Inclusive) And Authorizing The Issuance Of \$250,000 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 August 8, 2014 from Elizabeth Stocker, AICP, Director of Economic and Community Development, a copy of which is attached hereto, in accordance with Chapter 6, Section 6-30 (a), (b) & (c) of the Town Charter.

Very truly yours,

Chairman
Board of Finance

Item for Agenda of
Meeting of Legislative Council

1. To consider and act upon the resolution entitled “A Resolution Amending A Resolution Providing For A Special Appropriation In The Amount Of \$250,000 For Remediation And Demolition Of Danbury Hall Located On The Fairfield Hills Campus In The Town Of Newtown, Connecticut As Authorized In The Capital Improvement Program (2013-14 To 2017-2018, Inclusive) And Authorizing The Issuance Of \$250,000 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 August 8, 2014 from Elizabeth Stocker, AICP, Director of Economic and Community Development, a copy of which is attached hereto, in accordance with Chapter 6, Section 6-30 (a), (b) & (c) of the Town Charter.

(The sum of \$350,000 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 for remediation and demolition of Danbury Hall located on the Fairfield Hills Campus in the Town of Newtown, as authorized in the Capital Improvement Program (2013-14 to 2017-18, inclusive), and for administrative, financing, legal and costs of issuance related thereto, said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof)

Abatement/Demo Project Fairfield Hills**Danbury Hall & eight single family homes****Funding available:**

EPA - \$200,000

FHA - \$20,000

CIP - \$250,000

Special Approp. \$45,000

Total: \$515,000

Resources used for work completed with single family houses : \$80,000

GRAND TOTAL (RESOURCES AVAILABLE): \$435,000

Danbury Hall abatement costs:

BesTech \$300,000

TRC \$35,000

Bartley \$20,000

TOTAL ABATEMENT DANBURY HALL: \$355,000

Danbury Hall demolition cost: \$156,000

Total abatement and demo costs for Danbury Hall: \$511,000**Bottom Line: resources after abatement: \$435,000 - \$355,000 = \$80,000****demolition cost is \$156,000 plus a contingency amount****\$156,000 - \$80,000 = \$76,000 + contingency amt****resources needed to complete project ~ \$100,000**

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OTHER			
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PROPERTY TAXES		
CHARGES FOR SERVICES (FEES)		
OTHER		
TOTAL IMPACT ON REVENUES	\$ -	

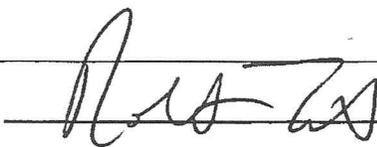
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PREPARED BY: 

DATE: 8/8/14