

**BOROUGH OF NEWTOWN
NEWTOWN, CONNECTICUT**

Minutes of the regular meeting of the Borough of Newtown Board of Burgesses on **Tuesday, January 12, 2016** in the Borough Office at Edmond Town Hall, Newtown, CT. Warden Gaston called the meeting to order at 7:40 p.m.

Present: Warden James Gaston, Senior Burgess Joan Crick, Second Senior Burgess Jay Maher, Burgess Betsy Kenyon, Burgess Anthony Baiad, Burgess Bill Lucas, Burgess Chris Gardner, Zoning Officer Jean St. Jean, Tax Collector Jodie Enriquez, Treasurer Paula Brinkman, Clerk Ann LoBosco

Also Present: Glenn Nanavaty, Auditor and one member of the public

Absent: Tree Warden Rob McCulloch

Burgess Baiad made a motion to accept the December 8, 2015 minutes, seconded by Burgess Lucas and unanimously approved.

Public Participation: None.

Auditor's Report: Borough Auditor Glenn Nanavaty distributed copies of the Borough of Newtown Audited Financial Statement with Independent Auditor's Report Year Ended June 30, 2015. It is required that within one week of receipt, a legal notice be published indicating that the report is complete and on file in the Borough Office as well as the Town Clerk's Office. Glenn will send a copy to the State of Connecticut Office of Policy and Management.

He presented an Executive Summary of Audited Financial Statements. Total revenues were \$206,500.00 and total expenses were \$184,000.00 resulting in a General Fund Balance of \$302,067.00. This represents an Unassigned Fund Balance of 149% of next year's Budget.

Referring to the Budgetary Comparison Schedule – General Fund (pgs. 21 & 22), Glenn indicated a \$5,100.00 Favorable Variance in Total Revenues and a \$31,290.00 Favorable Variance in Total Expenditures. Regarding Property Tax Levies and Collections (pg. 24), the Percent of Total Tax Collections to Adjusted Tax Levy was 101%. Uncollected taxes were very good at 4%.

Glenn stated that the Borough may want to consider developing a Fund Balance Policy. He presented a document outlining the purpose of establishing a policy, definitions, and policies which could benefit the Borough and its financial integrity. Warden Gaston thanked him for the information and will see that the Board discusses the matter further during a future meeting.

Glenn, once again, commended the Board for their accurate record keeping, internal controls, and system of approvals and transferring funds. Good checks and balances are in place.

Burgess Kenyon made a motion to accept the Auditor's Report for Year Ended June 30, 2015 and the filing of the report with the Office of Policy and Management, seconded by Second Senior Burgess Maher and unanimously approved.

Tree Warden: No report due to Rob McCulloch's absence.

Warden's Report: Warden Gaston attended the Police Commission's meeting last week at which a traffic study presentation was made by Michael Galante, Executive Vice-President and traffic engineer at Frederick P. Clark Associates regarding the flagpole. Five recommendations were presented: 1) Do nothing; 2) Highlight sidewalks and crosswalks; 3) Widen Church Hill Road on the south side; 4) Widen Church Hill Road on the south side, widen the intersection in front of Congregational Church, and install a roundabout; 5) Do all above (without roundabout) as well as install traffic lights.

Warden Gaston stated that the number of accidents at the flagpole from 2012-2014 was reported to be 55; however, according to police reports the actual number was 40 (all minor accidents). A suggestion was made to place a police officer/traffic officer at the flagpole during high traffic times. Warden Gaston pointed out his concerns: 1) Who will pay for the work?; 2) Newtown Meeting House and Dere Restaurant would lose parking in front of their buildings; 3) Widening West Street would affect the 29 Main Street (Dana-Holcombe House); 4) Widening Church Hill Road will be difficult due to large embankment next to Trinity Church; and 5) Hanging traffic lights will be unsightly.

The report presented by Mr. Galante was only a draft report; no action has been taken by the Police Commission as of yet. Warden Gaston asked the Board whether they would take a position on the issue. Discussion followed.

Burgess Kenyon made a motion to have Warden Gaston send a letter on behalf of the Board of Burgesses to the Police Commission stating their opposition to the recommendations presented in Mr. Galante's traffic study, seconded by Burgess Gardner and unanimously approved.

Tax Collector's Report: Tax Collector Enriquez reported the following for December 2015: Total Taxes Due for the List of 2014: \$187,871.54; Current Taxes: \$183,130.91; Back Taxes: \$4,669.44; Interest: \$2,346.33; Liens & Fees: \$396.00. Total Submitted to Treasurer to Date: \$179,525.00. Current Taxes Collected: \$183,130.91 representing 96.7%.

Burgess Baiad made a motion to accept the Tax Collector's Report for December 2015, seconded by Burgess Lucas and unanimously approved.

Treasurer's Report: Treasurer Paula Brinkman read the December 2015 report: A deposit of \$2,475.00 was made this month from Tax Collector Jodie Enriquez making a total of \$179,525.00. Interest on the 1 Yr. CD was \$31.30 making a total of \$73,719.20.

Burgess Baiad made a motion to transfer \$400.00 from Contingency to Audit, seconded by Burgess Kenyon and unanimously approved.

Burgess Baiad made a motion to accept the Treasurer's Report for December 2015, seconded by Second Senior Burgess Maher and unanimously approved.

Zoning Officer's Report: Zoning Officer St. Jean reported that Lexington Gardens is progressing nicely (\$25,952.77 in building fees has been collected). After this development is completed, there will be very little business property left to be developed in the Borough. She also reported that Danbury Ambulance (who acts as backup to Newtown) may make a proposal to occupy the old Newtown Ambulance building.

Historic District: Burgess Kenyon had nothing new to report.

Sidewalks: Second Senior Burgess Maher had nothing new to report.

Streets & Parks: Second Senior Burgess Maher reported that the last Historic District sign was installed on West Street.

Old Business: Senior Burgess Crick and Second Senior Burgess Maher attended an administrative hearing along with Warden Gaston and Tree Warden Rob McCulloch. The hearing was requested by Peter Caracciolo, 3 Lorraine Drive, in response to Warden Gaston's letter regarding the bamboo issue. At that meeting, Warden Gaston went over the bamboo ordinance, correspondence, and findings from research done by Rob McCulloch. Mr. Caracciolo reported that he had Alan Potter apply the recommended chemicals and hopes this will solve the problem.

New Business: None.

Public Participation: Ellen Whalen, 65 Main Street, asked whether the old Newtown Ambulance building could be a future commercial site. Ms. St. Jean explained that it is in a residential zone and Newtown Ambulance was there because it was town sponsored. Ms. Whalen asked about the Connor house, 48 Main Street. Senior Burgess Crick said that Mrs. Connor is no longer in the home, the property has been condemned, and court proceedings are ongoing. Ms. Whalen also questioned the condition of the windows at 50 Main Street. The broken windows do violate the blight ordinance and the matter is being addressed. Finally, she asked whether railings will be installed on the granite steps in front of 33 Main Street; she sees it as a potential safety issue if not installed. Ms. St. Jean will look into it and report back to the Board.

A regular meeting the Board of Burgesses will be held on Tuesday, February 9, 2016 at 7:30 p.m. in the Borough Office in Edmond Town Hall, Newtown, CT.

There being no further business, Burgess Baiad made a motion to adjourn the meeting at 9:20 p.m., seconded by Second Senior Burgess Maher and unanimously approved.

Respectfully submitted,

Ann M. LoBosco
Borough Clerk

NEWTOWN BOROUGH TAX

MONTHLY REPORT FOR: DECEMBER 2015

TOTAL TAXES DUE FOR GRAND LIST 2014: \$187,871.54

AMOUNTS COLLECTED TO DATE:

CURRENT TAX:	\$183,130.91
BACK TAXES:	\$4,669.44
INTEREST:	\$2,346.33
LIENS & FEES:	\$396.00

TOTAL COLLECTED TO DATE: \$190,542.68

WRITE OFFS (WAIVE BILLS UNDER \$5.00)	
REFUNDS	\$1,997.71

TOTAL SUBMITTED TO TREASURER TO DATE: \$179,525.00

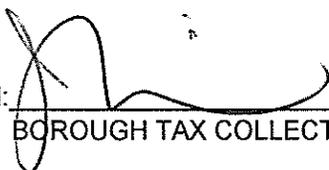
TAX COLLECTION SUMMARY:

CURRENT TAXES COLLECTED:	\$183,130.91	96.7%
OVERPAYMENTS	(\$1,520.93)	
CURRENT TAXES PENDING:	\$6,261.56	3.3%

NOTE:

BACK TAXES OUTSTANDING FOR LIST 2013 AND PRIOR:		\$3,616.58
(refund due from prior years)	(\$36.29)	

DATE:
12-Jan-16

SIGN: 
BOROUGH TAX COLLECTOR

Borough of Newtown
 Newtown, CT
 Monthly Treasurer's Report
 For month ending December 31, 2015

Beginning Balance (December 1, 2015) \$425,389.02

OPERATING ACCOUNT (#673)

Income (Deposits)

Date	Description	Amount
Dec.9,2015	Tax Collector (YTD: \$179,525)	\$2,475.00

Interest income (December 31, 2015) \$17.91

Total Income \$2,492.91

Expenses (checks written)

Date	Payable To	Description	Amount
Dec 8, 2015	chk # 225 Treasurer's Acct (331)	payroll	\$10,000.00

Total Expenses \$10,000.00

Ending Cash Balance (December 31, 2015) \$417,881.93

Outstanding Checks	Payable To	Description	Amount
	Total Outstanding Checks		\$0.00

RECONCILED BANK BALANCE December 31, 2015 \$417,881.93

CAPITAL RESERVE ACCOUNT (#200)

Ending Cash Balance Account closed 10/31/15 \$0.00

1 Yr. CD ACCOUNT (#814) matures 10/24/16 \$73,687.90

Interest income (December 31, 2015) interest .50% \$31.30

TOTAL \$73,719.20

Respectfully submitted on January 12, 2016
 Paula Brinkman, Treasurer



**BOROUGH OF NEWTOWN
EXECUTIVE SUMMARY - AUDITED FINANCIAL STATEMENTS
JUNE 30, 2015**

	Year Ended June 30,		
	2015	2014	2013
Total revenues	\$ 206,590	\$ 220,147	\$ 200,291
Total expenses	\$ 184,000	\$ 164,807	\$ 153,790
Change in fund balance	<u>\$ 22,590</u>	<u>\$ 55,340</u>	<u>\$ 46,501</u>
General Fund - Fund Balance At June 30	<u>\$ 302,067</u>	<u>\$ 279,477</u>	<u>\$ 224,137</u>
Unassigned Fund Balance as a % of next year's Budget	149%	133%	106%

There is no formal letter issued re: internal control. However I recommended that the Board continue the following:

- Prepare and Review of all bank reconciliations
- Document review & approval of invoices for payment
- review of monthly financial statements, specifically budget v. actual results

Fund Balance Policy

Developed for Borough of Newtown, CT

Purpose

The Board recognizes that the maintenance of a fund balance is essential to the preservation of the financial integrity of the Borough and is fiscally advantageous for both the Borough and the members of the Borough. This policy establishes goals and provides guidance concerning the desired level of fund balance maintained by the Borough to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances.

Definitions

Fund balance is a measurement of available financial resources and is the difference between total assets and total liabilities in each fund.

GASB Statement 54 distinguishes fund balance classified based on the relative strength of the constraints that control the purposes for which specified amounts can be spent. Beginning with the most restrictive constraints, fund balance amounts will be reported in the following categories:

- 1) **Nonspendable fund balance** – amounts that are not in a spendable form (e.g., inventory) or are legally or contractually required to be maintained intact (e.g., permanent fund principal).
- 2) **Restricted fund balance** – amounts that can be spent only for the specific purposes stipulated by external parties either constitutionally or through enabling legislation (e.g., grants or donations).
- 3) **Committed fund balance** – amounts that can be used only for the specific purposes determined by a formal action of the Board of Trustees [*or Education*]. Commitments may be changed or lifted only by referring to the formal action that imposed the constraint originally (e.g., the board's commitment in connection with future construction projects).
- 4) **Assigned fund balance** – amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the Board of Trustees [*or Education*] or by a designee to whom the governing body delegates the Borough. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- 5) **Unassigned fund balance** – includes all amounts not contained in other classifications and is the residual classification of the general fund only. Unassigned amounts are available for any legal purpose.

Policy

The responsibility for designating funds to specific classifications shall be as follows:

Committed Fund Balance – The Board of Burgesses is the Borough’s highest level of decision-making, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board.

Assigned Fund Balance – The Board of Burgesses has authorized the Warden and the Treasurer as officials authorized to assign fund balance to a specific purpose as approved by this fund balance policy.

Minimum Unassigned Fund Balance

It is the goal of the Borough to achieve and maintain an unassigned fund balance in the general fund at fiscal year end of not less than _____% of _____ revenues [*or expenditures*]. If the unassigned fund balance at fiscal year end falls below the goal, the Borough shall develop a restoration plan to achieve and maintain the minimum fund balance.

Order of Expenditure of Funds

When multiple categories of fund balance are available for expenditure (e.g., a project is being funded partly by a grant, funds set aside by the Board, and unassigned fund balance), the Borough will start with the most restricted category and spend those funds first before moving down to the next category with available funds.