

**LEGISLATIVE COUNCIL MEETING
COUNCIL CHAMBERS, 3 PRIMROSE STREET, NEWTOWN, CT
WEDNESDAY, APRIL 1, 2020**

MINUTES

PRESENT: Paul Lundquist

PRESENT VIA TELECONFERENCE: Jordana Bloom, Alison Plante, Chris Smith, Ryan Knapp, Judit DeStefano, Chris Eide, Dan Wiedemann, Cathy Reiss, Dan Honan, Phil Carroll (7:35 pm), Andy Clure (7:40 pm)

ALSO PRESENT: First Selectman Dan Rosenthal, Finance Director Bob Tait
Via Teleconference: Superintendent Dr. Lorrie Rodrigue, BOE Chair Michelle Embree Ku, BOE Director of Business Ron Bienkowski; 0 public, 0 press.

CALL TO ORDER: Mr. Lundquist called the meeting to order with the Pledge of Allegiance at 7:30 pm.

VOTER COMMENT: None

MINUTES: Ms. DeStefano moved to accept the minutes of the March 18, 2020 Legislative Council meeting. Seconded by Mr. Eide. All in favor. Motion passes. (12-0)

COMMUNICATIONS: See attachment A.

COMMITTEE REPORTS:

Education Committee – Mr. Wiedemann reported that there was one correction to one of the questions which came from BOE Chair Michelle Embree Ku regarding the buses - that originally the drivers would be put on furlough and have them collect unemployment but have since changed their stance and the drivers will now be paid. There will be some savings to the district, but they just don't know what that is just yet. The committee also voted to pass the budget as it was passed along to them by the BOF and it was a unanimous vote.

Finance Committee – Mr. Eide reported that they met on March 31st and had several items on their agenda. They spoke of the implications on revenue from the Corona Virus epidemic. The anticipated collection rate was originally set at 99.2% and they found going back to 2008-09 the lowest it got was around 98.3% which is a substantial decline. Currently there are no changes recommended for that. They spoke about the decrease in revenue from investment income which hasn't dropped too much. The committee concluded that they do not want to take any action right now regarding the budget and will set a date for a future meeting to discuss further.

Municipal Operations Committee – Mr. Carroll reported that they had their latest meeting on March 26th, which consisted of exploring the possibility of reducing capital expenses on both sides of the budget. They spoke on fire department funding and use of the FEMA money. He scheduled their next meeting for April 14th when they can vote on some items. Mr. Carroll had reached out to Dr. Lorrie Rodrigue to get her thoughts on the discussion of a possible reduction in the budget, cutting of staff and opening contracts for negotiation. She agreed to submit her responses in writing which will be distributed to the committee members once received.

Ordinance Committee – None

FIRST SELECTMAN'S REPORT: First Selectman Dan Rosenthal reported that he is dealing every day with the crisis in front of us. Town staff has been reduced to 50% capacity present in the office each day and are working on a rotation schedule. As of April 1st, the municipal building has officially been closed off to all public to limit exposure from outside traffic. There will be added expenses on cleaning, housekeeping, PPE and various

items related to this but we have budgetary flexibility at the moment.

The First Selectman stated that the debt markets have been all over the place – and they will see what the climate is like on a daily basis.

Mr. Wiedemann asked if we have any indication on where our medical self insurance fund might be in response to the crisis. Mr. Tait responded that as of now, it is going as planned. The projections are still the same as of the end of March. The First Selectman reported that for now, none of the staff, municipal or BOE, has been infected by Covid-19, and therefore, there is no indication that the self insurance fund would be affected. He will inform everyone if there is something to be concerned about.

UNFINISHED BUSINESS

Discussion Only

- 2020-2021 Municipal and Education Budget

Mr. Lundquist reported that based on the recent Governor's executive orders, the budget voting referendum originally scheduled for April 28th has been moved to May 28th, and that it shall not be held as a public referendum. We will plan on getting final recommendations from committees on or before May 6th. The full council will plan on a full budget adoption on May 20th or May 27th if more time is needed. We are waiting to hear of a more definitive set of guidance to be set by the Governor, in particular regarding the capital projects slated for the referendum and how we should handle them going forward. We can also benefit from having more time on recapturing some savings from reduced services or closures which could potentially impact the town or the BOE side of the budget.

In regards to the municipal budget, the First Selectman agrees with Mr. Lundquist in that we have the benefit of time but doesn't think the referendum will come back into play especially as towns start to act on the Governor's executive order. We will remain thoughtful and continue to discuss it while coming up with possible solutions. We don't have to enact a budget until the end of May. It's more than likely that the council will approve the budget. To his next point, which was brought up on the sub-committee level in the Municipal Operations and Financial Administration meetings, he doesn't believe that we should slash the budget based on what we anticipate could be a bad scenario for some of our residents. In the absence of referendum and being thoughtful of not putting forward any tax increase is probably not the right thing and he suggests a minimal material increase. If we have to move this budget without public consent, he feels this is appropriate given the condition we are in. He noted that banks across the state have implemented a 90-day grace period on mortgage payments which may have implications on tax collections for the first few months. The First Selectman believes we should move forward on this budget. He proposes to pair off on one time capital expenses on the BOE and town sides and use some of the FEMA money to offset so we wind up with a zero tax increase. When the budget year begins, we will need to be aware on spending so we can make budget reductions throughout the year if needed.

Mr. Carroll asked for clarification on how to keep the budget steady and the items that will be put on the ballot – for example, the HVAC system installed at Hawley, the emergency radio upgrade, etc. – will those items need to be held off. The First Selectman reiterated that it is unclear at this time but has followed up with WestCOG on this, and that an email from CCM had been sent out indicating that the Governor and his staff are actively working on this very question. The First Selectman's sense is that we will know more in the next few days as more orders may be forthcoming.

Ms. DeStefano asked for clarification regarding the First Selectman's proposal on how to handle

the budget. The First Selectman replied that if we can target certain items and use \$700,000 of the FEMA reimbursement money, this will get our tax increase to zero percent. He stated that it is tough to guess right now. Mr. Lundquist summed up that in both of the revenue areas, either in investment income or tax collection, if there are any shortfalls, it could be accounted for within the year and can be made up for in other areas. This is not really a recommendation for a reduction in revenue. Ideally we'd want to be able to get tax bills out in the beginning to middle of June. It is still a plan and discussion that continues to evolve. The First Selectman added that essentially, his objective will be to turn in a budget that is essentially zero in terms of the tax impact.

Mr. Knapp asked about potentially doing an in-debt service, that if we have any debt payments, where in the next year, we can remove them from the docket in the future. The First Selectman stated that this is not an option because they are serial bonds. Mr. Tait followed up that we cannot pay off a serial bond and that we are looking at refinancing every day. We have two scenarios right now that we're looking at and can be prepared to act if needed.

Regarding the BOE budget, Dr. Rodrigue agrees with all the points that First Selectman Rosenthal has made. Realistically, she noted that there will be necessary changes to be made in the future. However, Dr. Rodrigue stated that it is way too early to start discussing opening contracts and such because it could be met with negativity. She credited our teachers with working much harder now than they ever have with the brand new distance learning platform. She has asked all of her departments to provide reports so she can determine where we are in terms of the expenditures as well as savings. For example, we have potential litigation, increased summer school that they are anticipating, and compensatory services that we may need to give that we are not able to give digitally among others.

Mr. Wiedemann asked about the possibility of the BOE having a surplus because of the busing issue. Ms. Ku agrees that there still will be a surplus because of this. Dr. Rodrigue said in the midst of negotiating with All Star, the change that was made was that we are only paying the labor costs of the drivers and going to look at additional savings which can be passed along to the district. Mr. Bienkowski stated there will also be additional savings from cancellation of athletic trips and programs. He stated that 80-85% is what potentially could be saved from the bus company. He's been in touch with the head of All Star Bus Company who will be working up numbers on what savings will be passed on.

Ms. DeStefano commented on the contracting negotiations for the BOE and respects that this is not the right time to start discussions on this. She wanted to clarify that she realizes now the cost savings can come from more organic methods and we all should continue having conversations and appreciates all the BOE is doing.

Discussion and Possible Action

- Discussion of potential referendum question to consider allowing housing within existing buildings at the Fairfield Hills campus as part of Fairfield Hills Master Plan Review Committee recommendation

First Selectman Rosenthal said it will most likely be a November vote. We do not have to establish a set question right now, but should continue getting feedback. The First Selectman asks for the council to try to get this done over the early summer so we're not pressed for time come referendum time.

Mr. Honan asked if the First Selectmen would still have the meetings with the potential developers at this time. The First Selectman replied that he will not be doing so at this time. There are developers working on video presentations, however, they will be put on hold until the timing is more appropriate.

- FEMA Reimbursement Allocation

The First Selectman reported that we received the formal award letter of the grant approval, however, the wire transfer has not been made as of yet.

VOTER COMMENT: Mr. Clure wanted to thank First Selectman Rosenthal and Dr. Rodrigue for the extra time and effort they've spent in the last few weeks and it is very much appreciated. Ms. Reiss also wanted to give thanks to them both and added that she now has a good appreciation for what they both do for the town and preparing the budget.

ANNOUNCEMENTS: Mr. Lundquist stated that no final action will be taken on the budget on April 8th as originally planned.

ADJOURNMENT: There being no further business, Ms. DeStefano moved to adjourn the meeting at 8:30 pm. Seconded by Mr. Clure. All in favor.

*Respectfully submitted,
Rina Quijano, Clerk*

**THESE MINUTES ARE SUBJECT TO APPROVAL BY THE LEGISLATIVE COUNCIL
AT THE NEXT MEETING.**

Attachment A

From: Stephen Rosenblatt <stevedot213@gmail.com>
Date: Mon, Mar 30, 2020 at 3:45 PM
Subject: Wording of referendum question

To: The Newtown Legislative Council

The wording of the “hypothetical question” on the referendum regarding housing at Fairfield Hills fails to communicate, nor articulate, the true aspects of what is being proposed.

The voter should understand that either:

- 1- All the unused buildings on the campus will be demolished at a preliminary cost to the taxpayer of \$26 million or,
- 2- A restoration builder will be hired to convert two buildings for rental apartment living, and the income to the town from the taxes received will help fund the demolition of all remaining unused buildings.

The referendum question put to the voters might take the slightly edited wording along the line suggested by Ned Simpson:

“Shall the town approve the restoration of two buildings at FFH for apartment living, the income from which will fund the demolition of all remaining unused buildings, avoiding an estimated \$26 million in new taxes?” (Y or N)

While the restoration of the buildings will benefit the taxpayers and save millions of dollars in new taxes, there are even greater benefits to be gained. The people of Newtown will be the true beneficiaries as the town approves the construction of rental apartments at FFH.

Who wouldn't be drawn to rent one of these apartments on a new, landscaped campus with a Community Center featuring three pools, a Senior Center, a fitness center, a Municipal Center, and a brewery, all within steps from one's apartment? That question is answered in the advertisement, which is attached and is one in a series of ads planned to appear in our local newspaper prior to the referendum voting.

Stephen Rosenblatt
50 Watkin Drive, Sandy Hook, CT

Barbara Bloom, John Boccuzzi, Gary MacRae, Curt Symes
Members of the FONS Livable Communities Initiative Steering Committee



**CREATING RENTAL APARTMENTS
AT FAIRFIELD HILLS WILL DRAW:**

- YOUNG PROFESSIONALS,**
- AGING IN PLACE SENIORS,**
- RETURNING COLLEGE KIDS,**
- YOUNG MARRIED COUPLES,**
- DOWNSIZING EMPTY NESTERS.**

YOU?