

3 PRIMROSE STREET
NEWTOWN, CT 06470
TEL. (203) 270-4201
FAX (203) 270-4205
www.newtown-ct.gov



TOWN OF NEWTOWN

TOWN OF NEWTOWN LEGISLATIVE COUNCIL MEETING

MAY 17, 2017

7:30 PM

NEWTOWN MUNICIPAL CENTER, NEWTOWN, CT

PRESENT: George Ferguson (7:46 pm), Phil Carroll, Chris Eide, Neil Chaudhary, Judit DeStefano, Ryan Knapp, Paul Lundquist, Mary Ann Jacob, Dan Amaral, Dan Wiedemann, Dan Honan.

ABSENT: Tony Filiato.

ALSO PRESENT: First Selectman Pat Llodra, Finance Director Bob Tait, Parks and Recreation Director Amy Mangold, Board of Education Andy Clure, 1 press.

CALL TO ORDER: Ms. Jacob called the meeting to order with the Pledge of Allegiance at 7:33 pm.

VOTER COMMENT: None.

MINUTES: MR. WIEDEMANN MOVED TO APPROVE THE MINUTES OF THE APRIL 19, 2017 MEETING. SECOND BY MR. HONAN. ALL IN FAVOR. MOTION PASSES. (9-0). Abstain: Mr. Amaral.

COMMUNICATIONS: None.

COMMITTEE REPORTS: None. Ms. Jacob mentioned that she attended Board of Selectman meeting on Monday and there was discussion on the capital improvement process, possibly to go to ordinance and may need to make adjustments to the process, that to be discussed at the next meeting.

FIRST SELECTMAN'S REPORT: Ms. Llodra shared good news regarding the mill rate cap and distributed a document from George Rafael, Director of Finance and Research, CCM, that affirmed that the motor vehicle mill rate cap will not be set at 32 mills and will remain at 37 mills. (ATTACHMENT A) This was one of the legislative issues Newtown was pushing for and it is significant because had it been set at 32 that would have represented a loss of about \$400,000, going from our mill rate of 33.87 to 32. The change was to take place this next fiscal year which would apply to the tax levy now, but legislators say they will reset the clock and it will not happen this year.

Ms. Llodra distributed a document from Connecticut Council of Small towns which frames the budget discussion with bullet points regarding the Governor's budget. (ATTACHMENT B) Both House and Senate Republicans and Democrats reject the cost of pensions move from state to municipalities. The

LEGISLATIVE COUNCIL

Governor still has this move in his proposal, but the legislature will make that decision. If the Governor's budget proposal did pass, though it is expected to be modified, Newtown would have to pay the state \$3 million, contributing to total \$10 million hit to Newtown. Ms. Llodra is somewhat encouraged, but noted that every quarter for 4 years in a row, the projections have been off.

Ms. Jacob asked about how the revenue projections for 2016/17 affect Newtown, referencing a \$300,000 number. Mr. Tait referred to grant money that the Town is not getting. The Town will not be receiving the Pequot Grant, the grant represents receipts from casinos.

Mr. Knapp asked if the Town will not be receiving this grant going forward, unless there is some legislative action, Ms. Llodra replied yes, that is what she understands. Mr. Tait said that this represents the third year 1/3 payment. Ms. Llodra explained that because those grant monies are not coming to the Town, there will be nothing going into fund balance. There is not a line item for money to go into fund balance, fund balance is grown in proportion to the expenditures.

Mr. Amaral asked about the amount that the state provides for the Town, Ms. Llodra explained that according to the Governor's current proposal, the town would receive zero dollars, there would be a loss of \$3 million to the Town, that the Town would need to pay the state.

NEW BUSINESS

MR. LUNDQUIST MOVED A RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$550,000 FOR THE PLANNING, DESIGN AND CONSTRUCTION OF A NEW PARKING LOT AT TREADWELL PARK LOCATED IN THE TOWN OF NEWTOWN, CONNECTICUT AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2016-17 TO 2020-2021, INCLUSIVE) AND AUTHORIZING THE ISSUANCE OF \$550,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE. SECOND BY MR. EIDE.

Ms. Mangold thanked the Council for putting this special appropriation on the agenda tonight. Ms. Mangold indicated that they were waiting until the Town budget was approved before moving this project forward in the approval process. Ms. Mangold began her overview by saying that the hope is to complete this project before day camp begins in June, if not, it will have to be after the day camp season. The existing lot, base bid involves enhancing the parking in that area, drainage, reconfigure handicap parking grade change from 5% to 2% percent, removing existing asphalt, replacing catch basins, pipe fixing, sink hole/cracking repairs. The turnaround circle by the pool area will be larger, changed the opening of the park near tennis courts. There will be 201 parking spaces which will be more efficient, more handicap parking spots. Alternate 1 lot, area by Philo Curtis into the former maintenance garage, same as main lot for 36 parking spaces there, good for staff parking. Alternate 2 lot by the back field adds 29 parking spaces. Making a total of 267 parking spaces.

Ms. Jacob clarified for Council that this project is part of the CIP authorizations for 2016/17 done early on, it does not impact the 2017/18 changes for authorization.

Mr. Knapp asked to speak about the two other park improvement work. Ms. Mangold said that they were very satisfied with the work done. At Dickinson Park, the work is complete and came out beautiful. Cleaned up the park, no dust, took down fencing, put in hedges, she would like to award the bid to the same contractor, as it came within budget and enhanced the park overall.

Ms. Llodra asked about the change in grade for handicap from 5 to 2, or 5 to 3. Ms. Mangold offered to clarify that and get back to Ms. Llodra.

ALL IN FAVOR. MOTION PASSES. (9-2). Opposed: Mr. Ferguson, Mr. Amaral.

LEGISLATIVE COUNCIL

MR. LUNDQUIST MOVED TO SET THE MIL RATE AT 33.87 ON THE 2016 GRAND LIST FOR FISCAL YEAR 2017-18 EXCEPT FOR MOTOR VEHICLES FOR WHICH THE MIL RATE WILL BE SET AT THE LOWER OF 33.87 OR THE STATE MANDATED MIL RATE CAP TO BE DETERMINED AT THE TIME OF PRINTING THE TAX BILLS. SECOND BY MR.

CARROLL. **Ms. Jacob** asked Mr. Tait for a review and attorney's recommendations. Mr. Tait said that the mill rate in the budget is set at 33.87 but has a state statute cap for motor vehicles of 32, the memo from Mr. Rafael states that this will most likely not happen. Ms. Jacob said that since there is a 32 cap, this motion was developed to allow for the right number for the tax bills. Mr. Tait said that Mr. Grogins was fine with the wording of this motion.

Mr. Eide asked what is the deadline for the setting the mill rate, any upside for waiting on setting the mill rate. Ms. Llodra said we have an obligation to get the tax bills out and be based on some millage, typically a 3 week run time is needed for the tax bills, June 7 is the drop date for the bills, residents need to get tax bills out in a timely manner. We could wait, she said, but generally there is some confusion in the community if we wait, and she is not sure if there is any gain. Mr. Eide asked if there is any chance of a supplemental, if waiting would allow us to avoid a supplemental bill, in light of state budget. Ms. Jacob said that it is unlikely there will be any state decision on the budget until July. Ms. Llodra does not recommend waiting as it would deplete fund balance, due to needing about \$10 million.

Mr. Knapp referred to the unknowns with the budget and setting the mill rate now, and asked if we are beholden to the tax rate on both bills, could the tax bill in January be a different levy that the first one in order to compensate for any imbalances. Ms. Jacob explained that there would have to be a supplemental bill, they would have to pass a supplemental tax bill rate. Ms. Llodra said they would need to look at that especially if it is only a little bit of difference, perhaps it is possible. Mr. Tait said it is one bill in two parts, when we set the mill rate it is an official levy that is signed and we may not be able to change that on the second bill. Ms. Jacob said that if it was a small amount we probably would not use a supplemental tax bill and instead use some other means at our disposal.

Mr. Amaral referred to the mill rate for motor vehicles and property. Ms. Llodra said we will not charge motor vehicles any higher than our general property mill rate.

Mr. Ferguson said he supports setting the mill rate now, based on what the taxpayers told us they had approved. Assuming that there is little likelihood of any budget relief coming. Ms. Llodra said that we will need to follow the current law (32). Ms. Jacob said that this motion provides flexibility to go higher, if necessary, based on state budget results. Ms. Jacob said that when we did the budget it was based on mill rate of 32 with \$380,000 coming back from the state in revenue. Now that revenue is not going to happen most likely, so this motion provides the flexibility go higher.

Mr. Eide spoke to a zero sum, questioned if lowering the mill rate on automobiles means raising the mill rate on other real property. Ms. Jacob said that we will not be raising our other mill rate. Mr. Eide asked if we could set it at 32, but Ms. Jacob said that she did not think there would be enough support but he was welcome to make a motion for a modification.

Mr. Knapp spoke to Mr. Eide's point in level setting, stating the intention of the state law is to hold harmless the tax payer for adjustment on automobiles.

Ms. DeStefano asked if it is part of the law that the state will compensate municipality to offset tax. Ms. Llodra responded that the law that was passed last year was to keep municipalities whole, that piece of the budget, they can move forward on the cap but not fund it, two separate actions.

ALL IN FAVOR. MOTION PASSES. (11-0)

LEGISLATIVE COUNCIL

MR. LUNDQUIST MOVED TO APPROVE TAX COLLECTOR SUSPENSE LISTING. SECOND BY MR. CARROLL. Mr. Tait referred to taxes that are deemed uncollectable, though there is an effort to collect, an accounting move.

Mr. Ferguson asked about the type of collections, of interest to outside. Mr. Tait said that the tax collector works with different situations, may not be of much interest to the outside.

Mr. Lundquist asked how the status of someone who has not paid the tax and is on the list, examples. Mr. Tait said sometimes refer to out-of-state situations, liens.

Mr. Eide asked if the Town attempts to settle at a reduced rate. Mr. Tait said one cannot really settle, the taxes are owed.

Mr. Caroll referred to a situation of if one moves out of state, motor vehicle tax would still need to be paid in most situations.

ALL IN FAVOR. MOTION PASSES. (11-0)

MR. LUNDQUIST MOVED TO AUTHORIZE THE SUPERINTENDENT TO APPLY TO THE COMMISSION OF ADMINISTRATIVE SERVICES FOR A SCHOOL CONSTRUCTION PROJECT ROOF REPLACEMENT GRANT FOR THE HAWLEY ELEMENTARY SCHOOL, ASSIGN THE RESPONSIBILITY FOR THE PROJECT TO THE BOARD OF EDUCATION AND AUTHORIZE THE PREPARATION OF DRAWINGS AND SPECIFICATIONS FOR SAID PROJECT PER STATE STATUTE. SECOND BY MR. EIDE. **Ms. Jacob** said this is an administrative move required by the state in order to begin the reimbursement application process in order to move on the Hawley roof project.

Mr. Ferguson said he will support the motion.

Mr. Wiedemann said that per our charter, even though this has been approved by the voters, do we not have to have an impact statement. Ms. Jacob said that before we presented it to the voters we had an impact statement. Ms. Jacob said that first, it was decided what would go to referendum, then once that vote was done, the bond council approved the language, then went through the process of the BOS, BOF, then LC so it could get on the referendum.

ALL IN FAVOR. MOTION PASSES. (11-0)

MR. LUNDQUIST MOVED TO TRANSFER \$25,500 FROM CONTINGENCY TO TRANSFER OUT - CAPITAL NON-RECURRING. SECOND BY MR. FERGUSON. Mr. Tait explained that this to replace the Building Department's 2005 Chevy Colorado which was taken off road. The Public Works Department has a replacement list which this was on. (ATTACHMENT C)

Mr. Knapp understands it is necessary to replace the vehicle and asked why move from a Colorado to a full-size pick-up truck and cited cost differences of 2017 Chevy Colorado. Mr. Tait said it was the recommended by the department, used on construction sites, further information could be provided by the Public Works Department.

Mr. Ferguson took note of trend of going to the bigger vehicles and asked why we are not going to something smaller, in keeping with the Town's energy efficient choices. Ms. Llodra offered to invite Fred Hurley to provide further explanation if necessary. Ms. Llodra referenced comments that the larger vehicles have better rate of success and are not replaced as often.

ALL IN FAVOR. MOTION PASSES. (11-0)

MR. LUNDQUIST MOVED TO TRANSFER \$75,000 FROM CONTINGENCY TO TRANSFER OUT - CAPITAL NON-RECURRING. SECOND BY MR. FERGUSON. Mr. Tait referred to the budget 2017/18 process, the Council made an adjustment of \$75,000.

LEGISLATIVE COUNCIL

Mr. Wiedemann asked where we are with contingency. Mr. Tait referred to the document – Town Contingency Account.

Ms. Jacob asked about left over fund balance of \$33,202. Ms. Llodra referred to payment of legal bills. ALL IN FAVOR. MOTION PASSES. (11-0)

VOTER COMMENT: none

ANNOUNCEMENTS: Ms. Llodra said that the Organics Program is a success with up to 458 households that are participating, most successful program in western Connecticut. Encouraged all to join, as it contributes to the Town's sustainable project initiatives.

ADJOURNMENT: There being no further business the meeting adjourned at 8:23 pm.

Respectfully Submitted,
June Sgobbo, Clerk

Attachments: Motor Vehicle Mill Rate Cap, Connecticut Council of Small Towns State Budget Negotiations, Town Contingency Account.

These are draft minutes and as such are subject to correction by the Legislative Council at the next regular meeting. All corrections will be determined in minutes of the meeting at which they were corrected.

Motor Vehicle Mill Rate Cap

ATTACHMENT A

Good afternoon, everyone.

Many of you have asked about the status of the motor vehicle mill rate cap for FY 18. As you know, it is currently set to drop from 37 mills to 32 mills next year.

We have been told that the latest plan is to keep the cap at 37 mills and that towns should not plan on a drop to 32 mills next year.

As we get new information on the state budget, we will continue to update you.

Thanks.
George

George Rafael
Director of Government Finance and Research
CCM
Phone: [203-498-3063](tel:203-498-3063)



Pat Llodra <pat.llodra@newtown-ct.gov>

State Budget Negotiations Begin

1 message

Connecticut Council of Small Towns <bgara@ctcost.org>
 Reply-To: bgara@ctcost.org
 To: pat.llodra@newtown-ct.gov

Wed, May 17, 2017 at 8:48 AM

ATTACHMENT B



BUDGET NEGOTIATIONS UNDERWAY

House and Senate Caucuses Release Revised Budgets

House and Senate caucuses released their revised budgets on Tuesday and budget negotiations will begin in earnest later today.

What's on the table?

House & Senate Democrats - Revised Budget:

- Rejects shifting \$400 million/year in teachers' pension costs to towns;
- Cuts Education Cost Sharing funding by \$10.8 million each year
- Cuts Municipal Aid by an additional \$200 million each year, although the cuts are unspecified at this time;
- Relies on union concessions of \$1.57 billion over the next two years;
- Relies on revenues from tolls, casinos, and legalized marijuana

House Republicans - Revised Budget:

- Rejects shifting \$400 million/year in teachers' pension costs to towns
- Eliminates \$185 million/year in Municipal Revenue Sharing Account but offsets revenue losses by increases in other programs;
- Relies on union concessions of \$725.6 million in FY 18 and \$721.6 million in FY 19, plus \$300 million in savings due to a state employee wage freeze
- Reduces spending for elderly circuit breaker program
- Includes limits on borrowing for capital projects

Senate Republicans - Revised Budget:

- Rejects shifting \$400 million/year in teachers' pension costs to towns
- Relies on union concessions of \$958 million in FY 18 and \$1.2 billion in FY 19
- Cutting \$20 million per year from magnet school funding

Governor Malloy - How does your town fare?*:

- Continues to shift Teachers' pension costs to towns and caps such costs at \$400 million
- Eliminates funding for the Pequot and Mohegan Fund grant program
- Reduces State Property PILOT funding for Tier 3 municipalities, generally smaller towns
- Reduces Colleges/Hospitals PILOT funding for Tier 3 municipalities, generally smaller towns
- Revises ECS funding and Special Education Grant funding to funnel additional \$\$ to the state's neediest communities
- Eliminates all but \$50 million in Municipal Revenue Sharing Funds, which will be targeted for "Urban Stabilization" grants to select municipalities
- Eliminates \$10 million in MRSF funding, which was used to supplement ECS grants for certain municipalities
- Relies on union concessions of \$700 million in FY 18

PLEASE CONTACT YOUR LEGISLATORS TODAY AND LET THEM KNOW HOW SHIFTING TEACHERS' PENSION COSTS AND OTHER CUTS IN MUNICIPAL AID WILL IMPACT YOUR TOWN!

Click [here](#) for Talking Points on Teachers' Pension Issues

*Link to CT Mirror article

Waste Packaging Task Force
Meeting Information

The Packaging Task Force is looking for input on various issues regarding waste disposal. They are interested in learning more about specific packaging materials as they develop recommendations for reducing consumer packaging that reduces solid waste.

[Click here to view the questions the Task Force has for municipalities.](#)

A Task Force meeting is scheduled to be held on **May 25th** and they would like some representatives from COST to attend.

TOWN CONTINGENCY ACCOUNT

Newtown

05/01/2017
Fiscal Year 2016-2017

1-101-24-570-5895-0000 CONTINGENCY

Orig Budget	Transfers	Adj. Approp	Encumbered	Ytd Expended	Balance	%Exp
\$200,000.00	(\$66,298.00)	\$133,702.00	\$0.00	\$0.00	\$133,702.00	0.00%

Transfers

Trans #	T / F	Date	Description
32636	F	12/22/2016	LC 12 21 2016
32636	F	12/22/2016	LC 12 21 2016
51261	F	4/26/2017	LC 04 19 2017

Amount
\$35,298.00 (A)
\$26,000.00 (B)
\$5,000.00 (C)
<u>\$66,298</u>

Cap non recurring requests:

(\$75,000)
(\$25,500)
<u>\$33,202</u>

(A)	Unemployment	\$15,000
	Insurance	20,000
	Parade	298
	<u>Total</u>	<u>\$35,298</u>
(B)	Health District vehicle	\$26,000
(C)	Banner poles	\$5,000

Balance if approved

ATTACHMENT
C