

**From:** Bruce Walczak [bw.reloconsult@snet.net]  
**Sent:** Friday, December 17, 2010 3:01 PM  
**To:** 'Susan Marcinek'; ann.benore@newtown-ct.gov; 'Barbara Bozemen'; 'Ben Spragg'; 'Bill Furrier'; 'Bob Merola'; 'Christopher Lagana'; 'Dan Amaral'; 'Dave Grogins'; 'David Nanavaty'; 'Debbie Leidlein'; debbie.aurelia@newtown-ct.gov; 'Dr. Robinson'; 'Elaine McClure'; 'Fran Pennarola'; 'Fred Hurley'; 'Gary Davis'; 'George Ferguson'; 'James Beldon'; 'Jan Andras'; 'Jan Brookes'; 'Jeff Capeci'; 'Kathy Fetchick'; 'Kathy June'; 'Kevin Fitzgerald'; 'Lillian Bittman'; 'Linda Gejda'; 'Linda Zukauskas'; 'Mary Ann Jacob'; 'Pat Llodra'; 'Po Murray'; 'Renee'; 'Richard Gaines'; 'Richard Woycik'; 'Robert Tait'; 'Ron Bienkowski'; 'Will Rodgers'; 'William Hart'; 'Harry Waterbury'; 'Jim Gaston'; 'Joe Kearney'; 'John Kortze'; 'Marty Gersten'; 'Mike Portnoy'  
**Subject:** RE: Special BOF att. 12-15-10

I spoke with Tom Hennick from the FOI Commission. Tom is the fellow who ran the FOI training here in town a few months ago.  
 I want to share my understanding of the email "meeting issue" and what is allowed and not allowed.  
 Allowed: (My understanding)

1. A member of one board may discuss whatever they wish with a member of another board. (except confidential information)
2. A member of a board may email his or her position on a matter to anyone they wish, even cc the world, however they should not subsequently get into an email back and forth conversation about it with members of their own board. The danger of subsequent email back and forth is it could ripen into a meeting. Don't solicit input or feedback from fellow members and don't offer it up.
3. Board members can dialogue with members of other boards all they want.
4. Tom indicated that even emailing back and forth between fellow board members, just two individuals can be an issue if they are discussing board business. ( This is a new twist and one to think about as I believe these one on ones are pretty common in a small town like Newtown.) This appears to make collaboration outside of public meeting questionable. One exception to all this are party caucuses, which are legal.

This is my understanding and I hope this clears up some of the questions concerning comments made by the Chair of the Board of Finance.

bruce

Bruce Walczak  
 President  
 Relocation Consultants, Inc  
 P.O. Box 0769, Newtown CT 06470  
 203-364-0616  
 Fax: 203-549-0479

-----Original Message-----

**From:** Susan Marcinek [mailto:susan.marcinek@newtown-ct.gov]  
**Sent:** Friday, December 17, 2010 8:21 AM  
**To:** ann.benore@newtown-ct.gov; 'Barbara Bozemen'; 'Ben Spragg'; 'Bill Furrier'; 'Bob Merola'; 'bruce walczak'; 'Christopher Lagana'; 'Dan Amaral'; 'Dave Grogins'; 'David Nanavaty'; 'Debbie Leidlein'; debbie.aurelia@newtown-ct.gov; 'Dr. Robinson'; 'Elaine McClure'; 'Fran Pennarola'; 'Fred Hurley'; 'Gary Davis'; 'George Ferguson'; 'James Beldon'; 'Jan Andras'; 'Jan Brookes'; 'Jeff Capeci'; 'Kathy Fetchick'; 'Kathy June'; 'Kevin Fitzgerald'; 'Lillian Bittman'; 'Linda Gejda'; 'Linda Zukauskas'; 'Mary Ann Jacob'; 'Pat Llodra'; 'Po Murray'; 'Renee'; 'Richard Gaines'; 'Richard Woycik'; 'Robert Tait'; 'Ron Bienkowski'; 'Will Rodgers'; 'William Hart'; 'Harry Waterbury'; 'Jim Gaston'; 'Joe Kearney'; 'John Kortze'; 'Marty Gersten'; 'Mike Portnoy'  
**Subject:** FW: Special BOF att. 12-15-10

Sue Marcinek

### Kevin's Community Center

In 2001 Kevin Taweh, the young son of Dr. and Mrs. Michael Taweh died due to injuries suffered in an accident. Shortly thereafter, Kevin's Community Center was created to honor the short life of the Taweh's son. The mission of the Center was to provide free medical care to qualified community members.

- \* 2001: Kevin's Community Center (KCC) incorporated
- \* 2002: KCC housed in Canaan Hall (as was BoE office) on the Fairfield Hills Campus
- \* 2004: KCC relocated to Peck's Lane (along with BoE offices) when Canaan closed
- \* 2008: Town received grant of \$500,000 for KCC to establish its clinic in Newtown Hall (aligned with Danbury Hospital as the major tenant)
- \* 2009: In February, Danbury Hospital initiative ceased
- \* 2009: In May, the FHAuthority passed a motion in support of modifying the state grant such that a duplex for KCC is identified rather than Newtown Hall (attached)
- \* 2009: In June, the BoS, passed the same motion supporting the use of a duplex by KCC
- \*2009: In Sept, State issued a modified grant removing Newtown Hall from the language of the offer (attached)
- \*2009: BoE moved from Peck's Lane to Municipal Center; KCC moved to South Main



#### Next Steps.

Determine if the \$500,000 is sufficient to rehab the building.

If the money is not sufficient, forego the grant and/or determine other grant funding

If the money is sufficient, determine the 'relationship' between Town and KCC (lease language)

*BoS resolution to execute the grant*

*FHA action on lease, recommendation to BoS,*

*Public hearing*

**5-20-09**

Printer-Friendly Version

[Home](#) | [Town History](#) | [Places to Know](#) | [Town Government](#) | [Boards & Commissions](#) | [Meeting Calendar](#) | [Links](#)

The Fairfield Hills Authority held a Regular Meeting on Wednesday, May 20, 2009 in the meeting room of the Town Hall South, Main Street, Newtown, CT. Bob Geckle called the meeting to order at 7:33 p.m.

**Present:** Bob Geckle, Andy Willie, Walt Motyka, Kathy Furey, John Madzula, John Reed and Don Studley.

**Absent:** Mike Holmes.

**Also Present:** Amy Mangold (Director of Parks & Recreation) and Pat Berczak (Parks & Recreation Commission). Lisa Schwart, Kevin's Community Center and Gary Sorge from Stantec were also in attendance.

**Kevin's Community Center:** Bob Geckle read a letter that was written requesting that a proposed amendment to the grant application changing the location for Kevin's Community Center from Newtown Hall to one of the Duplexes on the Fairfield Hills Campus.

Bob Geckle stated that the first duplex was probably the best choice. This duplex had the most recent occupant and was the closest to the campus infrastructure making it the best one to use.

Lisa Schwartz, Kevin's Community Center, agrees that the Duplex is the best solution. She also stated that a copy of this letter was sent to state representatives Christopher Lyddy and John McKinney.

**Motion:** John Reed made a motion stating that the Fairfield Hills Authority is in support of the request to the State of Connecticut to transfer the use of the \$500,000 grant for the location of Kevin's Community Center from Newtown Hall to one of the Duplexes, preferably the one closest to the existing infrastructure, with the understanding that the \$500,000 grant be sufficient to cover all infrastructure and renovation costs.

*Kathy Furey Secord.*

*Unanimous.*

AT&T and the Town of Newtown, that AT&T, within 120 days, and by Sept. 19<sup>th</sup>, will remove and relocate the VRAD box on Queen Street as stipulated in their letter of May 19. Selectman Rosenthal seconded.

All in favor.

2. Common Driveway Bond: Selectman Rosenthal moved the release of one common driveway bond: Oak Street Design & Construction, Grace Moore Road, M54, B9, L94. Selectman Mangiafico seconded. All in favor.

3. Appointments: Selectman Mangiafico moved to authorize the First Selectman to appoint Joseph Girgasky (R), 7 Lake Road, Newtown as an alternate to the Public Building & Site Commission for a term to expire 01/06/13. Selectman Rosenthal seconded. All in favor.

4. Transfer: Selectman Rosenthal moved to approve the transfer from Contingency 1570-2000, \$16,819.74 to Referendum 01880-1005 \$10,012.98 & Election Workers 01180-1007 \$6,806.76. Ms. Frampton, Registrar of Voters, spoke about the number of referendums during the year and said there were changes to laws regarding the Presidential referendum. First Selectman Borst seconded. All in favor.

5. Transfer: Selectman Rosenthal moved to approve the transfer from Contingency \$450.00 to N.W. Safety 01426-0000. Selectman Mangiafico seconded. All in favor.

6. Transfer: Selectman Rosenthal moved to approve the transfer from Contingency 01570-2000 \$25,000 to Unemployment. Seconded by Selectman Mangiafico. Mr. Tait explained the Board of Managers will reimburse the Town. Discussion was held on how unemployment works by state law. All in favor.

7. Kevin's Community Center: Lisa Schwartz, of the Board of Directors, Kevin's Community Center suggested that the ten year support mentioned in the grant report means that the town would be liable for the grant should Kevin's Community Center cease to be an entity. Ms. Schwartz explained that KCC is looking for approval to transfer the grant money from Newtown Hall to one of the duplexes at Fairfield Hills. Dr. Taweh reported that KCC has a long term strategic plan. The grant money and additional money already set aside for development will cover all the costs. Dr. Taweh believes KCC can exist long term with no financial hardship. Selectman Rosenthal moved the Board of Selectman support the motion of the Fairfield Hills Authority as follows: We support the request to the State of Connecticut to transfer the use of the \$500,000 grant for the location of Kevin's Community Center from Newtown Hall to one of the duplexes, preferably the one closest to the existing infrastructure, with the understanding that the \$500,000 grant be sufficient to cover all infrastructure and renovation costs. Selectman Mangiafico seconded. All in favor.

8. Telephone recommendation: Communications Director Maureen Will spoke about the telephone system relative to the move to Fairfield Hills. She has narrowed the search down to two vendors and plans to sever some services to the town. There is one system that is a redundant system, that would be both the Board of Education and the Town of Newtown. The Board complimented Ms. Will on her report and presentation. She will make her recommendations by July 1. (Att. B).

9. Newtown Youth Academy refinancing: Town Attorney Grogins explained that Newtown Youth Academy is getting a loan through the Newtown Savings Bank that is guaranteed through the Department of Agriculture. The lease has a provision that requires no more than 80% loan to value ratio. Attorney Grogins asked the Board to waive the provision. Attorney Grogins will have a resolution for authorization at the June 15 Board of Selectmen meeting.

10. Lake Lillinonah Authority marine patrol appointments for 2009: Selectman Rosenthal moved the appointment of the law enforcement personnel marine patrol officers as presented in a letter dated May 18, 2009 from the Lake Lillinonah Authority. Seconded by Selectman Mangiafico. All in favor.

11. Tax Refunds: Selectman Mangiafico moved the June 2009 Tax Refunds No. 16 in the amount of \$5,395.29. Selectman Rosenthal seconded. All in favor.

11. Tax Abatements: Selectman Rosenthal moved the Tax Abatements for June 2009 in the amount of \$87,220.27. Selectman Mangiafico seconded. All in favor.

12. Executive Session: Selectman Rosenthal moved to enter executive session for purposes of discussing potential litigation of Housatonic Railroad, open space purchases, and an assessment appeal. Invited to attend were Town Attorney David Grogins, George Benson and Rob Sibley. Executive Session was entered into at 9:10pm and returned to regular session at 9:55pm with the following motions:

First Selectman Borst moved to approve the transfer of the Lisy #09-01 property as a donation to the Town of Newtown for the cost of "Closing" fees. Seconded by Selectman Rosenthal. All in favor.

Selectman Rosenthal moved the First Selectman to authorize the Town Attorney to defend the Town in two Tax Appeal cases: 1.) Dissa Lakhdar, 9 Prospect Drive, Newtown and 2.) James K. Dolan, 22 Ridge Road, Newtown, CT. Seconded by Selectman Mangiafico. All in favor.

No action was taken on Housatonic Railroad.

ANNOUNCEMENTS: none

#### ADJOURNMENT:

Having no further business, the Board of Selectman adjourned their regular meeting at 10:00 p.m.

Respectfully Submitted,

Susan Marcinek, Clerk

EDMOND TOWN HALL  
45 MAIN STREET  
NEWTOWN, CONNECTICUT 06470  
TEL. (203) 270-4201  
FAX (203) 270-4205  
Email [first.selectman@newtown-ct.gov](mailto:first.selectman@newtown-ct.gov)



JOSEPH E. BORST  
FIRST SELECTMAN

## TOWN OF NEWTOWN

### OFFICE OF THE FIRST SELECTMAN

June 9, 2009

Mary L. Plaskonka, Grants & Contracts Manager  
Department of Social Services, Neighborhood Facilities Program  
25 Sigourney Street  
Hartford, CT 06105

Dear Ms. Plaskonka:

I am writing on behalf of Kevin's Community Center, a not-for-profit free medical clinic which serves uninsured and underinsured adults in Newtown. As you know, in January of 2008 your department awarded a \$500,000 grant-in-aid to the Town of Newtown on KCC's behalf. At that time, the town was poised to enter a partnership with Danbury Hospital and Hawley Management for the purpose of renovating a building (formerly known as Newtown Hall) on Fairfield Hills property. This proposed renovation included space for Kevin's Community Center.

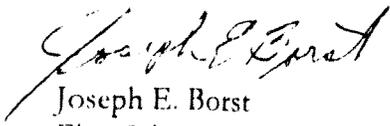
Unfortunately, the venture initiated by Danbury Hospital/Hawley Management was withdrawn in February of 2009. The forfeiture of this project has left Kevin's Community Center with few alternatives. Their current lease will terminate in November 2009, and relocation to Newtown Hall in the absence of a suitable partnership is neither practicable nor financially feasible (the building is far too big and the costs too prohibitive). In effect, KCC's future has been thrust into doubt.

It is in this context that I seek your help. As town leaders, we are committed to preserving the long-term future of this clinic because we believe the benefits it offers to our community are indispensable. After a thorough review and collaboration with town officials, KCC's board of directors submitted a request to relocate to a duplex building on the grounds of Fairfield Hills property. Both the Fairfield Hills Authority and the Board of Selectmen endorsed this proposal in unanimous motions (copies of the respective motions taken from meeting minutes are attached to this correspondence).

Because existing language specifies that funding is tied to Newtown Hall, it is my understanding that we must seek a modification prior to the process of grant execution. Therefore, by action of this letter, the town of Newtown respectfully requests to change the current language: We ask that in lieu of using the grant money to fit-out a portion of Newtown Hall, we be allowed to direct this funding toward improvements that will permit KCC to occupy space in a duplex building. This proposal represents a minor revision which favorably aligns with our overall plan of development. KCC's final location will remain in a town-owned building on Fairfield Hills property, while also spurring progress and possibly generating other building initiatives. We see this as a win-win situation.

Please let me know what is required accomplish this change. The town of Newtown is deeply grateful for your support and generosity toward this humanitarian cause and I look forward to working with you on behalf of Kevin's Community Center.

Sincerely,



Joseph E. Borst  
First Selectman

enc.

cc: Elizabeth Stocker ✓  
Bob Geckle, FFH Authority  
State Senator John McKinney  
Representative Chris Lyddy  
Representative DebraLee Hovey  
Selectman P. Mangiafico  
Selelctman H. Rosenthal

SECTION 21(a) OF PUBLIC ACT NO. 79-607 OF THE GENERAL ASSEMBLY OF THE STATE OF CONNECTICUT, AS AMENDED (AN ACT CONCERNING THE AUTHORIZATION OF BONDS OF THE STATE FOR URBAN ACTION AND ESTABLISHING A STATE HISTORIC PRESERVATION BOARD)

Under Section 21(b)(6)(B) of the above-mentioned Public Act, the State Bond Commission voted to approve a request of the Department of Social Services for the reauthorization of unexpended funds in the aggregate amount of \$500,000 to allow the Town of Newtown on behalf of Kevin's Community Center to fitout and renovate another building located on the campus of the former Fairfield Hills Hospital property rather than Newtown Hall for use by Kevin's Community Center, which previously allocated funds are available from funds approved at the January 25, 2008 meeting of the State Bond Commission (Item 41, Request 994) to Town of Newtown for renovation of Newtown Hall.

## Susan Marcinek

---

**From:** Kortze, John [john.kortze@wellsfargoadvisors.com]  
**Sent:** Wednesday, December 29, 2010 10:47 AM  
**To:** Susan Marcinek  
**Subject:** FW: Pension fund editorial

Please add to correspondence.

---

**From:** Pat Llodra [mailto:pat.llodra@newtown-ct.gov]  
**Sent:** Wednesday, December 29, 2010 10:21 AM  
**To:** 'Portnoy, Michael'; Kortze, John; jkearney19@aol.com; 'James Gaston'; 'Harrison Waterbury'  
**Cc:** robert.tait@newtown-ct.gov  
**Subject:** RE: Pension fund editorial

All.

Happy New Year. FYI...On Dec. 20, the BoS changed the rate of return assumption to 7.75% and the wage assumption to 4%. These changes are consistent with our research and analysis of the recent past, current conditions, and future expectations. Those changes will affect budget (2012-2013). As for this coming budget, the actuary has informed us of the necessary amount which is almost the same as 2010-2011.

And, I remain hopeful that we will be able to move from a defined benefit program to a defined contribution program within the next few years. This is a difficult concept to negotiate. Right now, we have tentative concurrence with two groups to discuss this modified plan after current negotiations are closed. There is a great deal of anxiety among the workers about this potential change.

Pat

**om:** Portnoy, Michael [mailto:Michael.Portnoy@hatterasfunds.com]  
**Sent:** Wednesday, December 29, 2010 9:48 AM  
**To:** 'Pat Llodra'; 'Kortze, John'; jkearney19@aol.com; James Gaston (OKJT@aol.com); Harrison Waterbury (harrison.waterbury@sbcglobal.net)  
**Subject:** Pension fund editorial

All:

Please see below New Haven Register editorial on the State's pension fund. Please note paragraph four in which they call the 8.25% investment assumption "unrealistic".

Things keep getting worse for the pension fund that covers some 53,000 state government workers, plus nearly 40,000 retirees. In June 2008, the fund had enough money to cover 52 percent of its projected benefit payouts. This June, two years later, it had only 44.4 percent, or \$9.35 billion, on hand to meet \$21.1 billion in obligations.

The state seems well on track to prove true the prediction of a finance professor at Northwestern University that the pension fund will run out of money by 2019.

Given mismanagement and irresponsible actions of the state, it may be a miracle that the pension fund lasts that long.

The State Employees Retirement Fund operates under the unrealistic assumption of an 8.25 percent annual return. Over five years ending June 30, 2009, the return was 2.2 percent. A 2009 deal with state labor unions allowed the state to skip \$314 million in payments through this year.

A retirement package boosted pension benefits as an incentive for workers to leave. It produced a short-term savings and a long-term cost.

On top of a projected \$3.5 billion budget gap between state spending and revenue projected for the coming year, the required pension contribution is \$1 billion for next year. Within five years, the annual pension contribution will be \$1.5 billion. This is not sustainable.

Beyond meeting its required payments, the state needs to change policies such as counting overtime in pension calculations, full retirement at age 55 for some workers and levels of other benefits that it can no longer afford.

Happy New Year!  
Mike

Michael E. Portnoy  
*Vice President of Public Investments*

HATTERAS FUNDS  
8540 Colonnade Center Drive, Suite 401 | Raleigh, NC 27615-3052  
919.846.2324 | 919.846.3433 Fax | [www.hatterasfunds.com](http://www.hatterasfunds.com)

RELATIONSHIPS • ALTERNATIVES • RESULTS

---

This electronic mail message, any attached files, and hyperlinks are confidential. The information is exclusively for the sole use of the individual or entity intended as the recipient and may include information that is confidential or privileged. If you are not the intended recipient, please do not copy, distribute or otherwise disseminate the message or its contents. Instead, please notify the sender immediately, either by return email or by telephone at (919) 846-2324, and destroy the message, attachments and all copies.

Hatteras Investment Partners, LLC, Hatteras Capital Investment Management, LLC and Hatteras Alternative Mutual Funds, LLC (commonly collectively referred to as Hatteras or Hatteras Funds) are registered investment advisory firms that specialize in alternative investments. Hatteras Capital Distributors, LLC, Member FINRA/SIPC, is affiliated with Hatteras Investment Partners, LLC, Hatteras Capital Investment Management, LLC and Hatteras Alternative Mutual Funds, LLC by virtue of common control or ownership.

Hatteras and its affiliates do not offer legal, accounting or tax advice. The content of this message is for informational purposes only and should not be construed as a solicitation or an offer. Any reference to performance data is not warranted as accurate or complete, but based on unaudited figures computed by Hatteras. Past performance is not indicative of future results.

ATTENTION: THIS E-MAIL MAY BE AN ADVERTISEMENT OR SOLICITATION FOR PRODUCTS AND SERVICES.

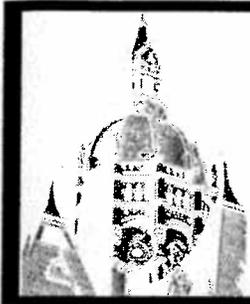
If you are a current Wells Fargo Advisor client and wish to unsubscribe from marketing e-mails from your financial advisor, reply to one of his/her e-mails and type "Unsubscribe" in the subject line. This action will not affect delivery of important service messages regarding your accounts that we may need to send you or preferences you may have previously set for other e-mail services.

If you are not a client, please go to <https://www.wachovia.com/email/unsubscribe>

For additional information regarding our electronic communication policies please go to <http://wellsfargoadvisors.com/disclosures/email-disclosure.html>

Investments in securities and insurance products are:  
NOT FDIC-INSURED/NOT BANK-GUARANTEED/MAY LOSE VALUE

Wells Fargo Advisors, LLC is a nonbank affiliate of Wells Fargo & Company, Member FINRA/SIPC 1 North Jefferson, St. Louis, MO 63103.



# Legislative Alert



January 19, 2011 No. 11-01

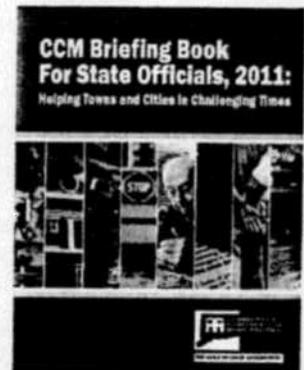
PLEASE DELIVER IMMEDIATELY TO ALL CCM-MEMBER MAYORS, FIRST SELECTMEN, AND TOWN/CITY MANAGERS

## CCM ISSUES POLICY BRIEFING BOOK Includes CCM's 2010 State Legislative Priorities and Detailed Information on Issues of Importance to Local Governments

CCM has recently published a Policy Briefing Book that was distributed to state and local officials outlining **CCM's 2011 State Legislative Priorities** and providing detailed background information on issues of greatest importance to local governments. This publication is meant to be a tool for elected officials in the 2011 Session of the General Assembly and beyond.

Please use the hyperlinks below to view the various sections of the publication:

[CCM's 2011 State Legislative Priorities](#)



### **POLICY REPORTS**

[State Budget Crisis and Towns & Cities: Do No Municipal Harm](#)

[Municipal Revenue Diversification and the Real Estate Conveyance Tax](#)

[The State-Local Partnership for Education: An Unbalanced Relationship](#)

[A Tale of Disproportionate Burden: The Special Needs of Connecticut's Poorer Cities—Bridgeport, Hartford, New Haven & Waterbury](#)

[Do The Math: No State Mandates Relief for your Hometown = Increases in Your Property Taxes](#)

## ## ##

For more information on this Policy Briefing Book, or other issues of importance to towns and cities, please contact Jim Finley—Executive Director and CEO; Ron Thomas—Manager of State and Federal Relations; Kachina Walsh-Weaver—Senior Legislative Associate; or Bob Labanara, Senior Legislative Associate at (203) 498-3000

For the most up-to-date news on legislative issues affecting municipalities —  
see **CCM's Legislative Action Center** at [www.ccmlac.org](http://www.ccmlac.org)

---

**From:** Kortze, John [john.kortze@wellsfargoadvisors.com]  
**Sent:** Thursday, December 30, 2010 12:30 PM  
**To:** bill.plummer@ct.gov  
**Cc:** Bob Tait (finance.director@newtown-ct.gov); Susan Marcinek  
**Subject:** Town Of Newtown  
**Attachments:** BOE Transfer and Audit Background.doc; BOE Transfers.doc

Bill,

Thanks for your time today. I'm writing to ask your opinion as to a few aspects of Newtown's current financial procedures. Our concern on the Board of Finance is that the Board of Education in Newtown should be operating according to its adopted policies, charter and state statutes.

Our questions are:

Is the BOE responsible to vote on and approve transfers per policy, statute and charter?

If no transfers were done in our last fiscal year (except for one), is the Town /BOE in violation of our charter, BOE policy and state statute?

Is presenting transfers to the BOE on a timely basis, and in turn discussing them and voting on them, consistent with the charter, statutes and policies?

The auditor has filed a management letter indicating the violation and our concern is that if the statutes and policies are not adhered to, the issue would rise to a level of a finding and be a detriment to the entire Town.

In our September meeting after the BOE voted to not perform transfers, the BOF passed a resolution unanimously, requesting the BOE perform transfers per statute and policy. That request remains unanswered despite the fact that our charter allows the BOF to request such reporting. Please understand that prior to the September BOE meeting illustrated in the enclosed attachment, the BOE was providing a monthly financial accounting including transfers.

I've included two attachments. One shows the reference in our charter, the statute, BOE policy as well as the auditors comment. The other attachment illustrates the BOE complete policy and minutes where an amendment of sorts was made to the policy.

Clearly the Board of Finance plays a fiduciary role here and we would be interested in your comments regarding "best practices", however, our concern is the impact of such actions on the Town's financial status as well as compliance. We are in no way inserting ourselves into the BOE's autonomy or authority, just want to make sure we are in compliance with the law.

Your input would be appreciated.

John Kortze  
Chairman - Board of Finance  
Town of Newtown

ATTENTION: THIS E-MAIL MAY BE AN ADVERTISEMENT OR SOLICITATION FOR PRODUCTS AND SERVICES.

If you are a current Wells Fargo Advisor client and wish to unsubscribe from marketing e-mails from your financial advisor, reply to one of his/her e-mails and type "Unsubscribe" in the subject line. This action will not affect delivery of important service messages regarding your accounts that we may need to send you or preferences you may have previously set for other e-mail

## Policy #1-200

Except where otherwise provided by law or regulation of the Commissioner of Education, these bylaws shall cover questions of order, organization, and conduct of business of the Board of Education. ***Questions not covered by these bylaws shall be governed by Robert's Rules of Order.***

The Newtown Board of Education is the recognized agency designated by the State to represent the citizens of Newtown in the fulfillment of its educational responsibilities as follows:

1. To maintain the public schools ***in compliance with applicable provisions of the Connecticut General Statutes.***
2. To interpret educational needs and desires to the community.
3. To translate educational needs and operational procedures required to attain them into policies and programs to be administered by the Superintendent of Schools.

The Board of Education acknowledges that partisan principle, group interest, or personal ambition shall not prevail when this action may result in subordinating the Board's educational responsibilities.

"Robert's Rules of Order Newly Revised, 10th Edition" states the following:

"The motion to "***Lay on the Table***" enables the assembly to lay the pending question aside temporarily when something else of immediate urgency has arisen, in such a way that:

- there is no set time for taking the matter up again;
- but its consideration can be resumed at the will of a majority and in preference to any new questions that may then be competing with for consideration.

This motion is commonly misused in ordinary assemblies - in place of the motion to ***Postpone Indefinitely***, to ***Postpone to a Certain Time***, or other motions. Particularly in such misuses, it also is known as a motion "***to table***."

By adopting the motion to ***Lay on the Table***, the majority has the power to halt consideration of a question immediately without debate. Such action violates the rights of the minority and individual members if it is for the any other purpose than the one stated previously. In ordinary assemblies, the motion to ***Lay on the Table*** is out of order if the evident intent is to kill or avoid dealing with the measure. If a time for resuming consideration is specified in making the motion, it can be admitted only as a motion to ***Postpone***, in which case it is debatable."

Meeting of November 7, 2010

Andy Buzzi said he would like the auditor to come in because the report was scarce. He then moved to table "Discussion and Possible Action Regarding the Audit". This was

seconded by David Nanavaty. The BOE voted 6 – 1 (Debbie Leidlein) in favor of the motion to table. The Superintendent remarked that a special meeting would have to be planned regarding the audit. Mrs. Leidlein asked to comment. Mr. Hart along with Mr. Buzzi and Mr. Nanavaty said that no discussion is allowable in a motion to table.

Mrs. Leidlein asked if she was allowed to ask Mr. Bienkowski a process question about the audit. She was advised by Mr. Hart to ask him after the meeting.

### Policy #3-203

#### PERIODIC AUDIT

The financial records of the district shall be audited by an independent certified public accountant in conformance with the prescribed standards and legal requirements. The audit, when completed, shall be presented to the Board of Education for examination. Following this presentation, the Superintendent or designee will develop an action plan for the Board of Education that identifies how each recommendation can be implemented. This action plan will be submitted to the Board no later than sixty (60) days after the receipt of the audit report.

Adopted 3/12/96

### Policy #3-202

#### BUDGET TRANSFERS

In accordance with Connecticut General Statutes 10-222, the Newtown Board of Education shall prepare an itemized estimate of its budget each year for submission to the Board of Finance and the Legislative Council for review and appropriation. Such budget estimate shall include, but is not limited to, the following major object line item categories:

- Salaries
- Employee Benefits
- Purchased Professional Services
- Purchased Property Services
- Other Purchased Services
- Supplies
- Property
- Other

Following the annual appropriation, the Board of Education shall meet and revise such itemized estimate, if necessary, and adopt a final appropriated budget for the year. Line items in the budget may be allocated more specifically by the superintendent or his designee in the development, administration and monitoring of the budget.

The superintendent and/or his designee shall be responsible for administering and monitoring the budget through the course of the year. The superintendent or his designee shall maintain a system of appropriate expenditures and encumbrance accounting that is organized to conform to the requirements for State and Federal accounting reports. A budget report shall be prepared in the same format as the annual object detail budget amount, transfers, expenditure to date, encumbered amounts, and current balance. Such budget report shall be presented to the Board of Education at the regularly scheduled meeting in the month following the period for which such report is prepared, and in accordance with the following schedule:

<b>Period Covered</b>	<b>Submitted</b>
July, August, September	October
October, November, December	January
January, February, March	April
April, May	June
Year-end Report	August

Based on expenditures, encumbrances, and budget projections, the superintendent or his designee shall recommend to the Board of Education transfers from one line item to another as needed (as set forth above). Transfers are required when an account's expenditures, encumbrances and projected need exceed \$10,000 or 5% of the current account allocation, whichever is greater.

For effective and efficient administration of day-to-day operations, budget transfer authority is granted to the superintendent or the director of business, as his designee, under the following restrictions.

1. Between detail accounts within an object summary category as presented in the annual budget, i.e. certified salary accounts, non-certified salary accounts, employee benefits, professional services, professional education services, building repair contracted services, etc., and
2. Funds from any line item in an amount less than \$50,000 under emergency conditions if the urgent need for the transfer prevents the Board of Education from meeting in a timely fashion to consider such transfer.

All emergency transfers and all those beyond detail accounts within an object summary category will be presented to the Board of Education and announced at its next regularly scheduled meeting.

The Board of Education shall not expend more than the amount of the total appropriation and the amount of money received from other sources for school purposes. If any occasion arises whereby additional funds are needed by the Board of Education, the chairperson of the Board of education shall notify the Board of Finance and submit a request for such necessary additional funds. No additional funds shall be expended until such supplemental appropriation is granted and no supplemental expenditures shall be

made in excess of those so authorized.

Reference: C.G.S 10-222

Adopted 6/14/88 Updated 8/1/89, 12/12/95, 8/6/02

Minutes of November 4, 2009:

Mrs. Bittman asked for a report from Mrs. Raymo on what was discussed at the finance committee meeting including the new financial report form.

\*\*\*Members of the Finance Committee include Lillian Bittman, Bill Hart, Elaine McClure

Minutes of November 17, 2009:

Outline Budget Process/Restructure Monthly Financial Report:

Mrs. Raymo spoke about the new format for the financial report. Two columns added to the report are Anticipated Obligations and Projected Balance. Anticipated obligations provides a method to forecast expense category fund balances that have not been approved but are anticipated to be expended or remain with an account balance to maintain the budget funding level.

Minutes of September 7, 2010:

Item 5 – New Business Transfers: MOTION: Mrs. Bittman moved that as proposed by the Board of Education Finance Committee last fall and subsequently used during most of FY2009-2010, that the Newtown Board of Education officially move to an encumbrance financial reporting system, employing transfers only in the event of error or correction, giving Board of Education financial statements more clarity, accessibility, and easy-to-understand year- to-year accountability. Mr. Gaines seconded.

Mrs. Bittman said we should finalize this. The finance committee decided this last year to give us clarity

Mrs. Fetchick said the state statutes say that if there are transfers they have to be stated and not approved by the board only if there is an emergency. Transfers allow us to have a discussion about where the money is coming from and going to.

Mrs. Bittman said we encumbered this year instead of using transfers. Mr. Hart said the state allows us to define transfers as broadly as we like. There isn't a requirement that we transfer at the micro level. The state requires we stay within our budget amount.

Mr. Nanavaty said the Board of Finance wanted monthly reports and commented on where we moved money. The encumbrance system is transparent. The transfers occur in the final report at the end of the fiscal year.

Mr. Bienkowski said there are circumstances that increase the budget. Our policy says transfers have to exceed a 5% negative balance. He was in another district that didn't do transfers and approved making the change.

Mrs. Bittman said when Mr. Bienkowski puts the budget together it will show what was actually spent last year. That's the intent of the motion.

Mrs. Leidlein asked if we could do both. We have a responsibility to the money being spent. Mr. Nanavaty stated the timing of the statute is at the end of the fiscal year. Mr. Nanavaty asked to move the question.

Mrs. Leidlein asked to have the motion re-read and asked if the motion violated our policy. Mrs. Leidlein asked why we had been doing our accounting this way for the fiscal year 2009-2010 if we had not voted on changing it.

Vote:

Mr. Lagana – yes

Mr. Gaines – yes

Mrs. Bittman – yes

Mr. Nanavaty – yes

Mrs. Leidlein – nay

Mrs. Fetchick – nay

Mr. Hart – yes

The motion passed.

Town Charter:

6-90

(f) Neither the Board of Selectmen nor the Board of Education shall draw any order upon the Financial Director unless there is sufficient money appropriated to pay for the object for which such order is drawn and each order shall designate the object

28

for and the account upon which it is drawn. Said Financial Director shall not pay any order unless there are sufficient funds appropriated and available for such object. This section shall not limit in any way the power of the Board of Education to make transfers within its own budget. The Board of Education shall report transfers within its budget in writing monthly to the Financial Director.

BOE Policies:

### BUDGET TRANSFERS

In accordance with Connecticut General Statutes 10-222, the Newtown Board of Education shall prepare an itemized estimate of its budget each year for submission to the Board of Finance and the Legislative Council for review and appropriation. Such budget estimate shall include, but is not limited to, the following major object line item categories:

Salaries

Employee Benefits

Purchased Professional Services

Purchased Property Services

Other Purchased Services

Supplies

Property

Other

Following the annual appropriation, the Board of Education shall meet and revise such itemized estimate, if necessary, and adopt a final appropriated budget for the year. Line items in the budget may be allocated more specifically by the superintendent or his designee in the development, administration and monitoring of the budget.

The superintendent and/or his designee shall be responsible for administering and monitoring the budget through the course of the year. The superintendent or his designee shall maintain a system of appropriate expenditures and encumbrance accounting that is organized to conform to the requirements for State and Federal accounting reports. A budget report shall be prepared in the same format as the annual object detail budget amount, transfers, expenditure to date, encumbered amounts, and current balance.

Such budget report shall be presented to the Board of Education at the regularly scheduled meeting in the month following the period for which such report is prepared, and in accordance with the following schedule:

Period Covered Submitted

July, August, September October

October, November, December January

January, February, March April

April, May June

Year-end Report August

Based on expenditures, encumbrances, and budget projections, the superintendent or his

designee shall recommend to the Board of Education transfers from one line item to  
- 2 -

another as needed (as set forth above). Transfers are required when an account's expenditures, encumbrances and projected need exceed \$10,000 or 5% of the current account allocation, whichever is greater.

For effective and efficient administration of day-to-day operations, budget transfer authority is granted to the superintendent or the director of business, as his designee, under the following restrictions.

1. Between detail accounts within an object summary category as presented in the annual budget, i.e. certified salary accounts, non-certified salary accounts, employee benefits, professional services, professional education services, building repair contracted services, etc., and
2. Funds from any line item in an amount less than \$50,000 under emergency conditions if the urgent need for the transfer prevents the Board of Education from meeting in a timely fashion to consider such transfer.

All emergency transfers and all those beyond detail accounts within an object summary category will be presented to the Board of Education and announced at its next regularly scheduled meeting.

The Board of Education shall not expend more than the amount of the total appropriation and the amount of money received from other sources for school purposes. If any occasion arises whereby additional funds are needed by the Board of Education, the chairperson of the Board of education shall notify the Board of Finance and submit a request for such necessary additional funds. No additional funds shall be expended until such supplemental appropriation is granted and no supplemental expenditures shall be made in excess of those so authorized.

Reference: C.G.S 10-222

Adopted 6/14/88

Updated 8/1/89, 12/12/95, 8/6/02

State Statute:

**Sec. 10-222. Appropriations and budget. Financial information system.** (a) Each local board of education shall prepare an itemized estimate of the cost of maintenance of public schools for the ensuing year and shall submit such estimate to the board of finance in each town or city having a board of finance, to the board of selectmen in each town having no board of finance or otherwise to the authority making appropriations for the school district, not later than two months preceding the annual meeting at which appropriations are to be made. The money appropriated by any municipality for the maintenance of public schools shall be expended by and in the discretion of the board of education. Except as provided in this subsection, any such board may transfer any unexpended or uncontracted-for portion of any appropriation for school purposes to any other item of such itemized estimate. Boards may, by adopting policies and procedures, authorize designated personnel to make limited transfers under emergency circumstances if the urgent need for the transfer prevents the board from meeting in a timely fashion to consider such transfer. All transfers made in such instances shall be announced at the

next regularly scheduled meeting of the board. Expenditures by the board of education shall not exceed the appropriation made by the municipality, with such money as may be received from other sources for school purposes. If any occasion arises whereby additional funds are needed by such board, the chairman of such board shall notify the board of finance, board of selectmen or appropriating authority, as the case may be, and shall submit a request for additional funds in the same manner as is provided for departments, boards or agencies of the municipality and no additional funds shall be expended unless such supplemental appropriation shall be granted and no supplemental expenditures shall be made in excess of those granted through the appropriating authority. The annual report of the board of education shall, in accordance with section 10-224, include a summary showing (1) the total cost of the maintenance of schools, (2) the amount received from the state and other sources for the maintenance of schools, and (3) the net cost to the municipality of the maintenance of schools. For purposes of this subsection, "meeting" means a meeting, as defined in section 1-200.

(b) The Commissioner of Education shall develop a financial information system to assist local and regional boards of education in providing to the State Board of Education budget and year-end expenditure data in conformance with the provisions of section 10-227. The financial information system shall be consistent with regulations concerning guidelines for municipal financial reports adopted by the Secretary of the Office of Policy and Management pursuant to the provisions of section 7-394a.

June 30, 2010 Town of Newtown Audit:

## **BOARD OF EDUCATION**

### **1. GENERAL LEDGER**

#### **CONDITION:**

Various fund accounting records are maintained on a manual basis and are not under general ledger control.

#### **CAUSE & EFFECT:**

General ledger control encompasses the recording of all transactions utilizing double entry procedures. Assets, liabilities, along with revenue and expenditure activity should all be recorded and controlled by the general ledger. Although expenditures transactions are currently processed through the computer system, the remainder of the general ledger accounting is done outside the general ledger software. The result of maintaining these accounts outside of the general ledger system the loss of general ledger controls and efficiency in the process of recording, controlling, monitoring and preparation of financial statement and other reports.

#### **RECOMMENDATION:**

We recommend development of automated systems, including general ledger accounting control, for all funds.

The system should be structured to facilitate systematic processing of all financial data. A common account structure will ensure financial reporting consistency between funds.

### **2. GRANTS**

**CONDITION:**

The drawdown request for grants are prepared and submitted without management review or approval.

**CAUSE & EFFECT:**

In order to ensure that grant requirements regarding drawn downs are properly met, proper procedures would include review and approval by management.

**RECOMMENDATION:**

We recommend that either the Grants Manager or Business Manager review the requests prior to submission to the granting agencies.

**TOWN OF NEWTOWN**

**RECOMMENDATIONS TO MANAGEMENT**

**BOARD OF EDUCATION**

**3. BUDGET TRANSFERS**

**CONDITION:**

The Business Office did not submit budget transfers to Board of Education as required by State Statutes and Board policy.

The Board policy, which is in accordance with State Statutes, requires that budget transfers between objects be approved by the Board of Education. The Board policy provides that management is authorized to make and approve transfers within object codes.

**CAUSE & EFFECT:**

The cause is unknown. The effect is that Board of Education, is not in compliance with the State Statutes and Board policy regarding approval of budget transfers

WINTER STORM BREAKDOWN

2010-2011

DATE	DAY	TIME IN	TIME OUT	TYPE OF STORM	USED SAND YDS	PER YD	USED TONS	TREATED SALT COST	OVERTIME HOURS	OVERTIME COST	TOTAL COST OF STORM
1	11/8/2010	Mon	7:00 AM	3:30 PM	Sleet	48	\$16.33	56.64	\$4,865.94	15.25	\$5,649.78
2	12/10/2010	Fri	3:30 PM	6:00 PM	Snow	15	\$244.95	17.7	\$1,520.61	103.25	\$2,337.32
3	12/12/2010	Sun	3:15 AM	8:30 AM	Rain/ice	189	\$3,086.37	225.38	\$19,362.40	53.25	\$26,398.60
4	12/14/2010	Tue	1:00 AM	3:30 PM	Snow	149.5	\$2,441.34	176.41	\$15,155.38	658.75	\$19,583.81
5	12/26/2010	Sun	11:48 AM	4:00 PM	Snow 15-18 inches	295.5	\$4,825.52	355.18	\$30,513.51	415	\$60,630.85
6	1/7/2011	Fri	7:00 AM	4:00 AM	Snow 12 inches	295	\$4,817.35	348.1	\$29,905.27	25.5	\$51,760.58
6A	1/9/2011	Sun	10:00 AM	4:00 PM	Continuation of storm	10	\$163.30	11.8	\$1,013.74	41.25	\$969.89
7	1/9/2011	Sun	12:00 AM	6:00 AM	Snow dusting	50.5	\$824.67	61.95	\$5,322.12	468	\$1,545.71
7A	1/10/2011	Mon	7:00 AM	3:30 PM	Checkruns from storm	57.5	\$938.98	73.16	\$6,285.18	206.25	\$7,692.50
8	1/11/2011	Tue	10:00 PM	10:00 PM	Snow 28 to 32 inches	290	\$4,735.70	354.59	\$30,462.83	357	\$7,224.15
8A	1/13/2011	Wed	7:00 AM	3:30 PM	Continuation of storm	54.75	\$894.07	64.605	\$5,550.22	357	\$53,076.19
8B	1/14/2011	Thurs	7:00 AM	3:30 PM	Storm clean up	36.5	\$596.05	50.74	\$4,359.07	206.25	\$1,326.22
9	1/18/2011	Fri	1:00 AM	3:30 PM	2" Snow, sleet & rain	443.25	\$7,238.27	523.04	\$44,934.37	357	\$7,770.50
10	1/19/2011	Tue	12:00 AM	3:30 PM	4" snow	255	\$4,164.15	305.03	\$26,205.13	357	\$4,955.12
10	1/20/2011	Wed	4:00 AM	3:30 PM	4-6 inches snow	217.5	\$3,551.78	270.22	\$23,214.60	357	\$65,924.34
11	1/21/2011	Thurs	4:00 AM	3:30 PM	4-6 inches snow	217.5	\$3,551.78	270.22	\$23,214.60	357	\$38,307.16
<b>TOTALS</b>					2407 YDS Sand	\$39,306.31 Cost of Sand	2894.545 Tons Salt	\$248,670.36 Cost of Salt	2478.75 OT Hrs	\$ 96,086.60 Cost of OT	\$384,063.27 Total cost of Storms

\*Snow fall amounts are estimates only and are made by the Public Works Department.

# WINTER WEATHER UPDATE

Eleven events through 1/24/2011.

- Snowfall 66-72 inches from December 26 – January 24.
- Cost: \$384,063.27

Resident communication (phone contact or email) with storm-related concerns, questions or comments have been at an all time high due to the intensity and frequency of the storms. The Office of the First Selectman and the Public Works Department, together, have handled approximately 250 separate resident contacts. The vast majority of these contacts have been simple inquiries about the plowing schedule. Many other calls have been in appreciation for the efforts of the crew under very difficult circumstances. The remainder, calls/emails of concern breaks down into the following categories:

- 1) Taking too long to get there;
- 2) Sight line problems;
- 3) Plowed area of road too narrow;
- 4) Road surface still rutted and icy;
- 5) Can't access mailbox;
- 6) Snow accumulation at driveway access;
- 7) Too much sand; not enough sand;
- 8) Too much salt; not enough salt;
- 9) Sand 'content' unsatisfactory.

Most problems are responded to as quickly, either the same day or early the next day. A few areas have been especially problematic because of narrow roads and the excessive volume of snow. Snow is pushed back as far as possible and/or removed to be dumped elsewhere. This work goes on long after the actual snowfall is ended.

The Town is not responsible for clearing access to residents' mailboxes. We simply cannot take that on with more than 9,000 resident locations! When plowing, crews do try to avoid creating large mounds of snow near mailboxes, but in a few

rare instances even find that unavoidable given a unique mailbox location and/or road issue. We received a few pleas from elderly and/or infirm persons to help with clearing access to mailboxes and we responded with appropriate help.

On occasion, a resident mailbox is damaged or destroyed in plowing the road. In such cases, the homeowner should contact the Public Works Office to arrange for restitution. Please be aware, also, that not all mailbox damage is the result of Town work. Private contractors share in that responsibility.

Clearing the roadway does cause snow to accumulate at the access to private driveways. The result is that the resident then has to cleanup the access to his/her driveway; and oftentimes that must be done more than once. Plows make a few runs on each roadway, especially during heavy or continuous snows. It is unavoidable that plows will cause snow to accumulate at the mouth of a driveway as the snow is being pushed from the road surface to each side.

Concerns about the salt/sand mix or depth are considered and often a worker will be sent out to check the area to determine if a particular issue has arisen.

Clearing Newtown roads of snow takes 8 hours; start to finish, for an average snow fall. That time requirement is stretched a little bit if the snow fall is excessive or if there are truck break-downs, injuries, or accidents. Each of these conditions prevailed for a time during the last major storm. The town is divided into four sectors for road clearing. Crews do make an effort to alternate the pattern of clearing so that the same roads are not the last ones done in each sector. Residents should be confident that emergency situations are responded to immediately. There is absolutely no delay in road and/or driveway clearing in any case of emergency. Crews are able to respond with great speed and efficiency.

A challenge we are facing this year with more frequency and intensity than in past years is that some private plow drivers and homeowners are leaving piles of snow in the travel-way when clearing private driveways. In many cases additional plowing by town crews has been required because of the actions of those private plow drivers/snow blowers. Town-wide clearing efforts is interfered with, slowed

down. It is important, too, that homeowners and private plow drivers recognize that an unsafe condition for others is created when snow is left in the travel way. The Town offices received calls during these last storms of near accidents caused by snow left in and across the road by private drivers and homeowners. Please everyone, be considerate and be careful that your actions do not cause difficulty or danger for others.

We know that in general our public works efforts are appreciated and we do thank the many folks who shared that thought with us. We are also aware that we can always do a better job in serving the community. We are open to suggestions for improvement and appreciate the patience of our community during these difficult weather conditions.

The budget proposal for the Town of Newtown municipal services and accounts for 2011-2012 submitted to the Board of Selectmen on January 18, 2011, reflects an overall increase of 2.75% from the level of funding approved for fiscal year 2010-2011. In dollar terms, that 2.75% is \$1,021,276.

The \$1,021,276 requested increase can be broken down into the following categories:

- 1) Debt Service – increase of **\$390,539**. Additional bonding mostly due to HS addition.
- 2) Other financing – increase of **\$225,000**. Planned use of the Capital Non-Recurring Fund to save for purchase of a sweeper (over 4 years); purchase of fire equipment; cost of town-wide revaluation scheduled for 2012.
- 3) Public Works – increase **\$213,366**. Increases in Public Works budget generally attributable to the following: Repairs up \$40,000 – aging fleet requiring more repairs; Overlays up \$61,000 – efforts to extend the life of roads; Salt up \$75,000 – reflects cost of average annual use of 3,400 tons of treated salt; Landfill up \$36,000 – reflects increased cost for contracted services. Note: PW budget does include \$50,000 to do the Lakeview survey.
- 4) Public Safety – Increase of **\$91, 196** due to police wage and step increases previously negotiated.
- 5) Employee medical benefits – increase of **\$78,122**. Medical cost inflation offset by change to less expensive policy and increase in employee contributions.
- 6) Pension – increase of **\$48,285**. Contribution level reflects downturn in rate of return on investments.

The list above shows that 4 of the 6 areas seeking substantial increases are essentially non-discretionary. The other two accounts: Capital Non-Recurring and Public Works, reflect a funding approach that I believe serves the best short and long-term interests of the community. Prudent use of the Capital Non-Recurring account helps us save for known future expenses and spreads those costs over time. In Public Works, increasing the funds for Overlay allows us to extend the life of roads and better manage the cost impact of capital road repair. The Lakeview survey is the first step in a multi-year approach to upgrade those roads, and, ultimately, reduce the time and materials costs to maintain these roads in their current state.

Significant efforts have been put forth by all departments to hold costs at current levels and/or to find ways to reduce costs. Commodities contracts are reviewed annually with vigorous pursuit of the best prices; employee bargaining units have agreed to a change in the medical benefits plan and an increase in cost share. Requests for additional personnel and equipment are deferred. Requests for increases in funding are offset whenever possible by reductions or efficiencies in other areas.

**TOWN OF NEWTOWN**

**DEBT ISSUANCE**

**FEBRUARY 23, 2011**

## Financing Schedule

Tuesday, 2/1 – all final POS comments due back to Webster Bank

Wednesday, 2/2 – legal documents from Bond Counsel due to Webster

Wednesday, 2/2 – Moody's and S&P rating reviews

Thursday, 2/3 – Webster mails the POS to underwriters and investors

Tuesday, 2/15 – Bond & BAN sale at Webster's Hartford office, CityPlace II, 185 Asylum Street, 3<sup>rd</sup> Floor

Wednesday, 2/23 – Settlement of new Bonds & BANs

Town of Newtown  
 Planned Debt Issuance  
 2/23/2011

<u>2/2011 BONDING:</u>	
CIP Year	
2010-11	350,000
2010-11	270,000
2010-11	200,000
2010-11	450,000
2009-10	10,000,000
2010-11	1,505,000 (a)
2008-09	750,000
2000-01	70,000 (b)
2008-09	425,000
	<u>14,020,000</u>

<u>2/2011 NOTE:</u>	
High School Addition	10,000,000
Middle School Roof	500,000 (a)
	<u>10,500,000</u>

- (a) Middle school is in the design process. Part of the estimated cost is a short term note because the final cost is not known at this time.
- (b) This amount represents the amount left to be bonded after the final receipt of state school construction grants. Final grant was received in the later half of 2010 after the required state audit.

note: The Hook & Ladder building 2010-11 CIP (\$500,000) amount has not been appropriated.

**Getting two bond ratings:**

- For the upcoming February 2011 debt issuance – get ratings from Standard & Poor’s and Moody’s.
- Some bond investors and mutual funds have policies that only allow them to buy bonds with two ratings.
- The extra rating will cost about \$12,000 more but the town should get a slightly better rate on the bonds and BAN’s.

## RATING AGENCY MEETING REGARDING FEB 2011 ISSUE – TOPICS TO DISCUSS

- Future capital projects and debt plans.
- Overview of recent assessed value changes and projecting for next fiscal year.
- Update on the status of the town's major employers and taxpayers as well as any major development projects in planning or underway.
- Overview of fiscal 2010 year-end results and the fiscal 2011 budget.
- Updates on collective bargaining, pension and OPEB funding.

Historically we have used an electronic bidding platform called “Parity” for most of the Bond & BAN sales in Connecticut. Parity is what we call a closed platform, in which bidders don’t know their rank until the sale is over. It usually works pretty well.

However we have had very good success using a relatively new electronic bidding platform called “MuniAuction”, which is an “open” platform in which bidders are told what position they are in before the sale ends. They don’t know what other firms bid – but they know their position (i.e. first place, second place, etc.) It is like bidding on ebay – it becomes an auction. And it allows underwriters to keep submitting more aggressive bids to try and win the bonds. It creates a more “robust” bidding environment.

Stamford and Fairfield have used it and it has worked very well.

For your Bond & BAN sales - Parity costs \$2,500 and MuniAuction would cost about \$5,000



# County of Middlesex, NJ

## \$47,440,000 General Obligation Redevelopment Bonds, 2011

# MuniAuction® Bond Auction

MuniAuction Results

### Observation

Auction Date	Type	Start	End	Last Update	Status
Thu, Jan 6, 2011	AON	11:30:00 am	11:47:28 am	11:48:04 am EST	Over

Auction Closed At 11:47:28 am

**NOTICE:** Dated/Settlement Date has been updated to 01/18/2011

\$47,440,000  
County of Middlesex, New Jersey  
General Obligation Redevelopment Bonds,  
Series 2011

Bidder	Firm	NIC	Time	Gross Interest (Premium)	Total Interest
1st UBSS-RS	UBS Financial Services	4 067529%	11:45:28 am	\$21,756,589.17	(0.00)
2nd MORG-PM	Morgan Stanley	4 072176%	11:45:01 am	\$21,781,445.63	(0.00)
3rd JPMO-BA	JP Morgan	4 087536%	11:44:34 am	\$21,863,604.58	4.30
4th JANS-MD	Janney Montgomery Scott	4 097869%	11:45:25 am	\$21,918,871.25	
5th WACH-WI	Wells Fargo Bank	4 109584%	11:45:50 am	\$21,982,482.92	
6th ROBE-CG	Robert Baird	4 192618%	11:44:12 am	\$22,425,655.42	
7th PRAG-RG	Prager Sealy & Co	4 229564%	11:44:27 am	\$22,623,290.83	

Click below to see other bidder results

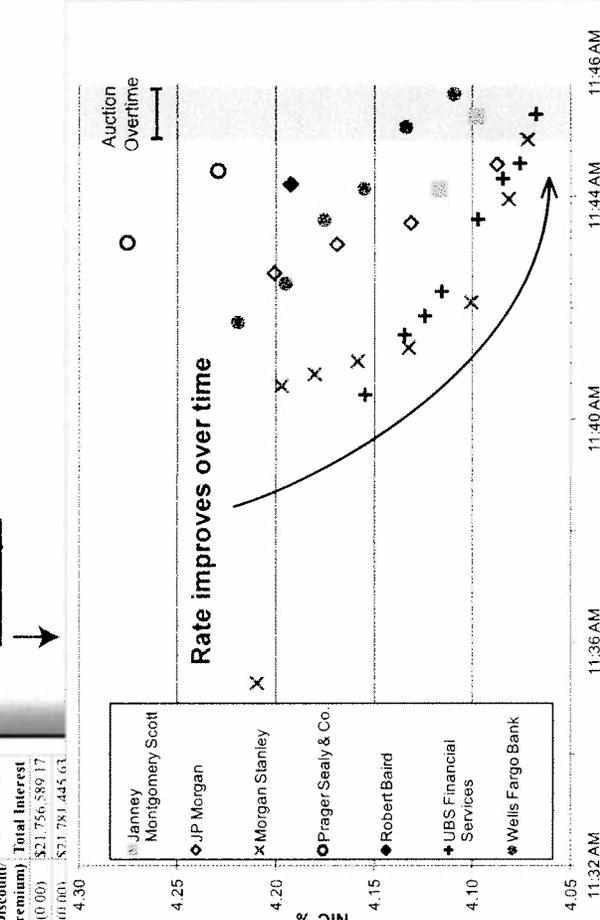
#### AON bids:

HUTC-JV JANA-MD JPMO-BA MERR-AM MORG-PM PIPE-SC  
PRAG-RG ROBE-CG UBSS-RS WACH-WI Rest Bid Cover Bid

Go to Icons: [Notice of Sale](#), [Amendments](#) (modified 1/5/2011 at 2:54 pm EST), [Rules](#) (modified 5/13/2008 at 7:26 pm), [Selections](#), [Results](#)

← **Observation Page**  
As an Issuer, you watch the auction in real time.

#### Bid Graph



Rate improves over time

#### More Bids

31 Bids by 7 Bidders

Open Auction induces bid improvements

5 Two Minute Rule extensions

#### Savings

Rate improves over time

\$408,000 in open auction savings

#### Full-Service

Grant Street staff calls underwriters across the country to maximize participation

Use web site for document posting and electronic dissemination

#### Increases Competition

- Open Auction - Bidders see status, motivated to improve bid
- Two Minute Rule auction extension

#### Provides Versatility

- Current Interest or Capital Appreciation Bonds
- Simple Bid Page or MuniComp Calculator Page
- Auctions can be advertised and conducted on short notice

#### Increases Efficiency

- Calculates TIC or NIC and identifies winner(s)
- Does not accept invalid bids
- Online document posting and electronic dissemination

#### Provides Transparency

- Issuer and Financial Advisor watch bidding in real time
- Bid activity permanently recorded
- Auction Results & Replays publicly available to clients and constituents

Since 1997... 3,480 Bond auctions for over \$57 Billion

For more information, contact:  
[John.McCarthy@GrantStreet.com](mailto:John.McCarthy@GrantStreet.com)  
412-391-5555 ext. 321

1800 Allegheny Building  
429 Forbes Avenue  
Pittsburgh PA 15219

[www.GrantStreet.com](http://www.GrantStreet.com)



# Town of Newtown Connecticut



## Commercial Development Update

January 2011



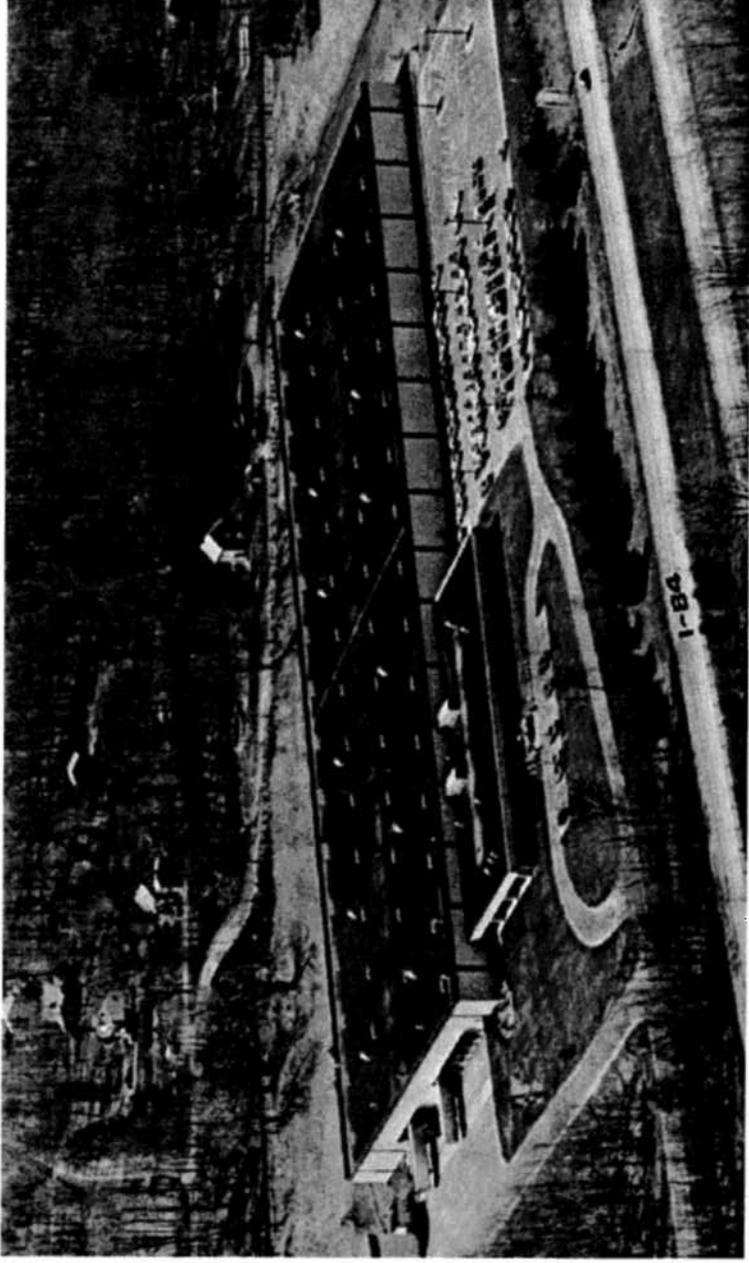


# Projects Recently Completed and Under Construction



# Advanced Fusion Systems

211,576 sf- 11 Edmond Road

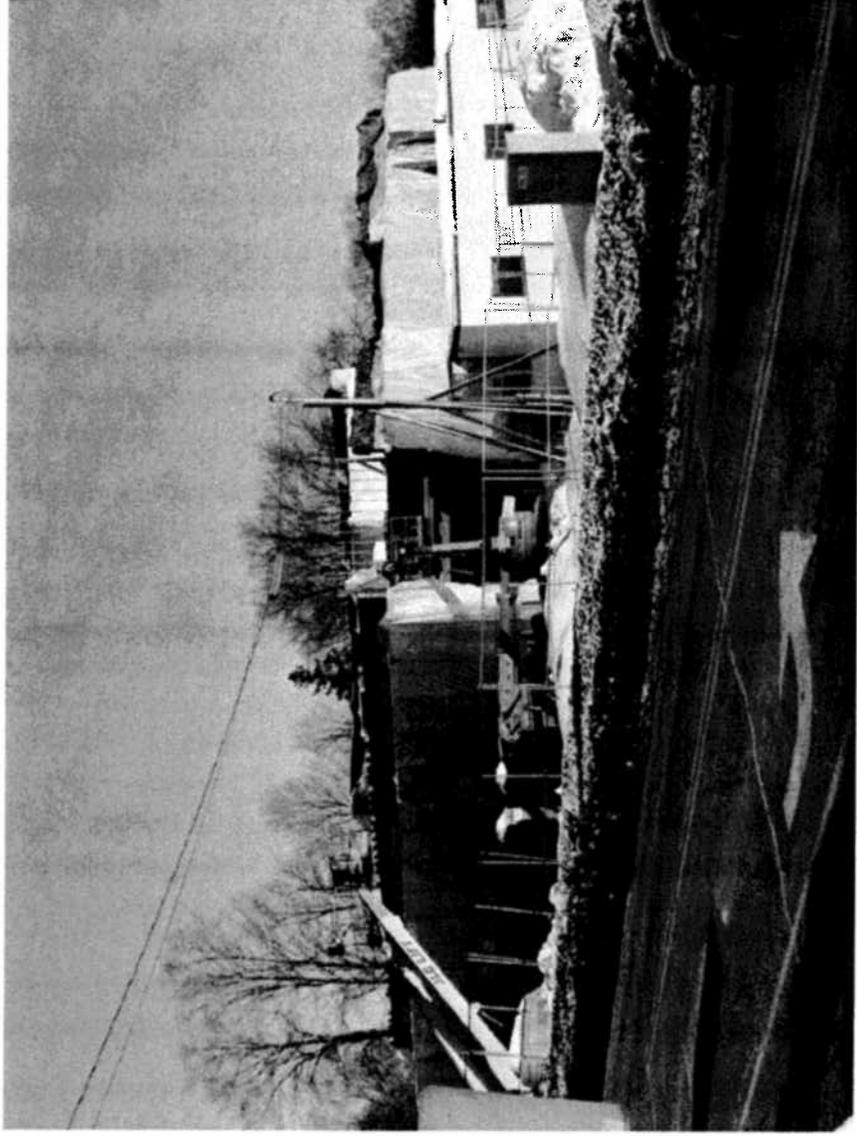


Plant was formerly occupied by Pitney Bowes  
Renovations underway for April 2011 occupancy  
Approvals in place for 30,800 sf addition – 200+ jobs in  
Research & Development - Manufacturing



# Walgreens

15,000 sf 47-49 South Main Street



Site Redevelopment \$ 3.153 million investment – Spring 2011 occupancy



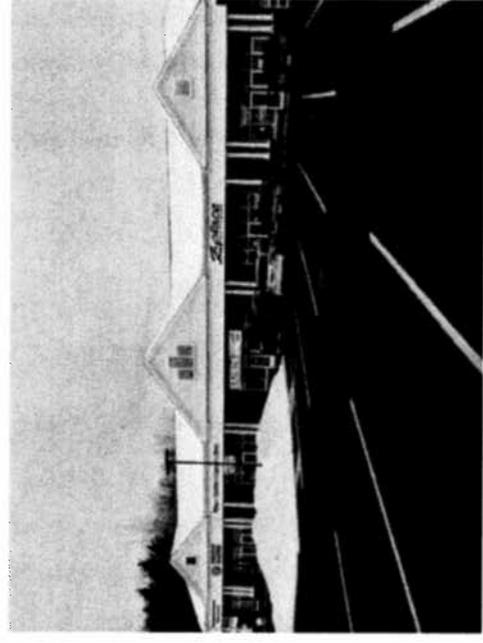
# Plaza South Neighborhood Shopping Center

72,000 sf - 266-274 South Main Street



## Tenants:

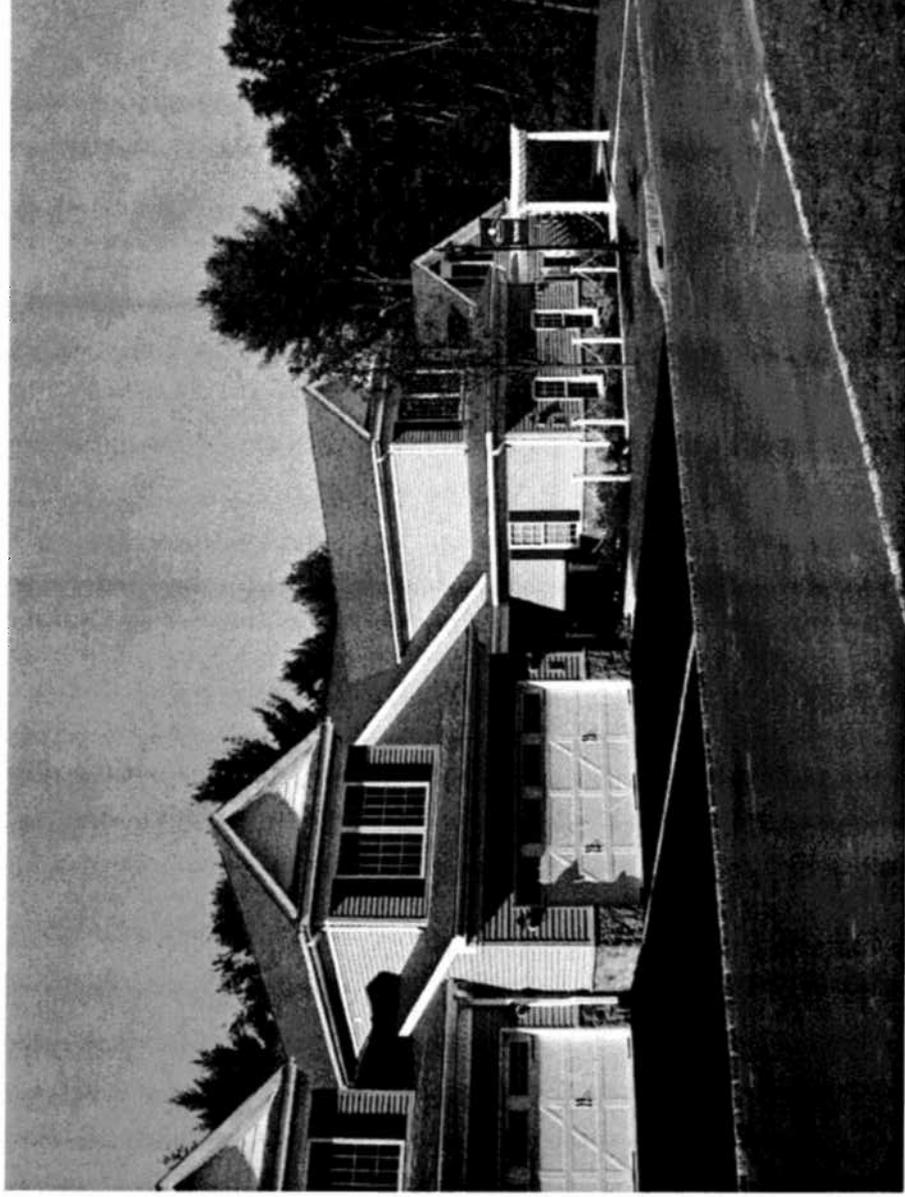
- Union Savings Bank (opened April 2010)
- The Learning Experience (opened July 2010)
- Building 3 – Good Ideas, The Meat House,  
J. Koo Restaurant, Bead of Roses (opened Fall 2010)
- Building 4 – Cork-N-Barrel Liquors, Z's Place, Pub 25  
(opened winter 2010)
- Building 5 – Work to commence in Spring 2011





# Toll Brothers Regency at Newtown

## 54 Age-Restricted Homes

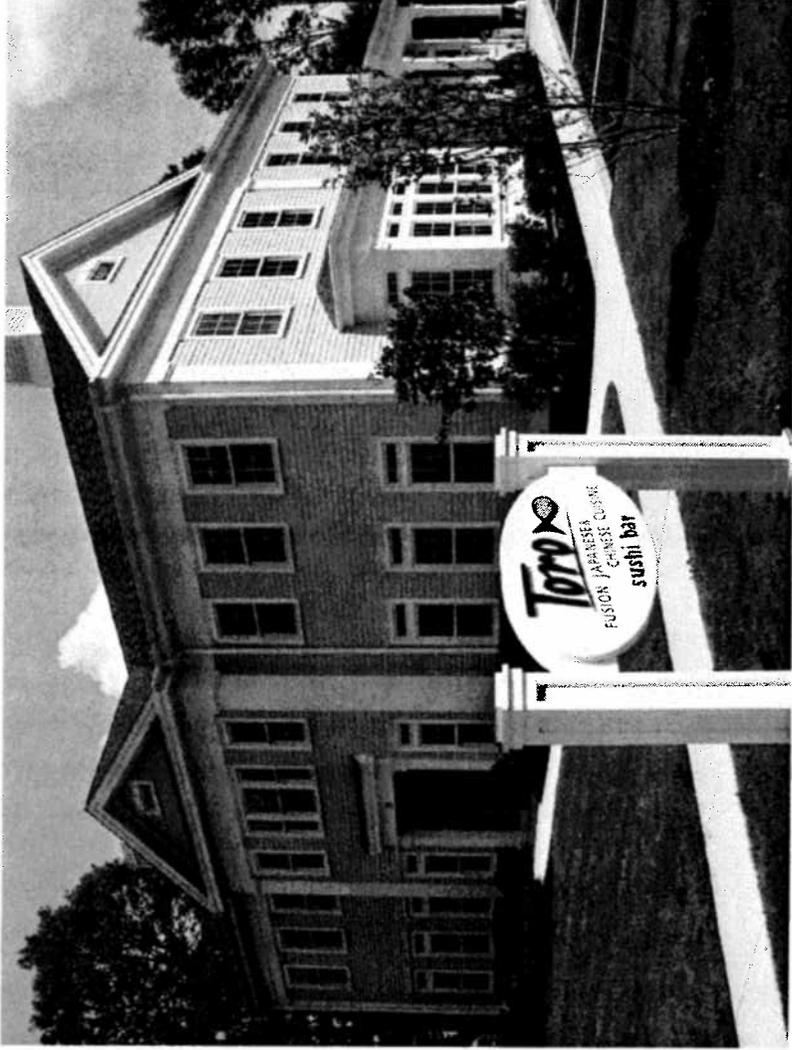


15 units sold between Jan. - August 2010 with \$4,000 price increase



# Toro Restaurant

7,500 sf - 28 Church Hill Road

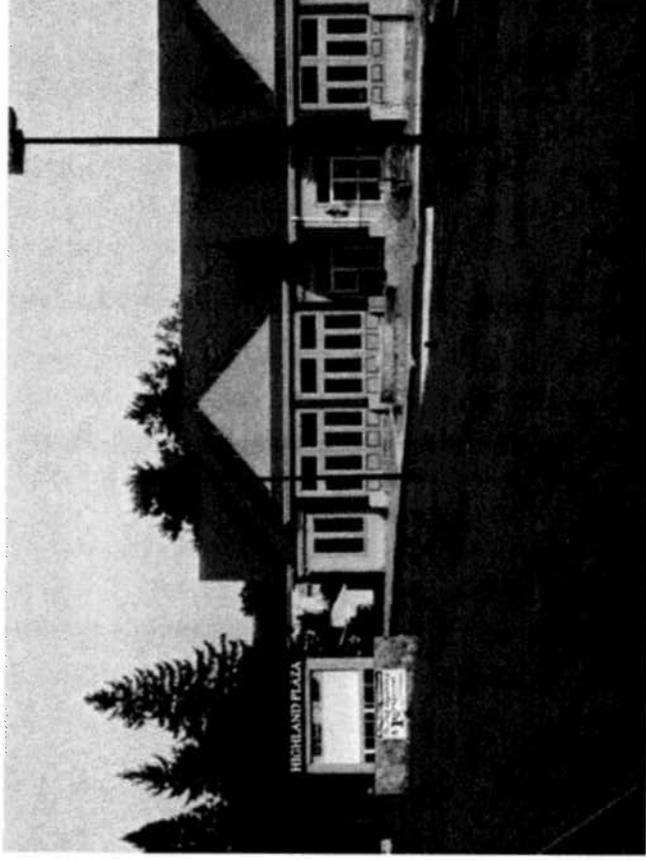


Expansion to second level underway



# Highland Plaza

33,000 sf- 121-125 South Main Street  
Phase 1 of 3 completed & occupied



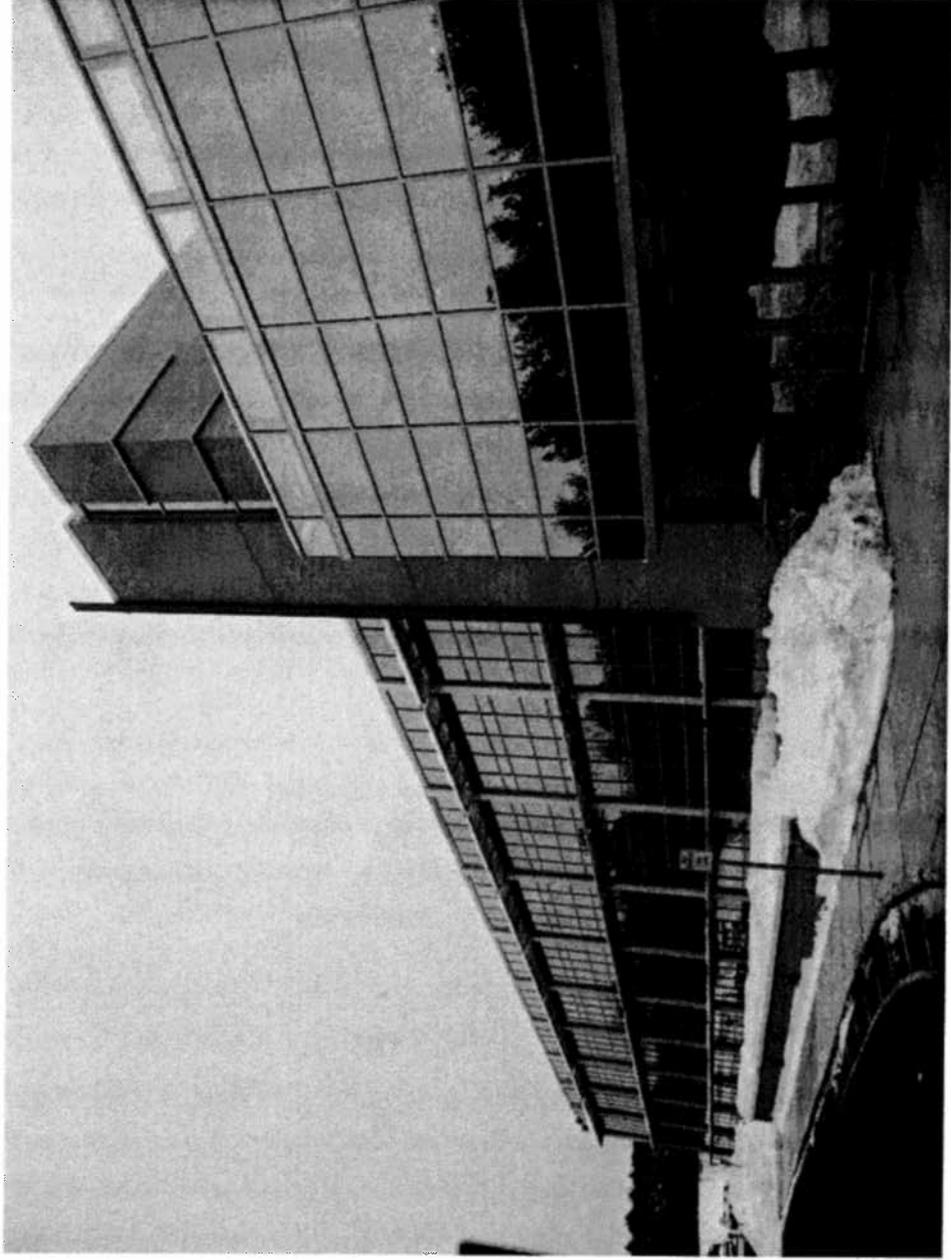
**Tenants:**

**Highland Self Storage  
Nanavaty, Nanavaty & Davenport, CPA  
Pacific Asian Bistro & Hibachi (opened June 2010)**



# Newtown High School Addition

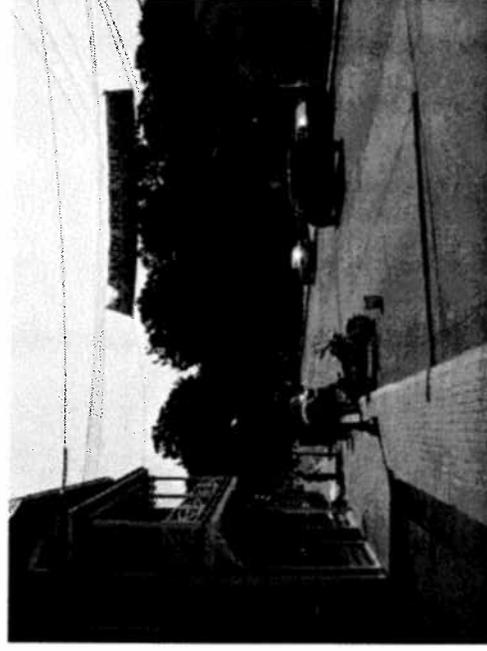
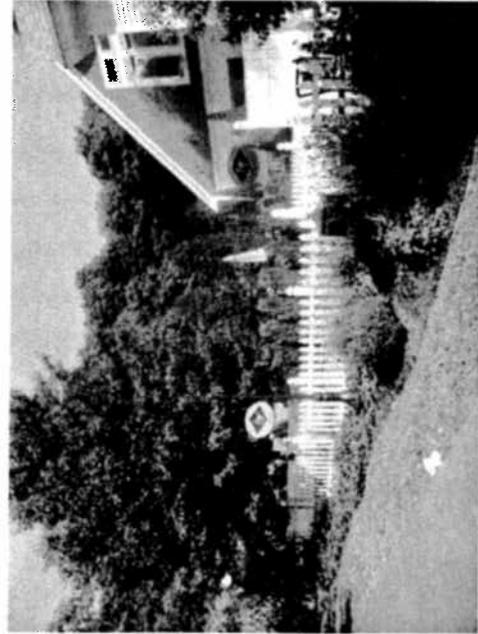
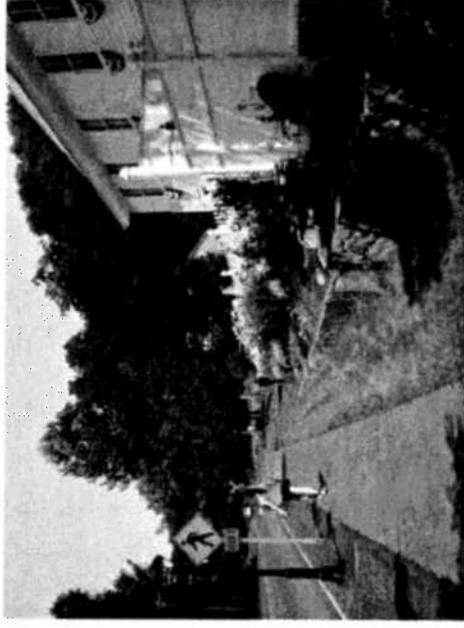
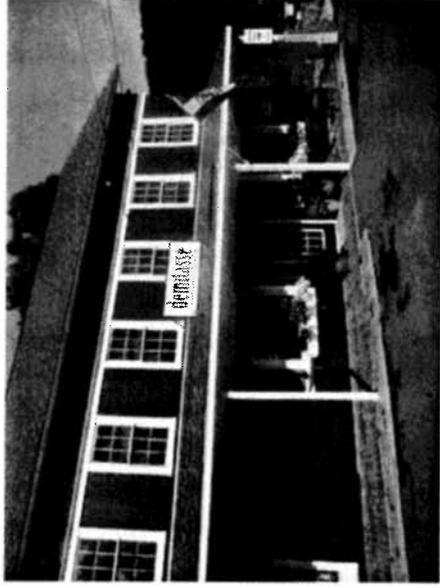
27,000 sf - Berkshire Road



Opened January 2011



# Sandy Hook Center Revitalization



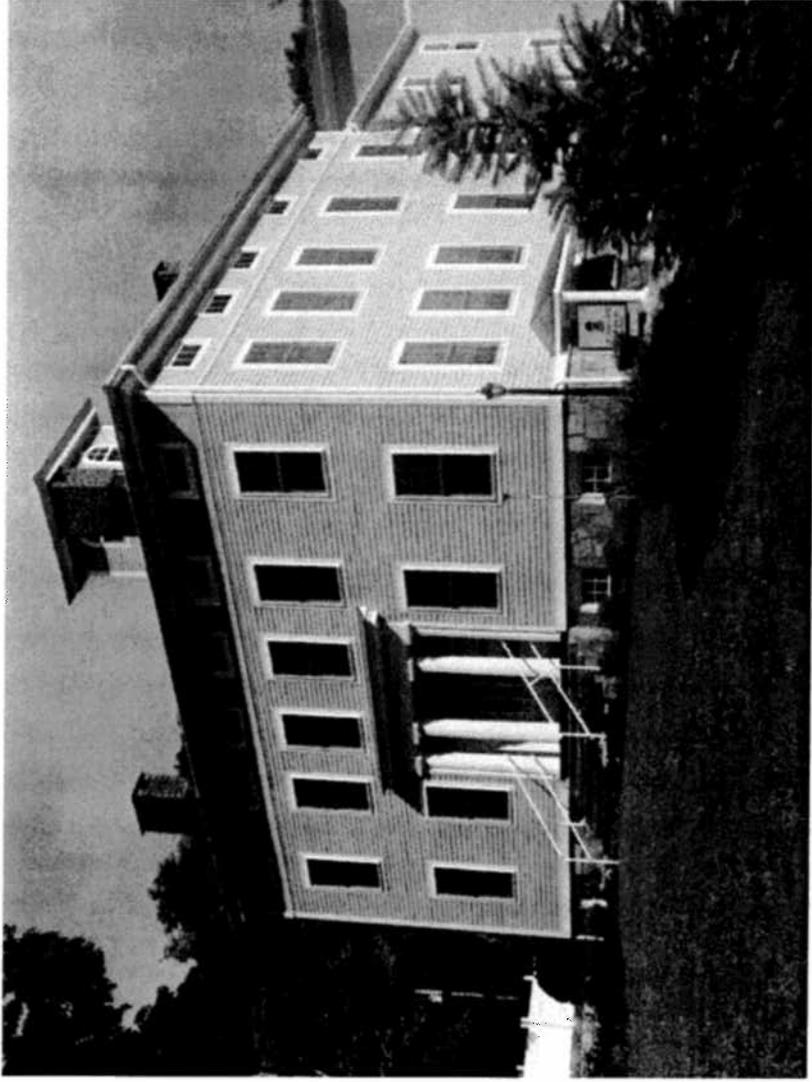
Pilot Streetscape Completed in 2007

\$1 million planned over next 5 years – water line extension underway



# Sandy Hook Center Revitalization

15,000 sf- 107 Church Hill Road



Before streetscape

Phase 1 (of 2) occupied with tenants  
Phase 2 includes rental housing over commercial

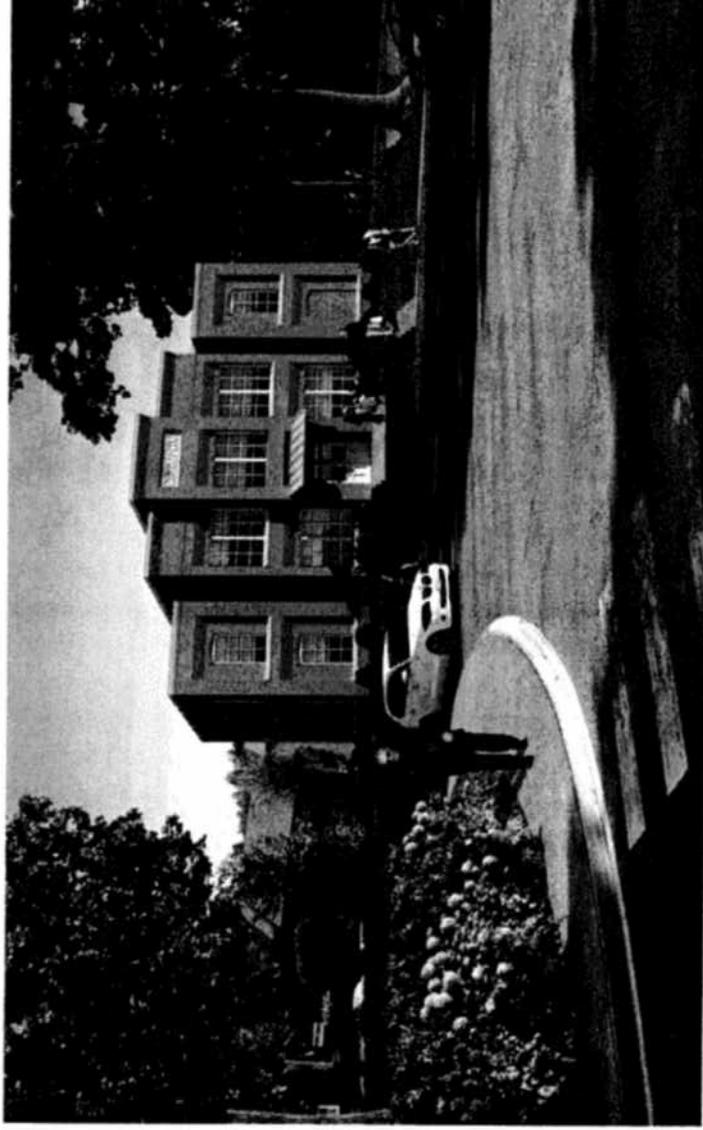


# Projects Approved for Construction



# Newtown Savings Bank - Sandy Hook Branch

5,000 sf 1 Riverside Road



**NEWTOWN**  
SAVINGS BANK

PROPOSED SANDY HOOK BRANCH

ARTISTIC RENDERING

NEWTOWN, CONNECTICUT



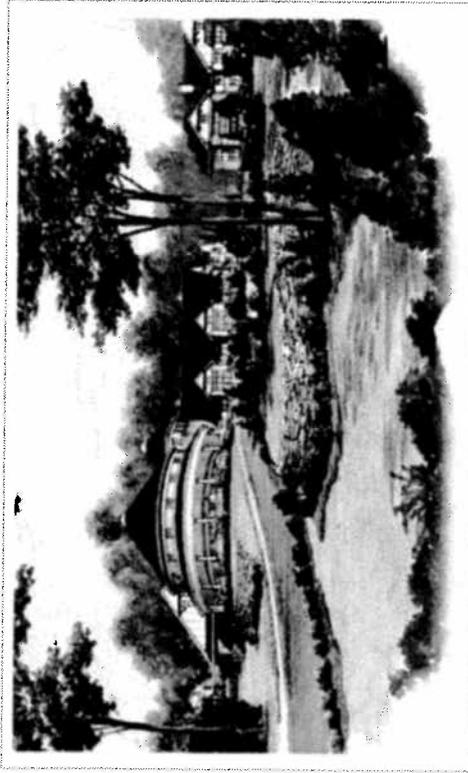
ARTISTPHOTOGRAPHY  
ARCHITECTURAL PHOTOGRAPHY



# The Woods at Newtown

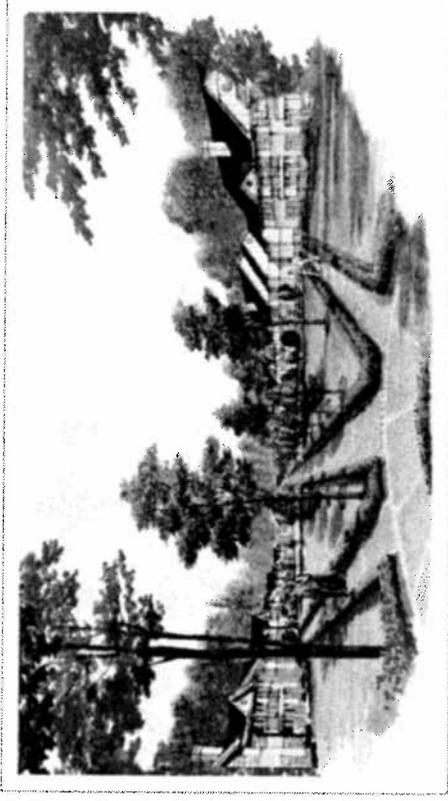
## 132 Age Restricted Condominiums & 46 Independent Condominiums

The Woods at Newtown  
NEWTOWN - CONNECTICUT



Architectura  
115 River Street, Middletown, CT 06457 Telephone: 860.382.1400 Fax: 860.382.1408

The Woods at Newtown  
NEWTOWN - CONNECTICUT

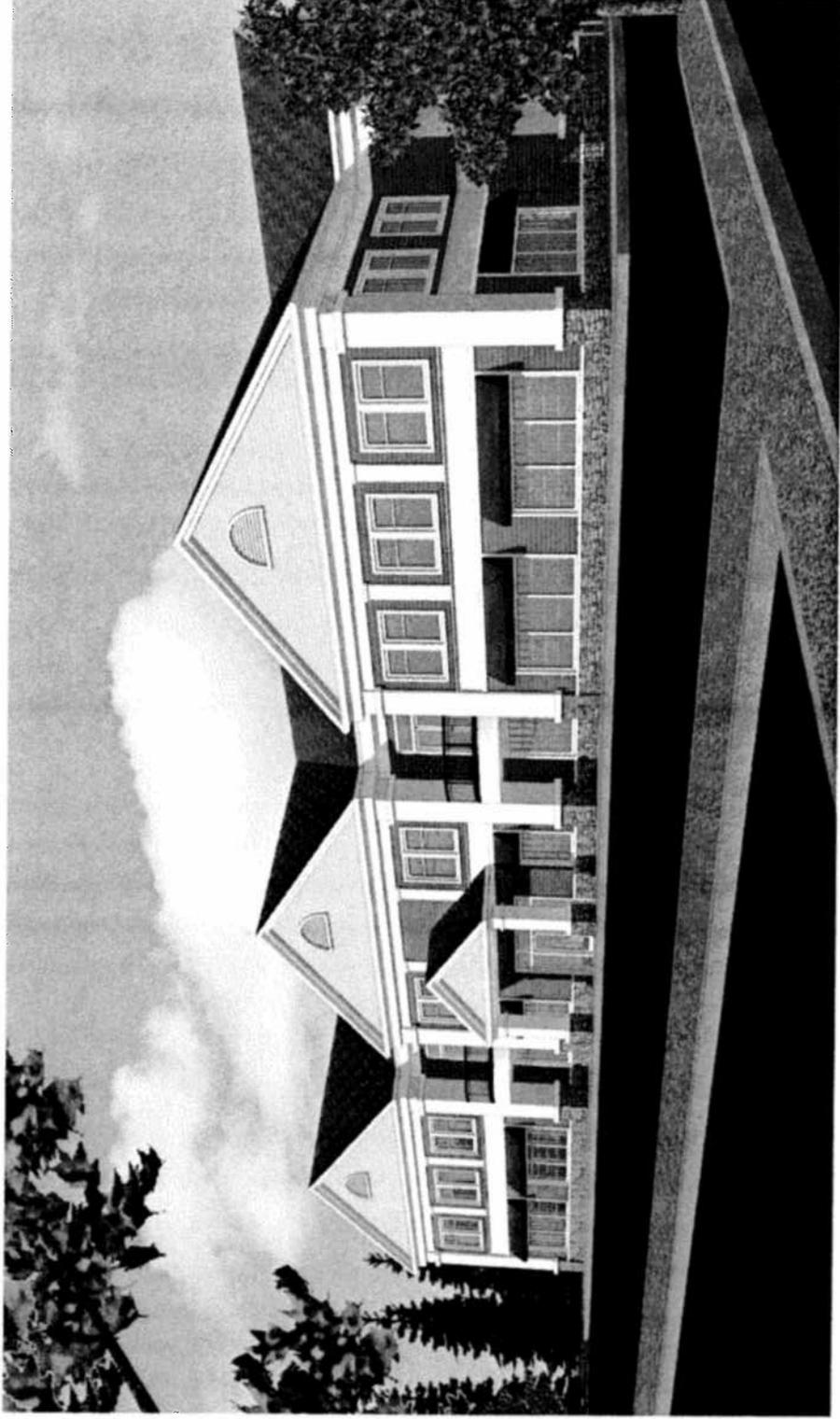


Architectura  
115 River Street, Middletown, CT 06457 Telephone: 860.382.1400 Fax: 860.382.1408



# Mixed Commercial Building

26,400 sf- 164 Mount Pleasant Road



Approach  
164 Mt. Pleasant Road



# Professional Office Building

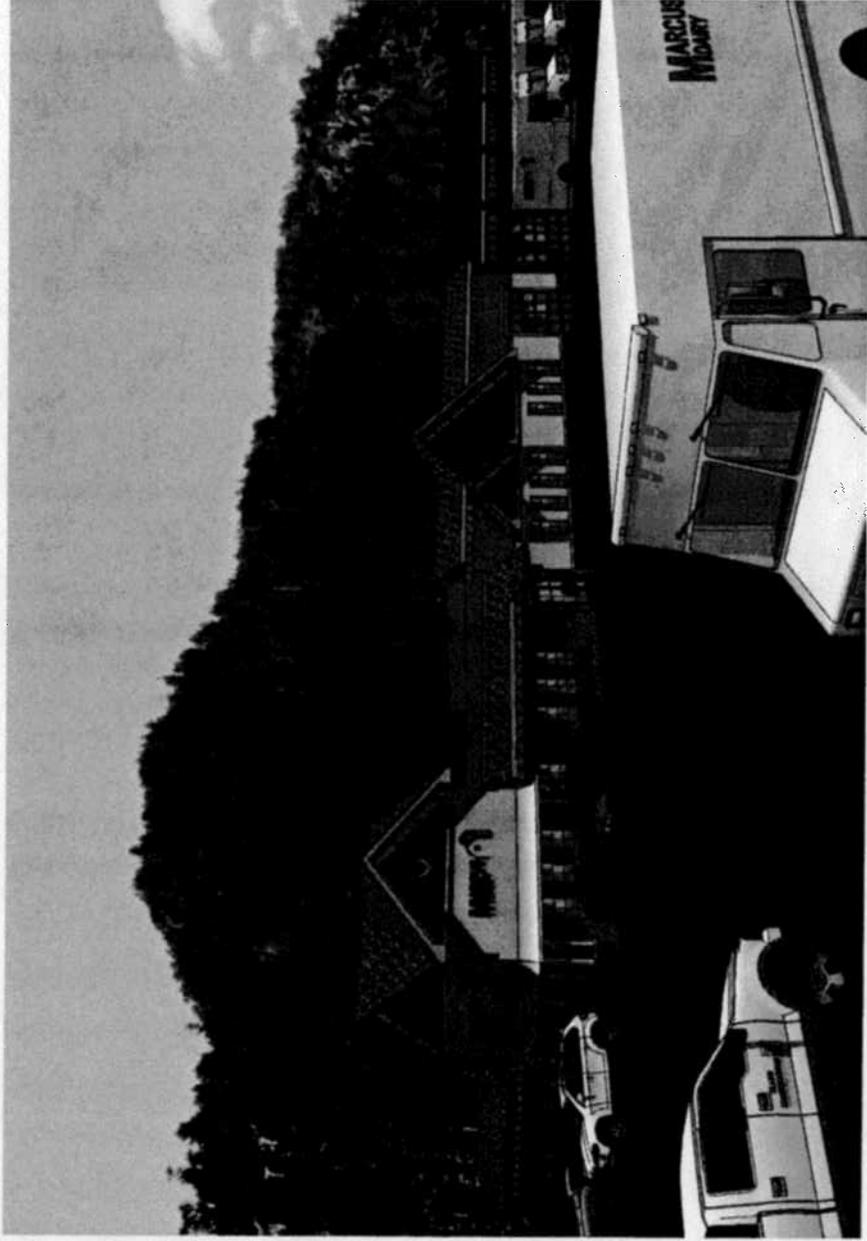
20,000 sf - 174 Mount Pleasant Road





# Flex Industrial Space

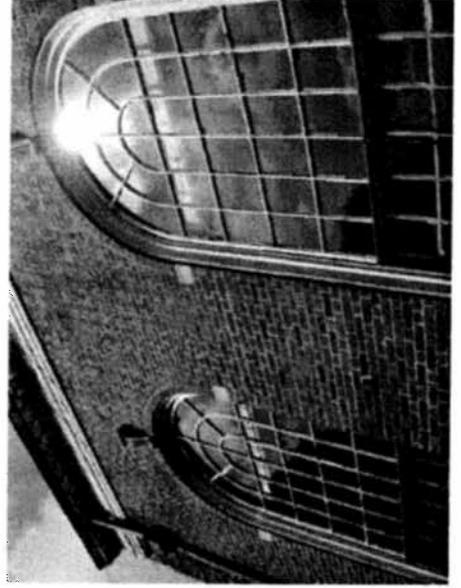
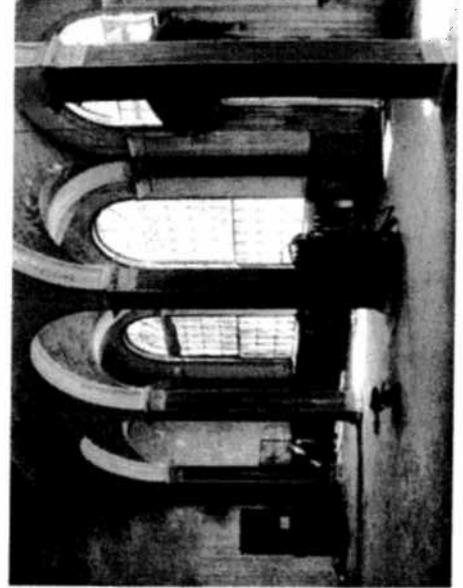
34,900 sf- 352 South Main Street





# Fairfield Hills Campus

## Master Plan Allows Commercial Reuse & Redevelopment Commercial Broker Engaged





# Projects Approved for Construction

- The Villa- 4-8 Riverside Road- 22,000 sf – multi-phased mixed commercial & rental uses
- Brom Enterprises LLC – 183 Mt. Pleasant Road – 17,000 sf medical office building – new construction (site is cleared)
- Dr. Beck – 12 Queen Street – 6,500 sf medical office building
- Tom Brook LLC- 75 Church Hill Road- 7,500 sf new construction (site is cleared)
- Newtown Animal Hospital – 164 Mt. Pleasant Road – 16,500 sf new construction ( larger mixed use building also approved)
- Newtown Self Storage- 137 South Main Street- 3,000 sf addition
- Braun Moving- 46 Barnabas Road- 81,000 sf addition
- Gas Stop- 47 Church Hill Road- 3,200 sf new construction
- Mathison Flooring- 133 South Main Street- 3,500 sf addition
- Seven Berkshire LLC- 7 Berkshire Road- 7,500 sf new construction
- 50 South Main Street Association- 50 South Main Street- 7,800 sf new construction (across from Walgreens)
- Berkshire Plaza- 146-148 South Main Street- 17,000 sf new construction
- Grace Christian Fellowship Church- Covered Bridge Road- 42,300 sf new construction



# Projects on the Drawing Board



# Planned Projects

## New Construction:

- H & Y Construction- 27 Church Hill Road- 6,500 sf - medical office building
- Taunton Hill Road LLC – 25 acre equestrian estate
- International Tennis Center – Mt. Pleasant Road – 100,000 tennis training facility
- Newtown Technology Park – 6-8 Commerce Road – 100,000 sf – 25 acres industrial/business park (wetlands permits pending)
- River Park Properties – 19 Commerce Road – 14,000 sf industrial flex space
- Goodhouse Flooring LLC- 3 Turnberry Lane- 5,000 sf

## Renovations:

- Duplex 58 at Fairfield Hills – Kevin’s Community Center – 4,200 sf - \$500,000 grant approved for medical clinic facility – Environmental Cleanup Completed
- Stratford Hall at Fairfield Hills – Commercial – 9,000 sf – Environmental Clean Up Completed
- Duplex 59 at Fairfield Hills – 4,200 sf – Environmental Clean Up Completed
- Duplexes 60, 61 & 63 at Fairfield Hills – Environmental Clean Up Underway
- Town of Newtown Parks & Recreation Facility Concept Design Underway



# International Tennis Center

100,000 sf – 90 Mt. Pleasant Road



Perspective  
International Tennis Center  
Newtown, Connecticut



# Job Growth – Major Employers

	Jan. 2011	Jan. 2010	Diff.2010- 11
Town of Newtown, Board of Education	796	880	-84
Masonicare at Newtown	315	282	33
State of CT-Dept. of Corrections	294	305	-11
Taunton Press	245	250	-5
Charter Communications	222	222	0
Newtown Savings Bank	203	126	77
Town of Newtown	174	173	1
Stop & Shop	160	125	35
Curtis Packaging Corp	153	145	8
Big Y Supermarket	151	125	26
Hubbell Wiring Devices-Kellems	150	130	20
Caraluzzi's Newtown Market	133	108	25
TNT Partners	94	75	19
UConn Health Center@Garner Correctional Facility	87	93	-6
Rand-Whitney Corp.	75	74	1
Sonics & Materials, Inc.	68	62	6
Tier One	65	65	0
C L & P	65	61	4
Forecast Int'l.	53	51	2
TUV Rheinland,	47	58	-11
Pitney Bowes	25	100	-75
	3550	3510	65



# Strategy

## Marketing Plan in Place for Continued Economic Growth

Reprinted from the

ne NEW ENGLAND

# Real Estate Journal

THE LARGEST WEEKLY COMMERCIAL/INVESTMENT NEWSPAPER IN THE WORLD

## Newtown has readily available commercial and industrial properties for development

nearby residents and visitors who want to associate between attacks. Land is available for development in the Newtown Technology Park, along Rte. 25 and Rte. 6 and for redevelopment at Fairfield Hills Campus. The Harveysville section near exit 9 has options including approval building projects ready to go. Additionally, there is existing space available for sale or lease. The options are numerous.

The Newtown Economic Development Commission (EDC) is optimistic that the recent activity in job growth, construction, commercial leasing and new business openings will continue into the fall and the new year ahead. Newtown business openings have been celebrated this past summer along South Main St. in the Borough Village. Harveysville, Pennsylvania has been able to address commercial building and activity continues to increase. Projects of note include Advanced Fusion Systems who received approval to move forward with renovations and addition to a former Finney Bowers building off exit 16. Principal William Joyce of Newtown projects that the company will employ over 200 people in the manufacturing and research and development divisions of the company. Harveysville, Newtown Savings Bank has to approach for a loan, reach

the commission has a new strategy that is helping support local companies and is attracting new businesses. The key element in the commission strategy is to stimulate business growth and development in Newtown in a wide personal services and project assistance. The commission has a number of active subcommittees that make one-on-one visits to established and potential businesses. The commission members are proactive and their strategy is working well. In addition to the personal attention, the commission's web site provides

the tools necessary to learn more about available commercial real estate and the local business climate. Links to CTRC's Site Finder allows visitors to search for properties in Newtown and provides detailed demographic information and other data on the area labor force, housing, consumer spending and other factors. Our research strategies are attracting businesses that look a commodity with pre-business activity and a variety of other growth opportunities. The commission will be working with Newtown businesses by way of an online survey that opened on September 15. The commission expects to use the responses to make them with new initiatives that will continue the business friendly climate, address the concerns, remove barriers and help businesses grow and prosper in Newtown.

The newly located Development Commission is in contact with existing and potential business growth in town and are only a phone call or mouse-click away! We will help you get your business up and running to quickly be placed in the perfect Newtown location. We have the opportunity to show you how Newtown can help your business. Visit [www.townofnewtown.org](http://www.townofnewtown.org).

**Facebook Member, NJP in Effective** Newtown Economic Development Commission is currently developing a plan for the town of Harveysville.



Located in northwestern Erie County along I-44 the town of Newtown has readily available commercial and industrial properties for commercial and industrial development at interchanges 9, 10 and 11. CT Rte. 6, 25, 34 and 302 provide excellent transportation access to lower Fairfield and New Harves Counties as well as to the northeast by way of I-95. In addition to major state roads, Newtown is easily accessible for commuters and visitors. The EDC offers assistance to help you to start your own business, create jobs and provide opportunities for growth in the area to reinvigorate the state.

The selection of available commercial real estate in Newtown ranges widely from Curtis Center Park to the compact village neighborhoods in the Borough and Sandy Hook Center where numerous, a factory, center shops, offices, retail shops, banks and schools contribute activity to serve

The screenshot shows a website for the Newtown Economic Development Commission. The layout includes a navigation bar at the top with links for Home, About Us, Property Search, and News. The main content area is divided into several sections:

- PROPERTY SEARCH:** A search bar with filters for 'Property Type' and 'Keywords'.
- NEWTOWN FACTS:** A section with a 'Newtown Facts' button and a 'Newtown Facts' link.
- FEATURED PROPERTY:** A section titled 'Newtown Facts' with a 'View Property' button.
- PROFILES OF NEWTOWN:** A section with a 'View Property' button and a 'View Property' link.
- WELCOME TO NEWTOWN:** A section with a 'View Property' button and a 'View Property' link.
- LIVE, WORK, GROW.:** A section with a 'View Property' button and a 'View Property' link.
- WHS IS NEWTOWN:** A section with a 'View Property' button and a 'View Property' link.
- SIGN UP FOR NEWS:** A section with a 'View Property' button and a 'View Property' link.
- EMERALD SQUARE:** A section with a 'View Property' button and a 'View Property' link.



# Contacts

**Robert Tait**  
Finance Director  
Newtown Municipal Center  
3 Primrose Street  
Newtown, CT 06470  
PH: 203-270-4226  
FAX: 203-270-4205  
email: [Robert.Tait@newtown-ct.gov](mailto:Robert.Tait@newtown-ct.gov)  
[www.newtown-ct.gov](http://www.newtown-ct.gov)

**E. Patricia Llodra**  
First Selectman  
Newtown Municipal Center  
3 Primrose Street  
Newtown, CT 06470  
PH: 203-270-4201  
FAX: 203-270-4205  
email: [first.selectman@newtown-ct.gov](mailto:first.selectman@newtown-ct.gov)  
[www.newtown-ct.gov](http://www.newtown-ct.gov)



**NEWTOWN**  
**CONNECTICUT**

**ECONOMIC DEVELOPMENT COMMISSION**

**Elizabeth Stocker, AICP**  
Director of Economic and Community Development  
Newtown Municipal Center  
3 Primrose Street  
Newtown, CT 06470  
PH: 203-270-4271  
FAX: 203-270-4205  
email: [elizabeth.stocker@newtown-ct.gov](mailto:elizabeth.stocker@newtown-ct.gov)  
[www.newtown-ct.gov](http://www.newtown-ct.gov)  
[www.FairfieldHills.org](http://www.FairfieldHills.org)