

**THESE MINUTES ARE SUBJECT TO APPROVAL BY THE BOARD OF FINANCE**

The Board of Finance held a regular on Thursday, January 26, 2017 in the Council Chambers at the Municipal Center, 3 Primrose Street, Newtown, CT. Chairman James Gaston called the meeting to order at 7:30pm.

**Present:** James Gaston, Kelley Johnson, Mark Boland, John Godin, Sandy Roussas, Aaron Carlson (8:00pm)

**Also Present:** First Selectman Pat Llodra, Finance Director Robert Tait, Rob Sibley, Deputy Director of Planning and Land Use, George Ferguson , Three members of the public and two members of the press

**VOTER COMMENT** – None

**COMMUNICATIONS** – None

**MINUTES** – Mr. Gaston moved to accept the minutes from January 9, Ms. Johnson seconded. Mr. Godin made the correction that Mr. Carlson had also abstained during the approval of the minutes. Motion approved with correction (Boland Abstained).

**FIRST SELECTMAN REPORT** – Mrs. Llodra reported that the Board of Selectman is working on the budget proposal that is coming to the Board of Finance on February 13.

**FINANCE DIRECTORS REPORT** – Mr. Tait presented the excerpt from the comprehensive annual finance report for the fiscal year 15/16(Attachment A).

**NEW BUSINESS**

*Resolution* – Rob Sibley presented an acquisition easement proposal (Attachment B). The farm is located on Sugar Street (Route 302) owned by the Proposky family. The Town partnered with the state to protect prime land soils and active farmland practices. The property can never be developed and will be continued to be used as farmland.

Mr. Gaston moved the RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$450,000 FOR THE JOINT AGREEMENT OFFER TO PURCHASE DEVELOPMENT RIGHTS TO FARMLAND BY STATE OF CONNECTICUT AND THE TOWN OF NEWTOWN REGARDING THE PAPROSKI-CASTLE HILL FARM, NEWTOWN CT AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2016-17 to 2020-21) AND AUTHORIZING THE ISSUANCE OF \$450,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE and waived the reading of the full resolution (Attachment C). Ms. Johnson seconded. Motion approved by roll call vote YES (Johnson, Gaston, Godin, Roussas) Abstained (Boland).

*Letter to President Trump re Sandy Hook Hoaxers* – The Democratic town committee has requested that they reach out to President Trump to intervene with Alex Johnson a radio host (Attachment D). The action taken at the Board of Selectman level was that it should not be political by coming from the Democrat or Republican town committees; it should come from all the elected officials regardless of political party.

Ms. Roussas expressed concern over the first amendment and if this doesn't succeed they have given credence to his speech. She suggested inviting President Trump to a memorial to show solidarity.

Mr. Gaston articulated that they aren't asking to take away his first amendment rights, they are asking for the President of the United States to basically look at the facts and recognize that 6 adults and 20 children were murdered on 12/14.

Ms. Johnson expressed concerned about backlash but respected the Selectman's decision.

Mr. Boland articulated that the letter coming from elected officials does have a political overtone and believes we should sign it as individuals.

Mr. Carlson articulated that he personally has received impact from hoaxers and supports the efforts.

Mr. Godin expressed concern that if you play into this, you enable him to make it even worse.

Mark Mattioli, 67 Great Ring Road – He asked why this would be on the BOF agenda. He had no knowledge of this letter and doesn't know who Alex Jones is. You give oxygen to something that doesn't deserve it. You are representing people that are most impacted, share it with those people. He is surprised, and doesn't believe it belongs in the meeting. If you are going to sign it as individuals, you have that right, but how does that have anything to do with the Board of Finance.

Mr. Gaston moved to table discussion, Ms. Johnson seconded, motion unanimously approved.

*Debt Policy* – George Ferguson from the Legislative Council Finance and Administration Committee, presented the meeting minutes from the subcommittee (Attachment E). It was agreed at the Council level not to take any action until they have sought advice from the BOF. The reason for the discussion is to protect the current Moody's rating. We have set our debt cap at what their maximum is.

Mr. Gaston articulated that Newtown is right in the middle with the debt but lacks is the grand list.

Mr. Godin explained that the intent tonight is to get a scope of the ask from the LC Finance and Administration Committee. The intent is after budget they will look at this more deeply. They

recommended a 9.8% debt ratio's with the understanding in the motion that it would go down incrementally.

*ECS Funding* – A month or so ago, Mrs. Llodra reported that she had been contacted by Bill Monte from the Woodbury Board of Finance. He has done an analysis about the disproportion of the ECS funding. Newtown funding is 46% and Farmington funding is 172%. No municipality should receive less than 50% and none should receive more than 100%. It is a reallocation of resources. Mitch Bolinsky did submit a bill but it is unknown if it will see the light of day. This will take a significant amount of time to correct. Once it is done, it will take another year or two to implement. There is no justification to the disparity and it appears the decisions are made at the OPM level.

## **OLD BUSINESS**

*Senior Tax Relief* – Mr. Godin received clarification from Mr. Knapp as to what the ask from the LC is (Attachment F). They can make changes on the items by resolution without having to redo the ordinance.

Mr. Gaston articulated that his thought is to recommend leaving it as it is. It is servicing those who need it the most. And then after the budget they can have a broader discussion about other options such as freezes or deferments.

Ms. Roussas articulated that they are not charged with making significant changes to the ordinance. What they already have in place is generous.

Mr. Carlson agreed with Mr. Gaston and they should have the bigger discussion before we make changes.

Mr. Boland said the program is generous both in the amount of the benefit as well as the number of participants and provided a worksheet (Attachment G). It looks like this program is reaching about 1/3 of the senior households. This program should be responsive to lower income rather than higher. The asset test is too low and if it was raised up to \$2 million then more people would qualify.

Ms. Johnson articulated that she is in line with Mr. Gaston and thinks that \$1.2 million is too high.

Mr. Boland moved the QTAV be increased to \$2 million and the income limits by CPI annually, Ms. Roussas seconded. Mr. Boland Mark withdrew his motion,

Mr. Boland moved to increase the QTAV from \$1.2 million to \$2 million, Ms. Roussas seconded. Mr. Gaston explained that New Canaan, which is the most generous program, is at \$450,000. All other board members agreed that is too high. Mr. Godin proposed an amendment to \$1.4 million. Mr. Boland withdrew his motion and Mr. Godin withdrew his amendment.

Mr. Gaston moved that they leave the senior tax relief as is and in the coming spring and summer they will have further discuss an overall senior tax relief. Ms. Johnson seconded motion unanimously approved.

**VOTER COMMENT – none**

**ANNOUNCEMENTS –** Mr. Godin did receive and e-mail from Keith Alexander regarding BOF shortfall in the BOE revenue (Attachment H). They will keep the BOF informed as to how they are going to handle that.

February 13 will be a high level presentation of the BOS and BOE. On February 16 will be a public hearing and a deep dive of the BOS budget. On February 23 will be the BOE. The goal is to have everyone present for a vote on either February 27 or March 2.

Having no further business, the meeting was adjourned at 10:15pm

Respectfully Submitted,  
Arlene Miles, Clerk

Attachment A

- EXCERPT -

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

of the

**TOWN OF NEWTOWN,  
CONNECTICUT**

**YEAR ENDED**

**JUNE 30, 2016**

**PREPARED BY:  
THE FINANCE DEPARTMENT**

**ROBERT G. TAIT, FINANCE DIRECTOR**

- EXCERPT -

**TOWN OF NEWTOWN, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED JUNE 30, 2016**  
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## **Basic Financial Statements**

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**Government Wide  
Financials**

**General fund; special  
revenue funds; capital  
projects fund; medical  
self insurance fund**

**EXHIBIT A  
(1 of 2)**

**TOWN OF NEWTOWN, CONNECTICUT**

**STATEMENT OF NET POSITION  
JUNE 30, 2016**

**Water & sewer**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash.....	\$ 4,868,289	\$	\$ 4,868,289
Investments.....	34,287,805	1,447,861	35,735,666
Receivables:			
Property taxes.....	803,934		803,934
Assessments.....		850,440	850,440
Use charges.....		232,346	232,346
Intergovernmental.....	608,565		608,565
Loans receivable.....	20,000		20,000
Contributions receivable.....	5,000,000		5,000,000
Other.....	687,675		687,675
Internal balances.....	(287,153)	367,374	100,221
Other.....	34,931		34,931
<b>Total current assets.....</b>	<b>46,044,046</b>	<b>2,898,021</b>	<b>48,942,067</b>
<b>Noncurrent assets:</b>			
<b>Restricted assets:</b>			
Temporarily restricted:			
Cash.....	394,624		394,624
Investments.....	2,009,475		2,009,475
Permanently restricted:			
Cash.....	10,000		10,000
Investments.....	600,000		600,000
<b>Total restricted assets.....</b>	<b>3,014,099</b>	<b>-</b>	<b>3,014,099</b>
<b>Receivables (net):</b>			
Property taxes.....	1,510,748		1,510,748
Assessments.....		922,521	922,521
Intergovernmental.....	288,968		288,968
Loans receivable.....	224,272		224,272
Contributions receivable.....	4,550,000		4,550,000
<b>Total receivables (net).....</b>	<b>6,573,886</b>	<b>922,521</b>	<b>7,496,507</b>
<b>Capital assets (net of accumulated depreciation):</b>			
Land.....	26,175,546	1,000	26,176,546
Intangible assets.....	3,687,270	491,353	4,178,623
Construction in progress.....	54,630,088	3,028,495	57,658,583
Buildings and systems.....	130,410,648		130,410,648
Land improvements.....	14,179,066		14,179,066
Plant and pumping stations.....		8,790,335	8,790,335
Sewer distribution system.....		15,973,412	15,973,412
Water distribution system.....		1,221,316	1,221,316
Machinery and equipment.....	4,844,962		4,844,962
Vehicles.....	5,199,623	92,120	5,291,743
Infrastructure.....	52,429,874		52,429,874
<b>Total net capital assets.....</b>	<b>291,557,077</b>	<b>29,598,031</b>	<b>321,155,108</b>
<b>Total noncurrent assets.....</b>	<b>301,145,162</b>	<b>30,520,552</b>	<b>331,665,714</b>
<b>TOTAL ASSETS.....</b>	<b>347,189,208</b>	<b>33,418,573</b>	<b>380,607,781</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding.....	501,032	7,641	508,673
Deferred outflow related to pensions.....	4,911,538		4,911,538
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>5,412,570</b>	<b>7,641</b>	<b>5,420,211</b>

(Continued)

## TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF NET POSITION  
JUNE 30, 2016

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable.....	\$ 9,980,173	\$ 768,316	\$ 10,748,489
Accrued payroll.....	3,454,062		3,454,062
Accrued interest payable.....	1,377,178		1,377,178
Unearned revenue.....	1,650,887		1,650,887
Bonds, notes and related liabilities.....	6,882,280	1,089,198	7,971,478
Landfill post closure costs.....	17,000		17,000
Capital lease.....	49,933		49,933
Compensated absences.....	196,132		196,132
Termination benefits.....	84,500		84,500
Other liabilities.....	392,534	20,921	413,455
Total current liabilities.....	24,084,877	1,878,435	25,961,112
Noncurrent liabilities:			
Bonds, notes and related liabilities.....	65,557,382	2,511,217	68,068,599
Landfill post closure costs.....	136,000		136,000
Compensated absences.....	784,528		784,528
Termination benefits.....	98,000		98,000
Net pension liability.....	13,476,873		13,476,873
Net OPEB obligation.....	1,815,258		1,815,258
Total noncurrent liabilities.....	81,866,039	2,511,217	84,377,256
TOTAL LIABILITIES.....	105,950,716	4,387,652	110,338,368
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Advance property tax collections.....	158,590	4,802	161,392
Deferred inflow related to pensions.....	1,529,849		1,529,849
TOTAL DEFERRED INFLOWS OF RESOURCES.....	1,688,439	4,802	1,691,241
<b>NET POSITION</b>			
Net investment in capital assets.....	219,566,514	26,005,257	245,573,771
Restricted for:			
Endowments:			
Nonexpendable.....	610,000		610,000
Expendable.....	2,009,475		2,009,475
General government.....	444,328		444,328
Public safety.....	98,139		98,139
Health and welfare.....	21,731		21,731
Education.....	1,107,557		1,107,557
Unrestricted.....	21,104,881	3,028,503	24,133,384
TOTAL NET POSITION.....	\$ 244,864,623	\$ 29,033,760	\$ 273,998,383

(Concluded)

## TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2016Shows that program revenues  
do not cover program  
expenses

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET EXPENSES AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>GOVERNMENTAL ACTIVITIES:</b>							
General government.....	\$ 6,748,506	\$ 811,598	\$ 84,003	\$ -	\$ (5,852,905)	\$ -	\$ (5,852,905)
Public safety.....	11,763,967	843,555	79,243	-	(10,841,169)	-	(10,841,169)
Health and welfare.....	3,141,088	10,404	73,248	-	(3,057,436)	-	(3,057,436)
Land use.....	753,241	56,628	-	-	(696,613)	-	(696,613)
Public works.....	10,403,732	1,151,513	11,870	36,400	(9,215,819)	-	(9,215,819)
Parks and recreation.....	3,748,633	1,450,819	-	-	(2,285,944)	-	(2,285,944)
Education.....	89,774,822	2,369,659	19,135,752	30,815,852	(37,453,559)	-	(37,453,559)
Interest expense.....	2,226,691	-	-	-	(2,226,691)	-	(2,226,691)
<b>TOTAL GOVERNMENTAL ACTIVITIES.....</b>	<b>128,560,680</b>	<b>6,894,176</b>	<b>19,384,116</b>	<b>30,852,252</b>	<b>(71,630,136)</b>	<b>-</b>	<b>(71,630,136)</b>
<b>BUSINESS-TYPE ACTIVITIES:</b>							
Sewer Department.....	1,696,780	995,686	31,503	-	(669,591)	(669,591)	(669,591)
Water Department.....	511,594	346,945	-	-	(164,649)	(164,649)	(164,649)
<b>TOTAL BUSINESS-TYPE ACTIVITIES.....</b>	<b>2,208,374</b>	<b>1,342,631</b>	<b>31,503</b>	<b>-</b>	<b>(834,240)</b>	<b>(834,240)</b>	<b>(834,240)</b>
<b>TOTAL.....</b>	<b>\$ 130,769,054</b>	<b>\$ 8,036,807</b>	<b>\$ 19,415,619</b>	<b>\$ 30,852,252</b>	<b>\$ (71,630,136)</b>	<b>\$ (834,240)</b>	<b>\$ (72,464,376)</b>

## GENERAL REVENUES:

Property taxes.....	\$ 101,373,044	\$ -	\$ 101,373,044
Grants and contributions not restricted to specific programs.....	2,770,496	-	2,770,496
Investment income.....	360,637	39,441	400,078
Miscellaneous.....	220,547	-	220,547
<b>TOTAL GENERAL REVENUES.....</b>	<b>104,724,724</b>	<b>39,441</b>	<b>104,764,165</b>
<b>CHANGE IN NET POSITION .....</b>	<b>33,094,588</b>	<b>(794,799)</b>	<b>32,299,789</b>
<b>NET POSITION - JULY 1, 2015.....</b>	<b>211,670,035</b>	<b>29,828,559</b>	<b>241,698,594</b>
<b>NET POSITION - JUNE 30, 2016.....</b>	<b>\$ 244,964,623</b>	<b>\$ 29,033,760</b>	<b>\$ 273,998,383</b>

For the most part  
property taxes cover the  
shortfall in program  
activitiesGoing in the right  
direction  
(increasing)

See Notes to Financial Statements.

TOWN OF NEWTOWN, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016

detail of special  
revenue funds in back

	GENERAL	BONDED PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>				
Cash	\$ 604,900	\$	\$ 1,211,891	\$ 1,816,791
Restricted cash	392,420		12,204	404,624
Investments	19,872,477	14,027,105	2,997,898	36,897,280
Receivables:				
Property taxes	1,744,243			1,744,243
Intergovernmental	91,157		424,985	516,142
Loans receivable			249,413	249,413
Other	139,959		248,665	388,624
Due from other funds	1,018,414		2,907,936	3,926,350
Other	1,887		33,044	34,931
<b>TOTAL ASSETS</b>	<b>\$ 23,865,457</b>	<b>\$ 14,027,105</b>	<b>\$ 8,085,836</b>	<b>\$ 45,978,398</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,435,420	\$ 6,761,515	\$ 460,262	\$ 8,657,197
Accrued payroll	3,298,530		155,532	3,454,062
Due to other funds	4,525,964		383,713	4,909,677
Unearned revenue		1,302,769	348,118	1,650,887
Performance bonds	392,420			392,420
<b>TOTAL LIABILITIES</b>	<b>\$ 9,652,334</b>	<b>\$ 8,064,284</b>	<b>\$ 1,347,625</b>	<b>\$ 19,064,243</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue:				
Property taxes	1,744,243			1,744,243
Advance property tax collections	156,590		249,413	406,003
Loans				
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 1,900,833</b>		<b>\$ 249,413</b>	<b>\$ 2,150,246</b>
<b>FUND BALANCES</b>				
Spendable			610,000	610,000
Restricted			3,681,228	3,681,228
Committed			2,112,357	2,112,357
Assigned	888,010	5,962,821	85,213	6,835,044
Unassigned	11,444,280			11,444,280
<b>TOTAL FUND BALANCES</b>	<b>\$ 12,332,290</b>	<b>\$ 5,962,821</b>	<b>\$ 6,488,798</b>	<b>\$ 24,783,909</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 23,865,457</b>	<b>\$ 14,027,105</b>	<b>\$ 8,085,836</b>	<b>\$ 45,978,398</b>

10.2% of total budget

Unassigned on  
6/30/2015 was  
\$10,608,535

Assigned = \$645,606  
encumbrances;  
\$222,404 excess  
elderly tax credit

(Continued)

# Reconciliation between government wide statements and fund statements

**EXHIBIT C**  
(2 of 2)

## TOWN OF NEWTOWN, CONNECTICUT RECONCILIATION OF FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES JUNE 30, 2016

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION (EXHIBIT A)  
ARE DIFFERENT FROM THE GOVERNMENTAL FUND BALANCE SHEET. THE DIFFERENCES ARE DUE TO:

TOTAL FUND BALANCE (EXHIBIT C, PAGE 1).....	\$ 24,763,909
---	---------------

CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL RESOURCES  
AND, THEREFORE, ARE NOT REPORTED IN THE FUNDS:

Beginning net capital assets .....	258,614,595
Capital assets additions (net of construction in progress).....	38,120,149
Depreciation expense.....	(5,102,972)
Disposal of capital assets.....	(74,695)

OTHER LONG-TERM ASSETS AND DEFERRED OUTFLOWS ARE NOT AVAILABLE RESOURCES AND,  
THEREFORE, ARE NOT REPORTED IN THE FUNDS:

Property tax interest and lien accrual.....	1,143,437
Allowance for doubtful accounts.....	(578,141)
School building grant receivable.....	381,391
Contributions receivable.....	9,550,000
Deferred outflow related to pensions.....	4,911,538
Deferred charge on refunding.....	501,032

OTHER LONG-TERM ASSETS ARE NOT AVAILABLE TO PAY FOR CURRENT PERIOD  
EXPENDITURES AND, THEREFORE, ARE UNAVAILABLE IN THE FUNDS:

Property tax and community development block grant receivable - accrual basis change.....	1,993,656
---	-----------

INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COST OF  
MEDICAL INSURANCE TO INDIVIDUAL DEPARTMENTS:

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.....	2,743,633
---	-----------

SOME LIABILITIES AND DEFERRED INFLOWS, INCLUDING BONDS PAYABLE, ARE NOT DUE AND  
PAYABLE IN THE CURRENT PERIOD AND, THEREFORE, ARE NOT REPORTED IN THE FUNDS:

Bonds and notes payable.....	(69,025,105)
Premium.....	(3,414,557)
Landfill post closure costs.....	(153,000)
Capital leases.....	(49,933)
Compensated absences.....	(980,660)
Termination benefits.....	(180,500)
Net pension liability.....	(13,476,873)
Net OPEB obligation.....	(1,815,256)
Accrued interest payable.....	(1,377,176)
Deferred inflow related to pensions.....	(1,529,849)

NET POSITION OF GOVERNMENTAL ACTIVITIES.....	<b>\$ 244,964,623</b>
--	-----------------------

(Concluded)

See Notes to Financial Statements.



## TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016

	GENERAL	BONDED PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
Property taxes.....	\$ 101,236,267	\$	\$	\$ 101,236,267
Intergovernmental.....	16,346,850	30,815,852	6,113,886	53,276,588
Charges for services.....	2,066,876		4,620,806	6,687,682
Investment income.....	327,598		67,803	415,401
Net change in fair value of investments.....			(62,821)	(62,821)
Contributions.....			263,880	263,880
Other.....	220,531	16		220,547
<b>TOTAL REVENUES</b> .....	<b>120,198,122</b>	<b>30,815,868</b>	<b>11,023,554</b>	<b>162,037,544</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	4,571,674		1,593,910	6,165,584
Public safety.....	9,589,721		822,222	10,411,943
Health and welfare.....	2,625,049		464,984	3,090,033
Land use.....	674,599			674,599
Public works.....	9,712,331		21,473	9,733,804
Parks and recreation.....	2,246,102		647,224	2,893,326
Education.....	79,390,666		7,580,124	86,970,790
Debt service.....	10,106,365	80,000	151,130	10,337,495
Capital outlay.....		36,356,462	734,687	37,091,149
<b>TOTAL EXPENDITURES</b> .....	<b>118,916,507</b>	<b>36,436,462</b>	<b>12,015,754</b>	<b>167,368,723</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b> .....	<b>1,281,615</b>	<b>(5,620,594)</b>	<b>(992,200)</b>	<b>(5,331,179)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of debt.....		12,000,000		12,000,000
Issuance of refunding bonds.....		2,295,000		2,295,000
Premium.....		212,251	519,366	731,617
Payment to refunded bonds escrow agent.....		(2,427,251)		(2,427,251)
Transfers in.....	225,000	30,800	605,627	861,427
Transfers out.....	(501,248)	(916)	(359,283)	(861,427)
<b>NET OTHER FINANCING SOURCES (USES)</b> .....	<b>(276,248)</b>	<b>12,109,884</b>	<b>765,730</b>	<b>12,599,366</b>
<b>NET CHANGE IN FUND BALANCES</b> .....	<b>1,005,367</b>	<b>6,489,290</b>	<b>(226,470)</b>	<b>7,268,187</b>
<b>FUND BALANCES - JULY 1, 2015</b> .....	<b>11,308,923</b>	<b>(526,469)</b>	<b>6,715,268</b>	<b>17,495,722</b>
<b>FUND BALANCES - JUNE 30, 2016</b> .....	<b>\$ 12,312,290</b>	<b>\$ 5,962,821</b>	<b>\$ 6,488,798</b>	<b>\$ 24,763,909</b>

Education expenditures include \$7,989,069 in in-kind teacher state retirement payments paid by the State. This is offset by a like amount in intergovernmental revenues. This is stated in a footnote on page 50.

Reconciliation between government  
wide revenue and expenses fund  
statement revenue and expenditures

EXHIBIT E  
(1 of 2)

TOWN OF NEWTOWN, CONNECTICUT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2016

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES  
(EXHIBIT B) ARE DUE TO:

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (EXHIBIT D)..... \$ 7,268,187

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay.....	38,120,149
Depreciation expense.....	(5,102,972)
Total .....	33,017,177

The net effect of various miscellaneous transactions involving capital assets (i. e., sales, trade-ins and donations) is to increase net position. In the Statement of Activities, only the *loss* on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold:

Disposal of capital assets.....	(74,695)
---------------------------------	----------

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds and revenues recognized in the Fund Financial Statements are not recognized in the Statement of Activities:

School building grant receipts.....	(533,604)
Change in property tax and community development block grant - accrual basis change.....	37,904
Change in property tax and community development block grant interest and lien revenue.....	105,367
Total .....	(390,333)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Debt issued or incurred:	
General obligation debt.....	(12,000,000)
Issuance of refunding bonds.....	(2,295,000)
Premium.....	(599,366)
Deferred charge on refunding.....	(85,000)
Principal repayments:	
General obligation debt.....	7,542,600
Notes payable.....	304,337
Refunded bonds.....	2,380,000
Total .....	(4,752,429)

(Continued)



## TOWN OF NEWTOWN, CONNECTICUT

GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES:</b>				
Property taxes.....	\$ 100,999,170	\$ 100,999,170	\$ 101,236,267	\$ 237,097
Intergovernmental.....	8,216,543	8,216,543	8,357,781	141,238
Charges for services.....	2,162,550	2,162,550	2,066,876	(95,674)
Investment income.....	125,000	125,000	327,598	202,598
Other revenues.....	105,250	105,250	220,531	115,281
<b>TOTAL REVENUES.....</b>	<b>111,608,513</b>	<b>111,608,513</b>	<b>112,209,053</b>	<b>600,540</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government.....	4,295,113	4,549,220	4,531,751	17,469
Public safety.....	9,596,572	9,631,192	9,607,515	23,677
Health and welfare.....	2,588,237	2,630,451	2,625,299	5,152
Land use.....	675,316	680,011	674,599	5,412
Public works.....	9,860,351	9,774,860	9,763,097	11,763
Parks and recreation.....	2,331,472	2,271,538	2,266,532	5,006
Education.....	71,587,946	71,585,413	71,585,413	-
Contingency.....	350,000	174		174
Debt service.....	10,110,702	10,106,402	10,106,365	37
<b>TOTAL EXPENDITURES.....</b>	<b>111,395,709</b>	<b>111,229,261</b>	<b>111,160,571</b>	<b>68,690</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<b>212,804</b>	<b>379,252</b>	<b>1,048,482</b>	<b>669,230</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Cancellation of prior year encumbrances.....			9,370	9,370
Transfers in.....	122,000	122,000	225,000	103,000
Transfers out.....	(334,804)	(501,252)	(501,248)	4
<b>NET OTHER FINANCING SOURCES (USES).....</b>	<b>(212,804)</b>	<b>(379,252)</b>	<b>(266,878)</b>	<b>112,374</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>781,604</b>	<b>\$ 781,604</b>
<b>FUND BALANCE - JULY 1, 2015.....</b>			<b>10,885,080</b>	
<b>FUND BALANCE - JUNE 30, 2016.....</b>			<b>\$ 11,666,684</b>	

Difference between this fund balance and the general fund balance on page 30 is the \$645,606 in encumbrances. This statement is a "budget basis" statement. Encumbrances are considered an expense. Page 30 is GAAP basis where encumbrances are not considered an expense (rather an assignment of fund balance).

TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2018

medical self  
insurance fund

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS			
	SEWER DEPARTMENT	WATER DEPARTMENT	TOTAL	INTERNAL SERVICE FUNDS
<b>ASSETS</b>				
Current assets:				
Cash.....	\$ 1,447,861	\$ -	\$ 1,447,861	\$ 3,051,498
Investments.....				
Receivables:				
Assessments.....	850,440		850,440	
Use charges (net).....	138,718	93,628	232,346	
Other.....			-	299,051
Due from other funds.....	1,091,158		1,091,158	716,174
Total current assets.....	3,528,177	93,628	3,621,805	4,066,723
Noncurrent assets:				
Assessment receivables (net).....	922,521		922,521	
Advance to other funds.....	775,517		775,517	
Capital assets (net of accumulated depreciation/amortization):				
Land.....	1,000		1,000	
Construction in progress.....	2,085,907	942,588	3,028,495	
Intangible assets.....	347,187	144,186	491,353	
Plant and pumping stations.....	8,000,510	789,825	8,790,335	
Sewer distribution system.....	15,973,412		15,973,412	
Water distribution system.....		1,221,316	1,221,316	
Vehicles.....	92,120		92,120	
Total capital assets (net of accumulated depreciation/amortization).....	26,500,118	3,097,915	29,598,031	-
Total noncurrent assets.....	28,198,154	3,097,915	31,296,069	-
TOTAL ASSETS.....	31,726,331	3,191,543	34,917,874	4,066,723
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding.....	7,641		7,641	

(Continued)

TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2016

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS			INTERNAL SERVICE FUNDS
	SEWER DEPARTMENT	WATER DEPARTMENT	TOTAL	
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 456,941	\$ 309,375	\$ 766,316	\$ 239,928
Claims payable			-	1,083,048
Due to other funds		723,784	723,784	
Bonds and notes payable	1,089,198		1,089,198	
Other	20,921		20,921	114
Total current liabilities	1,567,060	1,033,159	2,600,219	1,323,090
Noncurrent liabilities:				
Advance from other funds		775,517	775,517	
Bonds, notes payable and related liabilities	2,511,217		2,511,217	
Total noncurrent liabilities	2,511,217	775,517	3,286,734	-
TOTAL LIABILITIES	4,078,277	1,808,676	5,886,953	1,323,090
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Advance collections	4,802		4,802	
<b>NET POSITION</b>				
Net investment in capital assets	22,907,342	3,097,915	26,005,257	
Unrestricted	4,743,551	(1,715,048)	3,028,503	2,743,633
TOTAL NET POSITION	\$ 27,650,893	\$ 1,382,867	\$ 29,033,760	\$ 2,743,633

(Concluded)

Sewer working capital = current assets (\$3,528,177)  
less current liabilities (\$1,567,060) = \$1,961,117

## TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2016

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL
	MAJOR FUNDS			ACTIVITIES
	SEWER DEPARTMENT	WATER DEPARTMENT	TOTAL	INTERNAL SERVICE FUNDS
OPERATING REVENUES:				
Charges for services.....	\$ 995,886	\$ 346,845	\$ 1,342,631	\$ 13,808,467
OPERATING EXPENSES:				
Professional services.....	132,452	15,597	148,049	
Contracted services.....	781,999	305,109	1,087,108	
Repairs and maintenance.....	27,235		27,235	
Utilities.....	120,540	42,957	163,497	
Claims incurred.....			-	13,068,810
Administration.....	126		126	1,248,048
Depreciation and amortization.....	534,997	113,556	648,553	
TOTAL OPERATING EXPENSES.....	1,597,349	477,219	2,074,568	14,316,858
OPERATING INCOME (LOSS).....	(601,663)	(130,274)	(731,937)	(408,391)
NONOPERATING REVENUES (EXPENSES):				
Intergovernmental.....	31,503		31,503	
Investment income.....	39,441		39,441	8,057
Interest expense.....	(99,431)	(34,375)	(133,806)	
NET NONOPERATING REVENUES (EXPENSES).....	(28,487)	(34,375)	(62,862)	8,057
NET CHANGE IN NET POSITION.....	(630,150)	(164,649)	(794,799)	(400,334)
TOTAL NET POSITION - JULY 1, 2015.....	28,281,043	1,547,516	29,828,559	3,143,967
TOTAL NET POSITION - JUNE 30, 2016.....	\$ 27,650,893	\$ 1,382,867	\$ 29,033,760	\$ 2,743,633

See Notes to Financial Statements.

## TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2016

	PENSION TRUST FUND	OTHER POST- EMPLOYMENT BENEFIT TRUST FUND	AGENCY FUNDS
<u>ASSETS</u>			
Cash.....	\$ 2,628,351	\$	\$ 455,464
Investments at Fair Value:			
Certificates of Deposit.....			668,330
Mutual Funds:			
Equity.....	6,983,815	413,408	
International Equity.....	3,087,383	173,508	
U.S. Government Securities.....	8,965,428		
Money Market.....		572,801	
U.S. Government Securities.....	24,428	13,961	
U.S. Government Agency Securities.....	517,433		
Corporate Bonds.....	12,499,956	485,603	
Total Investments.....	32,078,443	1,659,281	668,330
TOTAL ASSETS.....	34,706,794	1,659,281	1,123,794
<u>LIABILITIES</u>			
LIABILITIES:			
Accounts payable.....			1,123,794
Due to other funds.....		100,221	
TOTAL LIABILITIES.....	-	100,221	1,123,794
<u>NET POSITION</u>			
Restricted for defined contribution benefits.....	119,495		
Restricted for defined benefit pension and other post-employment benefits.....	34,587,299	1,559,060	-
TOTAL NET POSITION.....	\$ 34,706,794	\$ 1,559,060	\$ -

See Notes to Financial Statements.

## TOWN OF NEWTOWN, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2016

	PENSION TRUST FUND	OTHER POST- EMPLOYMENT BENEFIT TRUST FUND	PRIVATE- PURPOSE TRUST FUND  SANDY HOOK PRIVATE-PURPOSE TRUST FUND
ADDITIONS:			
Contributions:			
Employer - defined benefit plan.....	\$ 1,422,737	\$ 397,755	\$
Employer - defined contribution plan.....	10,562		
Plan members - defined benefit plan.....	474,546	361,037	
Plan members - defined contribution plan.....	3,521		
Other.....			2,797
Total contributions.....	1,911,366	758,792	2,797
Investment income (loss):			
Net change in fair value of investments.....	(1,718,385)	(71,848)	
Interest and dividends.....	908,671	40,302	
Total investment income (loss).....	(809,714)	(31,546)	-
Less investment expenses.....	184,630	8,136	
Net investment income (loss).....	(994,344)	(39,682)	-
TOTAL ADDITIONS.....	917,022	719,110	2,797
DEDUCTIONS:			
Benefits.....	1,834,724	592,276	3,107
Administration.....	17,500	1,500	
TOTAL DEDUCTIONS.....	1,852,224	593,776	3,107
CHANGE IN NET POSITION.....	(935,202)	125,334	(310)
NET POSITION - JULY 1, 2015.....	35,641,996	1,433,726	310
NET POSITION - JUNE 30, 2016.....	\$ 34,706,794	\$ 1,559,060	\$ -

See Notes to Financial Statements.

TOWN OF NEWTOWN, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**A. Budgets and Budgetary Accounting (Continued)**

- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under State law to make any transfers required within their budget at their discretion. Any additional appropriations must have Board of Education, Legislative Council and, if necessary, Town Meeting approval.
- Formal budgetary integration is employed as a management control device during the year.
- The legal level of control, the level at which expenditures may not exceed appropriations, is at the department level.
- Generally, all unencumbered appropriations lapse at year end except those for capital projects funds. Appropriations for capital projects are continued until completion of applicable projects even when projects extend more than one fiscal year. Encumbered appropriations in the general fund are not reappropriated in the ensuing year's budget, but are carried forward.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in budgetary reports (Exhibit F) as expenditures in the current year. Generally, all unencumbered appropriations lapse at year end, except those for the capital projects funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

**B. Budget - GAAP Reconciliation**

A reconciliation of revenues, expenditures, and fund balance between the accounting treatment required by GAAP (Exhibit D) and budgetary requirements (Exhibit F) is as follows:

	<u>REVENUES</u>	<u>EXPENDITURES</u>	<u>FUND BALANCE</u>
BALANCE, BUDGETARY BASIS, EXHIBIT F - JUNE 30, 2016 .....	\$ 112,209,053	\$ 111,160,571	\$ 11,666,684
Teachers' Retirement System on-behalf amount .....	7,989,069	7,989,069	
Continued appropriations and encumbrances outstanding at June 30, 2015 and June 30, 2016 .....			14,546
Encumbrances outstanding at June 30, 2015, liquidated during the year June 30, 2016 .....		397,927	
Encumbrances outstanding at June 30, 2016, charged to budgetary expenditures .....		(631,060)	631,060
BALANCE, GAAP BASIS, EXHIBIT D - JUNE 30, 2016	<u>\$ 120,198,122</u>	<u>\$ 118,916,507</u>	<u>\$ 12,312,290</u>

**TOWN OF NEWTOWN, CONNECTICUT**  
**STATE TEACHERS' RETIREMENT SYSTEM**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**LAST TWO YEARS**

difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the pension assets

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

	2016	2015
Town's proportion of the net pension liability	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -
State of Connecticut's proportionate share of the net pension liability associated with Town	<u>99,707,327</u>	<u>92,159,442</u>
Total	<u>\$ 99,707,327</u>	<u>\$ 92,159,442</u>
Town's covered-employee payroll	(2) <u>N/A</u>	<u>N/A</u>
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>0.00%</u>	<u>0.00%</u>

**SCHEDULE OF CONTRIBUTIONS**

	2016	2015
Contractually required contribution (1)	(1) \$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Town's covered-employee payroll	(2) <u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered-employee payroll	<u>0.00%</u>	<u>0.00%</u>

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the net pension liability

Note: These schedules are intended to present information for 10 years. Additional years will be presented as they become available.



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## **General Fund**

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The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

more detail

SCHEDULE 1  
(1 of 2)

TOWN OF NEWTOWN, CONNECTICUT

GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>PROPERTY TAXES:</b>				
Collections - current year.....	\$ 99,114,170	\$ 99,114,170	\$ 99,215,491	\$ 101,321
Collections - prior years.....	450,000	450,000	608,925	158,925
Interest and lien fees.....	475,000	475,000	441,109	(33,891)
Motor vehicle supplement list.....	875,000	875,000	912,243	37,243
Telecommunications property tax.....	85,000	85,000	58,499	(26,501)
<b>TOTAL PROPERTY TAXES.....</b>	<b>100,999,170</b>	<b>100,999,170</b>	<b>101,236,267</b>	<b>237,097</b>
<b>INTERGOVERNMENTAL:</b>				
Veterans additional exemptions.....	15,992	15,992	18,949	2,957
Elderly tax relief - circuit breaker.....	149,044	149,044	151,508	2,464
In lieu of taxes.....	877,156	877,156	717,919	(159,237)
Totally disabled.....	1,930	1,930	1,948	18
Town aid for roads.....	469,220	469,220	469,996	776
Mashantucket Pequot fund grant.....	939,179	939,179	967,137	27,958
Connecticut school building grants.....	533,604	533,604	533,605	1
Equalized cost-sharing grant.....	4,441,264	4,441,264	4,787,409	346,145
Public school transportation aid.....	95,450	95,450	84,121	(11,329)
Non-public school transportation aid.....	35,350	35,350	15,086	(20,264)
Health services - St. Rosa.....	23,609	23,609	22,148	(1,461)
Miscellaneous grants.....	191,812	191,812	144,916	(46,896)
LOCIP grant.....	207,562	207,562	207,668	106
State revenue sharing.....	235,371	235,371	235,371	-
<b>TOTAL INTERGOVERNMENTAL.....</b>	<b>8,216,543</b>	<b>8,216,543</b>	<b>8,357,781</b>	<b>141,238</b>
<b>CHARGES FOR SERVICES:</b>				
Town clerk - conveyance tax.....	450,000	450,000	467,921	17,921
Town clerk - other.....	225,000	225,000	215,700	(9,300)
Parks and recreation.....	210,000	210,000	207,867	(2,133)
Tuition.....	44,000	44,000	29,775	(14,225)
School generated fees.....	113,300	113,300	105,751	(7,549)
Building.....	500,000	500,000	477,851	(22,149)
Permit fees.....	1,250	1,250	1,230	(20)
Transfer Station permits.....	425,000	425,000	378,897	(46,103)
WPCA.....	120,000	120,000	120,000	-
Senior center membership fees.....	4,000	4,000	5,256	1,256
Land use.....	70,000	70,000	56,628	(13,372)
<b>TOTAL CHARGES FOR SERVICES.....</b>	<b>2,162,550</b>	<b>2,162,550</b>	<b>2,066,876</b>	<b>(95,674)</b>
<b>INVESTMENT INCOME.....</b>	<b>125,000</b>	<b>125,000</b>	<b>327,598</b>	<b>202,598</b>
<b>OTHER REVENUES:</b>				
Miscellaneous revenue - police.....	3,000	3,000	63,800	60,800
Miscellaneous revenue - board of education.....	2,250	2,250	11,510	9,260
Miscellaneous revenue - selectmen.....	100,000	100,000	145,221	45,221
<b>TOTAL OTHER REVENUES.....</b>	<b>105,250</b>	<b>105,250</b>	<b>220,531</b>	<b>115,281</b>
<b>TOTAL REVENUES.....</b>	<b>111,608,513</b>	<b>111,608,513</b>	<b>112,209,053</b>	<b>600,540</b>

(Continued)

TOWN OF NEWTOWN, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL (CONCLUDED)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OTHER FINANCING SOURCES:				
Cancellation of prior year encumbrances.....	\$	\$	\$	\$
Transfers In.....	122,000	122,000	225,000	103,000
TOTAL OTHER FINANCING SOURCES.....	122,000	122,000	234,370	112,370
TOTAL REVENUES AND OTHER FINANCING SOURCES.....	\$ 111,730,513	\$ 111,730,513	\$ 112,443,423	\$ 712,910

(Concluded)

**TOWN OF NEWTOWN, CONNECTICUT**

GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>GENERAL GOVERNMENT:</b>				
Selectmen.....	\$ 395,576	\$ 426,111	\$ 422,779	\$ 3,332
Selectmen - other.....	229,483	177,128	176,543	585
Human Resources.....	121,274	128,049	127,534	515
Tax Collector.....	338,753	348,559	347,473	1,086
Probate Court.....	7,000	7,550	7,514	36
Town Clerk.....	300,404	306,633	305,687	946
Registrars.....	129,349	155,349	152,824	2,525
Assessor.....	261,216	267,604	266,342	1,262
Finance.....	514,637	517,847	516,002	1,845
Technology.....	568,824	596,109	592,964	3,145
Unemployment.....	15,000	35,000	33,656	1,344
OPEB fund.....	177,755	297,755	297,755	-
Professional organizations.....	34,593	34,744	34,744	-
Insurance.....	1,010,000	1,058,533	1,058,401	132
Legislative Council.....	46,500	46,500	46,200	300
Districts.....	15,000	15,000	15,000	-
Economic Development Commission.....	73,683	74,683	74,540	143
Grants administration.....	23,008	23,008	23,008	-
Sustainable Energy Commission.....	5,000	5,000	5,000	-
Fairfield Hills.....	28,058	28,058	27,785	273
<b>TOTAL GENERAL GOVERNMENT.....</b>	<b>4,295,113</b>	<b>4,549,220</b>	<b>4,531,751</b>	<b>17,469</b>
<b>PUBLIC SAFETY:</b>				
Building Inspector.....	407,390	410,529	408,350	2,179
Communications.....	1,071,517	1,036,402	1,031,056	5,346
Police department.....	6,314,259	6,372,163	6,366,288	5,875
Fire department.....	1,253,597	1,272,211	1,266,832	5,379
Emergency management / N.U.S.....	60,565	54,565	51,770	2,795
Animal control.....	159,841	162,619	160,583	2,036
Lake authorities.....	49,153	42,453	42,386	67
N.W. safety communication.....	10,000	10,000	10,000	-
Emergency Medical Services.....	270,000	270,000	270,000	-
Northwest CT Emergency Medical Service.....	250	250	250	-
<b>TOTAL PUBLIC SAFETY.....</b>	<b>9,596,572</b>	<b>9,631,192</b>	<b>9,607,515</b>	<b>23,677</b>
<b>HEALTH AND WELFARE:</b>				
Social services.....	144,112	185,669	184,476	1,193
Senior service.....	314,627	315,874	312,668	3,206
Outside agencies.....	232,596	232,361	232,361	-
Youth & Family Services.....	298,368	298,348	298,348	-
Newtown Cultural Arts Commission.....	2,500	1,500	750	750
Newtown Parade Committee.....	1,000	1,515	1,514	1
NW Conservation District.....	1,500	1,500	1,500	-
Booth library.....	1,209,979	1,210,009	1,210,007	2
Newtown Health District.....	383,555	383,675	383,675	-
<b>TOTAL HEALTH AND WELFARE.....</b>	<b>2,588,237</b>	<b>2,630,451</b>	<b>2,625,299</b>	<b>5,152</b>

(Continued)

TOWN OF NEWTOWN, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL (CONCLUDED)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
LAND USE.....	\$ 675,316	\$ 680,011	\$ 674,599	\$ 5,412
PUBLIC WORKS:				
Highway.....	6,870,001	6,832,981	6,827,224	5,757
Winter maintenance.....	735,531	699,531	698,441	1,090
Transfer Station.....	1,471,478	1,468,554	1,466,716	1,838
Public building maintenance.....	783,341	773,794	770,716	3,078
TOTAL PUBLIC WORKS.....	9,860,351	9,774,860	9,763,097	11,763
PARKS AND RECREATION.....	2,331,472	2,271,538	2,266,532	5,006
EDUCATION.....	71,587,946	71,585,413	71,585,413	-
CONTINGENCY.....	350,000	174	-	174
DEBT SERVICE.....	10,110,702	10,106,402	10,106,365	37
TOTAL EXPENDITURES.....	111,395,709	111,229,261	111,160,571	68,690
OTHER FINANCING USES:				
Transfers out:				
Bonded projects.....		30,800	30,800	-
Edmond Town Hall .....	84,804	84,619	84,615	4
Capital and nonrecurring - Town.....	250,000	383,300	383,300	-
Capital and nonrecurring - non-lapsing.....		2,533	2,533	-
TOTAL OTHER FINANCING USES.....	334,804	501,252	501,248	4
TOTAL EXPENDITURES AND OTHER FINANCING USES.....	\$ 111,730,513	\$ 111,730,513	\$ 111,661,819	\$ 68,694

(Concluded)

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## Nonmajor Governmental Funds

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### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

#### Dog License

A fund created pursuant to Connecticut State Statutes to account for the sale of dog tags and the expenditures of the dog warden and dog pound.

#### Bouchard Animal Fund

To account for contributions received for the purpose of helping animals.

#### Police Private Duty

To account for police private duty services. Private duty is a function of the police department where officers provide security, traffic control and oversight (after their normal hours). A private job is billed to the customer who requires a police presence and the officer serving is paid in addition to standard salary.

#### Town Gifts Fund

To account for funds received for specific gift purposes by the Board of Education, Commission on Aging, Economic Development Commission, N.U.S.A.R. Civil Preparedness and the Park Commission.

#### School Lunch Program

To account for the operation of the public school lunch program. Funding is provided from the sale of food, Federal and state grants and USDA donated commodities.

#### Education Grants

To account for funds received from the state and Federal governments, private grants and other contributions for education grants.

#### Law Enforcement Fund

To account for funds received from the state and Federal governments for prison emergency notification, drug control and awareness program and from the police assets forfeiture process.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **Special Revenue Funds (Continued)**

#### **Septage Management Ordinance**

A fund created by ordinance to account for funds received for the purpose of self-insuring the Town against any liability caused by the discharge of prohibited material collected in Newtown and delivered to the Danbury sewage system by pumpers licensed in Newtown.

#### **Fairfield Hills Authority**

To account for lease proceeds and common charges collected on the Fairfield Hills Campus. Funds are used for the maintenance of the common areas and other expenditures of the Fairfield Hills Authority.

#### **School Custodial**

To account for fees received for the use of school facilities by outside organizations. The proceeds are used to pay for custodial service, security, audio visual services, utilities and certain incremental building maintenance.

#### **Adult Education**

To account for tuition fees received from individuals attending night classes at the high school. Tuition fees offset the cost of teaching and instructional materials.

#### **Edmond Town Hall**

To account for the operations of Edmond Town Hall. Financing is provided by individuals attending the movie theater and fees received for the use of the facilities by outside organizations.

#### **Recovery and Resiliency Plan**

To expand the existing service provider infrastructure of the community to meet the changing mental and physical health needs of the community after the Sandy Hook Elementary School shooting.

#### **Sandy Hook Operation Recovery Fund**

To account for business interruption insurance proceeds and costs associated with the Sandy Hook tragedy.

#### **Town Recreation Fund**

To account for various programs offered by the Park and Recreation Commission and the Commission on Aging and the operations of the Teen Center for which financing is provided by individuals in attendance.

#### **Daycare Program**

To account for funds received from the Federal government to provide a subrecipient grant to the Children's Adventure Center and food for the Daycare program.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **Special Revenue Funds (Continued)**

#### **Miscellaneous Grants**

To account for various reimbursement grants.

#### **Small Cities Program**

To record the activity under the Small Cities Community Block Grant Program.

#### **Cemetery Fund**

To account for donations which are used for the perpetual care of Taunton, Sandy Hook and Botsford cemeteries.

#### **Eichler's Cove Marina**

To account for operations of Eichler's Cove Marina on Lake Zoar.

#### **Historic Documents**

To account for a dollar fee received for each document recorded in the land records to be retained by the Town clerk for the preservation and management of historic documents in accordance with State Statute Sec. 7-34a(d); and an additional dollar fee to be retained by the Town clerk in accordance with State Statute Sec. 7-34a(e).

#### **Cultural Arts**

To account for cultural arts program fees collected. These fees pay for the cultural arts programs of the Cultural Arts Commission.

#### **Sandy Hook Special Revenue Fund**

To account for contributions received as a result of the Sandy Hook tragedy to be used for designated public purposes.

#### **Debt Service**

This fund is used to account for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs or other long-term liabilities.

#### **Capital Projects**

##### **Capital and Nonrecurring Fund**

To account for funds set aside for future capital purchases and improvements.

#### **Permanent Funds**

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.



## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **Special Revenue Funds (Continued)**

#### **Hawley School Trust**

To account for the investment of funds left in trust by Mary E. Hawley for the care and maintenance of Hawley School.

#### **Edmond Town Hall Endowment**

To account for the investments of funds left in trust by Mary E. Hawley for the care and maintenance of Edmond Town Hall.

#### **Newtown Flagpole Fund**

To account for the investment of funds left in trust by Alida Pennie Knotts for the care and maintenance of the Newtown flagpole.

#### **The V.G. Hair and Frances E. Hair Fund**

To account for investment of funds left in trust by Frances E. Hair for the care and education relating to animals.

TOWN OF NEWTOWN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016

		SPECIAL REVENUE FUNDS						
		BOUCHARD ANIMAL FUND	POLICE PRIVATE DUTY	TOWN GIFTS FUND	SCHOOL LUNCH PROGRAM	EDUCATION GRANTS	LAW ENFORCEMENT FUND	SEPTAGE MANAGEMENT ORDINANCE
REVENUES:								
Intergovernmental.....								
Charges for services.....								
Investment income.....								
Contributions.....								
	\$	\$	\$	\$	\$	\$	\$	\$
	20,242		823,243		186,388	4,512,037	62,272	3,335
	11,971			80,003	1,776,401	281,916		172
						93,936		
TOTAL REVENUES.....	32,213	-	823,243	80,003	1,962,789	4,887,889	62,272	3,507
EXPENDITURES:								
Current								
General government.....								
Public safety.....								
Health and welfare.....								
Public works.....								
Parks and recreation.....								
Education.....								
Capital outlay.....								
	35,075	13,512	571,984	48,702	1,921,622	5,036,759	50,482	395
	(2,862)	(13,512)	251,259	31,301	41,167	(148,870)	11,790	3,112
			(225,000)			134,263		
			(225,000)			134,263		
NET OTHER FINANCING SOURCES (USES).....								
Transfers in.....								
Transfers out.....								
NET CHANGE IN FUND BALANCES.....	(2,862)	(13,512)	26,259	31,301	41,167	(14,607)	11,790	3,112
FUND BALANCES, JULY 1, 2015.....	16,475	13,512	-	192,039	165,572	575,901	86,349	104,740
FUND BALANCES, JUNE 30, 2016.....	\$ 13,613	\$ -	\$ 26,259	\$ 223,340	\$ 206,739	\$ 561,294	\$ 98,139	\$ 107,852

(Continued)

TOWN OF NEWTOWN, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS

	SPECIAL REVENUE FUNDS							
	FAIRFIELD HILLS AUTHORITY	SCHOOL CUSTODIAL	ADULT EDUCATION	EDMOND TOWN HALL	RECOVERY AND RESILIENCY PLAN	SANDY HOOK OPERATION RECOVERY FUND	TOWN RECREATION FUND	DAYCARE PROGRAM
REVENUES:								
Intergovernmental.....	\$ 23,870	\$ 4,760	\$ 171,056	\$ 476,125	\$ 258,615	\$ -	\$ 635,260	\$ 267,948
Charges for services.....				41,359				
Investment income.....				11,870				
Contributions.....								
TOTAL REVENUES.....	23,870	4,760	171,056	529,354	258,615	-	635,260	267,948
EXPENDITURES:								
Current:								
General government.....	70,095			628,674				
Public safety .....					375,150		20,060	
Health and welfare.....								
Public works.....								
Parks and recreation.....		2,770	170,693			137,991	572,194	267,948
Education.....								
Capital outlay.....								
TOTAL EXPENDITURES.....	70,095	2,770	170,693	628,674	375,150	137,991	592,254	267,948
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(46,225)	1,990	363	(99,320)	(116,535)	(137,991)	43,006	-
OTHER FINANCING SOURCES (USES):								
Transfers in.....				84,615				
Transfers out.....								
NET OTHER FINANCING SOURCES (USES).....	-	-	-	84,615	-	-	-	-
NET CHANGE IN FUND BALANCES.....	(46,225)	1,990	363	(14,705)	(116,535)	(137,991)	43,006	-
FUND BALANCES, JULY 1, 2015.....	216,443	77,473	87,699	214,698	116,535	242,241	44,229	-
FUND BALANCES, JUNE 30, 2016.....	\$ 170,218	\$ 79,463	\$ 88,062	\$ 199,993	\$ -	\$ 104,250	\$ 87,235	\$ -

(Continued)

TOWN OF NEWTOWN, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS

	SPECIAL REVENUE FUNDS							TOTAL
	MISCELLANEOUS GRANTS	SMALL CITIES PROGRAM	CEMETERY FUND	EICHLER'S COVE MARINA	HISTORIC DOCUMENTS	CULTURAL ARTS	SANDY HOOK SPECIAL REVENUE FUND	SPECIAL REVENUE FUNDS
REVENUES:								
Intergovernmental.....	\$ 796,226	\$	\$	\$	\$ 4,000	3,910	\$	\$ 6,087,486
Charges for services.....	70			128,311	3,937	1,177		4,350,436
Investment income.....						51,100		42,708
Contributions.....	5,000							253,880
TOTAL REVENUES.....	801,296	-	-	128,311	7,937	56,187	-	10,734,510
EXPENDITURES:								
Current:								
General government.....	740,383				4,000		73,080	1,544,941
Public safety.....	92,677							767,586
Health and welfare.....	2,040	10,019				53,787		464,984
Public works.....	21,473							21,473
Parks and recreation.....				62,426				647,224
Education.....								7,537,783
Capital outlay.....								-
TOTAL EXPENDITURES.....	856,573	10,019	-	62,426	4,000	53,787	73,080	10,983,991
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(55,277)	(10,019)	-	63,885	3,937	2,400	(73,080)	(249,481)
OTHER FINANCING SOURCES (USES):								
Transfers in.....							(134,263)	218,878
Transfers out.....								(359,263)
NET OTHER FINANCING SOURCES (USES).....	-	-	-	-	-	-	-	(140,385)
NET CHANGE IN FUND BALANCES.....	(55,277)	(10,019)	-	63,885	3,937	2,400	(207,343)	(389,866)
FUND BALANCES, JULY 1, 2015.....	133,233	22,297	9,453	371,431	21,055	193,594	364,661	3,269,630
FUND BALANCES, JUNE 30, 2016.....	\$ 77,956	\$ 12,278	\$ 9,453	\$ 435,316	\$ 24,992	\$ 195,994	\$ 157,318	\$ 2,879,764

(Continued)

TOWN OF NEWTOWN, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONCLUDED)  
NONMAJOR GOVERNMENTAL FUNDS

	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUNDS				TOTAL NONMAJOR GOVERNMENTAL FUNDS
			HAWLEY SCHOOL TRUST	EDMOND TOWN HALL ENDOWMENT	THE V.G. HAIR AND FRANCES E. HAIR FUND	TOTAL PERMANENT FUNDS	
REVENUES:							
Intergovernmental.....	\$ 100,170	\$ 26,400	\$	\$	\$	\$	\$ 6,113,886
Charges for services.....		170,200					4,620,808
Investment income.....		799	7,881	21,404	14,900	44,296	87,803
Net change in fair value of investments.....			(15,395)	(62,299)	14,873	(62,821)	(62,821)
Contributions.....		10,000					263,980
TOTAL REVENUES.....	100,170	207,399	(7,514)	(40,895)	29,773	(18,525)	11,023,554
EXPENDITURES:							
Current:							
General government.....				48,969	54,636	48,969	1,593,910
Public safety.....						54,636	822,222
Health and welfare.....							464,984
Public works.....							21,473
Parks and recreation.....							647,224
Education.....						42,341	7,580,124
Debt service.....	151,130		42,341				151,130
Capital outlay.....		734,687					734,687
TOTAL EXPENDITURES.....	151,130	734,687	42,341	48,969	54,636	145,946	12,015,754
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(50,960)	(527,288)	(49,855)	(89,864)	(24,863)	(164,471)	(992,200)
OTHER FINANCING SOURCES (USES):							
Bond premium.....	69,366	450,000					519,366
Transfers in.....	916	385,633					605,627
Transfers out.....							(359,263)
NET OTHER FINANCING SOURCES (USES)....	70,282	835,633					765,730
NET CHANGE IN FUND BALANCES.....	19,322	308,545	(49,855)	(89,864)	(24,863)	(164,471)	(226,470)
FUND BALANCES, JULY 1, 2015.....	65,891	595,801	458,944	1,028,757	1,260,040	2,783,946	6,715,268
FUND BALANCES, JUNE 30, 2016.....	\$ 85,213	\$ 904,346	\$ 409,089	\$ 938,893	\$ 1,255,177	\$ 2,619,475	\$ 6,488,798

(Concluded)

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## **Fiduciary Funds**

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Fiduciary funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations or other governments.

### **Pension Trust Funds**

A fiduciary fund type used to report resources that are required to be held in trust for the member and beneficiaries of defined benefit pension plans.

The Town has three pension plans covering substantially all of its employees, except teachers who are covered by the State Teachers' Retirement Fund. The General Town and Board of Education Plan is a contributory defined benefit plan. The Police Plan is a contributory defined benefit plan. The Elected Officials Plan is a contributory defined contribution plan.

### **OPEB Trust Funds**

To account for the Town's other post-employment benefit plan, which provides medical and life insurance to retirees.

### **Private-Purpose Trust Fund**

Sandy Hook Private-Purpose Trust Fund is a fund to account for donations for the families/victims as a result of the tragedy on December 14, 2012. In addition, it is also to account for donations for scholarships.

### **Agency Funds**

Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

### **Board of Education Flex Plan**

To account for employee medical savings account.

### **Student Activities**

To account for expenditures for educational extracurricular activities at the various schools. Financing is provided by individual fundraising projects.

### **Police Benevolent**

To account for funds held to benefit the Police Benevolent Association.

### **Performance Bonds**

A fund to account for developers' bonds which are held to assure performance on road construction. Once the roads are constructed, the bonds are released to the developers.

TOWN OF NEWTOWN, CONNECTICUT

SCHEDULE 7

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
JUNE 30, 2016

	BOARD OF EDUCATION FLEX PLAN	STUDENT ACTIVITIES	POLICE BENEVOLENT	PERFORMANCE BONDS	TOTAL
<u>ASSETS</u>					
Cash.....	\$ 13,821	\$ 441,444	\$ 199	\$	\$ 455,464
Investments.....		191,116		477,214	668,330
TOTAL ASSETS.....	\$ 13,821	\$ 632,560	\$ 199	\$ 477,214	\$ 1,123,794
<u>LIABILITY</u>					
Accounts payable.....	\$ 13,821	\$ 632,560	\$ 199	\$ 477,214	\$ 1,123,794

## TOWN OF NEWTOWN, CONNECTICUT

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2016

	BALANCE JULY 1, 2015	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2016
<u>ASSETS</u>				
CASH:				
Board of Education Flex Plan.....	\$ 15,638	\$ 158,809	\$ 160,626	\$ 13,821
Student activities.....	431,460	1,540,300	1,530,316	441,444
Police Benevolent.....	6,660	878	7,339	199
TOTAL CASH.....	453,758	1,699,987	1,698,281	455,464
INVESTMENTS:				
Student activities.....	188,352	2,764		191,116
Performance bonds.....	496,584	532	19,902	477,214
TOTAL INVESTMENTS.....	684,936	3,296	19,902	668,330
TOTAL ASSETS.....	\$ 1,138,694	\$ 1,703,283	\$ 1,718,183	\$ 1,123,794
<u>LIABILITIES</u>				
ACCOUNTS PAYABLE:				
Board of Education Flex Plan.....	\$ 15,638	\$ 158,809	\$ 160,626	\$ 13,821
Student activities.....	619,812	1,543,064	1,530,316	632,560
Police Benevolent.....	6,660	878	7,339	199
Performance bonds.....	496,584	532	19,902	477,214
TOTAL LIABILITIES.....	\$ 1,138,694	\$ 1,703,283	\$ 1,718,183	\$ 1,123,794

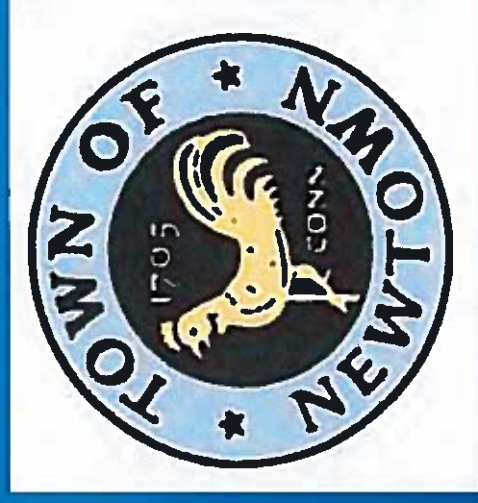


Attachment B

# Paproski Farm - Agricultural Easement Acquisition

*January 26, 2017*

Rob Sibley, Deputy Director of Planning, Land Use  
and Emergency Management



# Paproski – Agricultural Easement

- **Castle Hill Farm is located on Sugar Street (302) and owned by the Paproski family. The two farm parcels equal 94± acres and includes multiple structures.**





# Paproski – Agricultural Easement

- Program and process

- Considered and recommended for town open space since 2008
- Has been listed as a goal for agricultural preservation in the Newtown Plan of Conservation and Developments since 1993
- Is listed in the town “View Sheds of Newtown” since 1999

- Current Status

- Town signed a cooperative agreement in 2015 with the State of CT to enter into Joint Partnership of the Farmland Preservation Program as recommended by the Conservation Commission
- The CT Department of Agriculture (CTDoA) reviewed the property and acquired an appraisal to negotiate the easement value in 2015
- In Oct. 2015 the CTDoA prepared an offer to the Paproskis for consideration of purchase of an easement and terms for payment
- The Town entered into an agreement to partner with CTDoA to purchase said easement for Castle Hill Farm in 2016



**STATE OF CONNECTICUT**  
**DEPARTMENT OF AGRICULTURE**  
 Office of the Commissioner



860-713-2501  
 www.CTDownt.gov

May 27, 2016

Mr. Stephen Paproski and Gloria P. Horbaty  
 40 Sugar Lane  
 Newtown, CT 06470

**REVISED Joint Agreement Offer to Purchase Development Rights to Farmland**  
 State of Connecticut and the Town of Newtown  
 Paproski-Castle Hill Farm, Newtown, CT  
 91+ total acres owned; 65+ acres included in PDR Area

Dear Mr. Paproski and Ms. Horbaty:

The Department of Agriculture and Town of Newtown desire to purchase from you, pursuant to the provisions and purposes of Section 22-26aa, et seq. of the General Statutes of Connecticut, development rights to 65.0+ acres of land, more or less, (the "Premises"), located on the general northerly and southerly side of Sugar Lane, Town of Newtown, Fairfield County, Connecticut and referenced in the attached Property Description of Development Rights Acreage, which is incorporated herein as Schedule A, and illustrated in the Property Sketch, which is incorporated herein as Schedule B.

The 65.0+/- acres (hereinafter the "Premises") shall be restricted as follows.

The Premises would be restricted to agricultural use only. A Farmstead Area of approximately 3.0 acres containing the colonial residence and outbuildings in Parcel A would be designated. The Grantor retains the right to expand, and/or rebuild the existing residence if destroyed for any reason, up to a maximum of 3,000 square feet of living area. No additional residences would be allowed, except for one (1) additional residential unit, built up to a maximum of 1,000 square feet, and this unit must be built within, and remain part of, an agricultural structure. All residences on the Premises must be occupied by a property owner, family member, or by individuals directly associated with the farm. All construction would be subject to prior notice to and approval from the Department of Agriculture.

Agricultural structures may be constructed or improved per parameters of the deed covenant with prior notice to and approval from the Connecticut Department of Agriculture. In the aggregate, impacts and impervious surfaces may not exceed five percent (5%) of the prime farmland soils on the Premises, and, in the aggregate, may not exceed five percent (5%) of the total acreage of the Premises, respectively. Agricultural practices would be in accordance with an Agricultural Plan by the U.S. Department of Agriculture's Natural Resources Conservation Service and approved by the Commissioner of Agriculture. No division or subdivision of the 65.0+ acre Premises would be allowed and the Premises may be conveyed in its entirety only (i.e. all 65.0+ acres) as one farm. Therefore, the 65.0+ restricted acres,

(which includes the 3-acre Farmstead Envelope Area), will constitute one farm, with any subdivision prohibited.

It is expressly understood and agreed that this offer is conditioned upon the following:

1. Your ability to convey to the State of Connecticut, marketable title to such development rights as prescribed under Chapter 422a of the Connecticut General Statutes, and the right to construct any residence on the Premises, free of any encumbrances which may affect such conveyance.
2. The completion of an accurate Class A-2 survey, to be provided by the Department of Agriculture.
3. An adjustment in the sum offered to the extent necessary to reflect any acreage differences disclosed by the Survey, including any areas of contested title or encroachment from neighboring properties. The Commissioner of Agriculture at his sole discretion may reduce the acreage of the Premises that is subject to the purchase of development rights to exclude any encroachments or areas subject to boundary line disputes revealed by the Survey.
4. Purchase of the development rights on this property being subject to the approval of the State Properties Review Board (SPRB).
5. That the approval of the necessary funds be obtained from the State Bond Commission or other State funding source, the Town of Newtown, and any other approvals required for the purchase of land or rights under state statute, including but not limited to SPRB approval, regulations or procedures, including document approval by the Office of the Attorney General.
6. Subject to approval of all required boards, town meeting and/or referendum of the Town of Newtown to authorize an appropriation to fund this purchase.
7. That all approvals are obtained from the United States Department of Agriculture (USDA) Agricultural Conservation Easement Program (ACEP) in order to receive obligated federal funds.
8. That this letter and agreement be signed and returned to the Department of Agriculture by June 30, 2016; otherwise, this offer may lapse and be of no further force and effect except that it may be extended at the discretion of the Commissioner of Agriculture.
9. That a closing date for the purchase of development rights shall occur within sixty (60) days after all conditions in this agreement are met, which it is contemplated by both parties will occur by March 31, 2017.
10. Included as part of this agreement are the attached Property Description of Development Rights Acreage, which is incorporated herein as Schedule A, and the Property Sketch, which is incorporated herein as Schedule B.
11. The deed shall also contain such provisions as the Commissioner of Agriculture deems necessary to fulfill the purposes of Chapter 422a of the Connecticut General Statutes and consistent with the laws of the State.
12. The deed may also contain such provisions as the Commissioner of Agriculture deems necessary to fulfill the purposes of the United States Department of Agriculture's Agricultural Conservation Easement Program, consistent with the laws of the State, imposed as a condition for the receipt of federal funds.

All factors affecting the value of your property and the development rights have been carefully evaluated. Based upon this appraisal, we hereby offer you the sum of:

\$15,400 acre for 65.0+ acres, for a total offer of \$1,001,000 which sum represents the value of the development rights of the property.

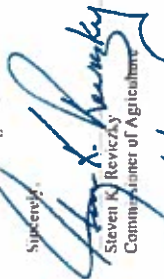
For the joint purchase of development rights:

The State of Connecticut contribution shall be \$8,470/acre or \$550,550, which is 55% of the purchase price. The Town of Newtown contribution shall be \$6,930/acre or \$450,450 which is 45% of the purchase price.

You may indicate your acceptance by signing in the space provided below. Please sign both copies of the Joint Offer Agreement, retain one for your records, and return the other to the Connecticut Department of Agriculture Farmland Preservation Program, 165 Capitol Avenue, Hartford, CT 06106.

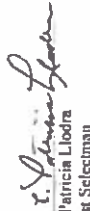
You will be advised of a closing date as soon as practicable. Should you have any questions concerning this offer or wish to discuss this matter further, you may contact Cameron Weimar, Director of the Farmland Preservation Program, at the above address or by phone (860) 713-2511.

Signature

  
Steven K. Reviczky  
Commissioner of Agriculture

Date: 6/9/16

TOWN OF NEWTOWN

  
L. Patricia Liodra  
First Selectman

Date: June 29, 2016

# SCHEDULE A PROPERTY DESCRIPTION OF DEVELOPMENT RIGHTS ACRESAGE

All that certain land containing 65.0+ acres, more or less, located on the general northerly and southerly side of Sugar Lane, consists of two tax parcels, in the Town of Newtown, Fairfield County, Connecticut, which premises is described in volume 632, page 35, and volume 716, page 1, in the Newtown Land Records.

Reference is hereby made to Map 15 Lots 1 and 50; comprised of 94+ total acres owned, by the Newtown Tax Assessor. Excepting from a portion of said tax parcel Map 15, Lot 50, are approximately 29 acres, located on the north side of Sugar Lane, encompassing the mountain, and also the upper northwest section, located off of a cul-de-sac, resulting in the 65+ acres PDG Application Area.

See also the Property Sketch attached hereto as Schedule B.

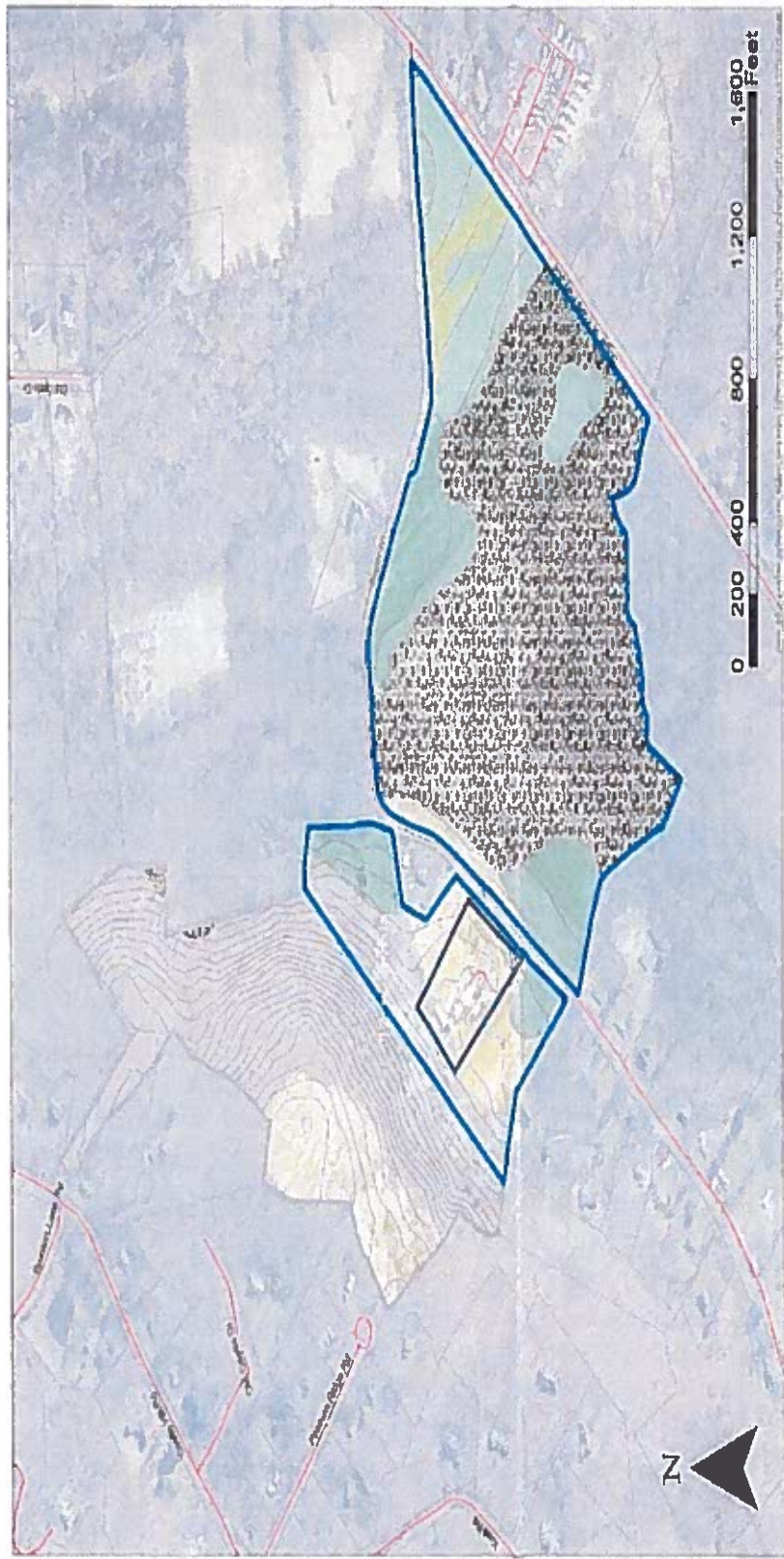


# Paproski – Agricultural Easement

- Description of the signed agreement
  - Value of the easement established at \$1,001,100.00
  - The easement is 65± acres of the total 94± acres
  - Homestead must be occupied by the owner/operator
  - CTDofA would contribute 55% (\$550,550.00)
  - Newtown would contribute 45% (\$450,450.00)
  - Each purchasing party must proceed and pass all necessary individual requirements for purchase by March 31, 2017
  - The easement would be restricted to agricultural uses only
  - The easement would be recorded on the deed
  - Program is a soil conservation program
  - Potential USDA grant reimbursement



# **Continuing D-1 Property Details** **Paproski Farm-Newtown, CT** **65+/- Acres PDR Application Area** **(94+/- total acres owned)**



## **Legend**

- Paproski PDR Area (65+/- acres)
- Farmstead Envelope (3+/- acres)
- Paproski Property Boundary
- Parcels
- wetlands
- 10 foot contours
- Roads
- Soils
- Prime Farmland Soils
- Statewide Important Farmland Soils
- Locally Important Farmland Soils
- Other (Non-Prime Soils)

**Paproski Property Details**  
**Acres Owned: 94+/- acres**  
**Acres in PDR: 65+/- acres**  
**Farmstead Envelope: 3+/- acres**





# Paproski – Agricultural Easement

- Request Tonight
  - Take action on the bonding resolution for \$450,450.00 to be expended from the CIP open space monies for 2016 - 2017
  - Forward the action to next suitable commission or agency for final approval

## Questions?



Attachment C

Newtown Municipal Center  
3 Primrose Street  
Newtown, Connecticut 06470  
Tel. (203) 270-4201  
Fax (203) 270-4205  
[first.selectman@newtown-ct.gov](mailto:first.selectman@newtown-ct.gov)  
[www.newtown-ct.gov](http://www.newtown-ct.gov)



E. Patricia Llodra  
First Selectman

**TOWN OF NEWTOWN**  
**OFFICE OF THE FIRST SELECTMAN**

January 24, 2017

To the Board of Finance

Members of the Board:

At a meeting of the Board of Selectmen held January 23, 2017, the following resolution was adopted:

RESOLVED: That the resolution entitled:

"Resolution Providing For A Special Appropriation In The Amount Of \$450,000 For The Joint Agreement Offer To Purchase Development Rights To Farmland By The State Of Connecticut And The Town Of Newtown Regarding The Paproski-Castle Hill Farm, Newtown, CT As Authorized In The Capital Improvement Plan (2016-17 To 2020-21) And Authorizing The Issuance Of \$450,000 Bonds Of The Town To Meet Said Special Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose", a copy of which is attached hereto, is hereby adopted and recommended to the Board of Finance for consideration and action, said special appropriation was initiated by the First Selectman in a letter dated January 23, 2017, a copy of which is attached hereto, in accordance with Chapter 6, Section 6-35 of the Town Charter;

Very truly yours,

  
E. Patricia Llodra,  
First Selectman

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$450,000 FOR THE JOINT AGREEMENT OFFER TO PURCHASE DEVELOPMENT RIGHTS TO FARMLAND BY THE STATE OF CONNECTICUT AND THE TOWN OF NEWTOWN REGARDING THE PAPROSKI-CASTLE HILL FARM, NEWTOWN, CT AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2016-17 to 2020-21) AND AUTHORIZING THE ISSUANCE OF \$450,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$450,000 is a special appropriation made pursuant to Chapter 6, Section 6-35 of the Town Charter of the Town of Newtown (the "Town") for the Joint Agreement Offer to Purchase Development Rights to Farmland by the State of Connecticut and the Town of Newtown regarding the Paproski-Castle Hill Farm, Newtown, CT, as authorized in the Capital Improvement Plan (2016-17 to 2020-21) and for administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof.

Section 2. To meet said appropriation, \$450,000 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of the State of Connecticut, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Financial Director, and the amount of bonds of each series to be issued shall be fixed by the Financial Director, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of State and Federal grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of the bonds outstanding at the time of the issuance thereof, and to pay for the costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Financial Director, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds including approval of the rate or rates of interest shall be determined by the First Selectman and the Financial Director, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman and the Financial Director in a competitive offering and the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. To the extent required by the Charter of the Town of Newtown, bids shall be solicited from at least three lending institutions. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to

financial news and the subject of state and municipal bonds.

Section 4. The First Selectman and the Financial Director are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the First Selectman and the Financial Director, have the seal of the Town affixed, be payable at a bank or trust company designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. They shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The First Selectman is authorized in the name and on behalf of the Town to apply for and accept any and all Federal and State loans and/or grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith, to contract in the name of the Town with engineers, contractors and others.

Section 6. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and anytime after the date of passage of this resolution in the maximum amount and for the Project with the proceeds of bonds or bond anticipation notes or other obligations ("Tax-Exempt Obligations") authorized to be issued by the Town. The Tax-Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Financial Director or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax-Exempt Obligations, and to amend this declaration.

Section 7. The First Selectman and the Financial Director are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 8. The First Selectman is hereby authorized, on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

**TOWN OF NEWTOWN  
FINANCIAL IMPACT STATEMENT  
(Per Town Charter 6-40& 7-25)**

REQUESTING DEPARTMENT LAND USE

PROJECT: Paprowski Farm Joint Easement Purchase

PROPOSED APPROPRIATION AMOUNT: \$ 450,000

PROPOSED FUNDING:

BONDING \$ 450,000

GRANT

OTHER

\$ 450,000

**ANNUAL FINANCIAL IMPACT ON OPERATING BUDGET (GENERAL FUND):**

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

EXPENDITURE CATEGORY:	**FOR BRACKETS USE NEGATIVE SIGN BEFORE NUMBER**	(POSITIVE IMPACT) / NEGATIVE IMPACT	Attachment #
SALARIES & BENEFITS			
PROFESSIONAL SERVICES			
CONTRACTED SERVICES			
REPAIRS & MAINTENANCE			
UTILITIES			
OTHER			
DEBT SERVICE (1st year)		\$ 35,000	
TOTAL IMPACT ON EXPENDITURES		\$ 35,000	

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

TOTAL FINANCIAL IMPACT ON OPERATING BUDGET \$ 35,000

**EQUIVALENT MILL RATE OF TOTAL IMPACT**

(using current year's information)

0.0114 mills

**COMMENTS:**

This is the town portion of the Joint Funding Agreement, with the State of Connecticut, to purchase the Development Rights to the Paprowski Castle Hill Farm located on Sugar Street. The joint purchase includes the preservation of 65 acres, through an easement, of the total 94 acres to preserve and protect the operating farm and the farmland soils on the property.

The offer from the State of Connecticut's Department of Agriculture was acquired through the state land acquisition unit appraisal system. The amount of \$1,001,000 was offered by the State of Connecticut and accepted by the property owner. The State of Connecticut is responsible for 55% of the purchase price (\$550,550) and the Town is responsible for 45% (\$450,450).

The purchase would preserve, in perpetuity, the farm and the farmland. This has been a goal of the town's Plan of Conservation and Development and the State of Connecticut Farmland Preservation Program for many decades. The purchase has been reviewed and endorsed by the Newtown Conservation Commission, P&Z, and the Board of Selectmen.

PREPARED BY: 

DATE: 1/20/2017

TO: BOF, LC

# Attachment D

January 20, 2017

President Donald Trump  
1600 Pennsylvania Ave NW  
Washington, DC 20500

Dear President Trump,

We are the elected leadership in Newtown, CT. We represent the Boards of Selectmen, Education, Finance and the Legislative Council. We are volunteers doing our part to help make our town a little better every day. We are writing today asking for your help. As you know, four years ago our town was torn asunder by the murders of six of our educators and twenty of our children at Sandy Hook Elementary School. As a town, we continue to mourn, question why and try to find the kindness and goodness that we believe is out there. One of the significant roadblocks to our future is the continued rumors and viciousness spread by many people outside of our homes who believe that our tragedy was a staged government event that never happened, that the children and educators we lost never existed.

We are asking you, as the new President, to help in putting a stop to these horrific lies and demonization of the adults who so bravely protected our children and died doing so. One perpetrator of these lies is radio host Alex Jones. He continues to spread hate and lies towards our town, towards the people and organizations who came to help us through those dark days. Jones repeatedly tells his listeners and viewers that he has your ears and your respect. He brags about how you called him after your victory in November. He continues to hurt the memories of those lost, the ability of those left behind to heal.

We are asking you to intervene to try to stop Jones and other hoaxers like him. We are asking you to acknowledge the tragedy from 12/14/12 and to denounce anyone spreading lies and conspiracy theories about the tragedy on that December morning. After the fourth anniversary of the tragedy, a family who had lost a child on that tragic day received death threats made by one of these hoaxers. We are hopeful that with your help, these lies will end. Please clearly and unequivocally:

- **Recognize that 20 children and 6 adults were murdered at Sandy Hook Elementary School on December 14, 2012; and**
- **Denounce any and all who spread lies that the tragedy was a hoax; and**
- **Remove your support from anyone who continues to insist that the tragedy was staged or not real.**

We know that you have many and un-ending responsibilities as the President, but we are hopeful that with your support our town can continue to find ways to move forward and try to heal.

George Ferguson, Chair  
Anthony Filiato, Vice Chair  
Dan Amaral  
Mary Ann Jacob  
Ryan Knapp  
Paul Lundquist



## TOWN OF NEWTOWN

3 Primrose Lane  
Newtown, CT. 06470  
Tel. (203) 270-4210  
[www.newtown-ct.gov](http://www.newtown-ct.gov)

### Legislative Council Finance and Administration Committee

The Legislative Council Finance and Administration Committee held a special meeting at the Newtown Municipal Center, 3 Primrose Street, Newtown, CT, on November 16, 2016, at 6:00 p.m. in Council Chambers.

#### Minutes

**Call to Order** The meeting was called to order at 6:06 p.m. and was followed by a Salute to the Flag.

**Roll Call** All members were in attendance except Dan Amaral. Bob Tait, Director of Finance and Town Treasurer was in attendance, as was Wes Thompson, Chair of the Economic Development Commission.

**Voter Comment** There was no voter comment.

**Minutes** Paul Lundquist moved to approve the minutes Approval of the Minutes of the Meeting of October 5, 2016. Second by Tony Filiato. All in favor.

**Communications** George Ferguson reported that he received an email and a series of four debt projection scenario forecasts from Bob Tait. Thank you, Bob.

#### *Discussion and Possible Action:*

#### **New Business**

Office of the First Selectman's Salaries

#### **Old Business**

#### *Discussion and Possible Action:*

**A Discussion of the Town of Newtown Debt Policy was initiated based on the following charge from the Legislative Council:**

"MR. KNAPP MOTIONED TO HAVE THE FINANCE COMMITTEE OF THE COUNCIL LOOK INTO AN APPROPRIATE METRIC FOR DEBT PER CAPITA THAT WE CAN MEASURE AND BENCHMARK AGAINST OTHER COMMUNITIES IN OUR AREA. SECOND BY MR. LUNDQUIST. MR. FERGUSON MOTIONED A FRIENDLY AMENDMENT TO ALLOW THE FINANCE AND ADMINISTRATION COMMITTEE TO REVIEW THE ENTIRE POLICY AND TO BRING ANY RECOMMENDATIONS IT WARRANTS BACK TO THIS BODY FOR CONSIDERATION. SECOND BY MR. CARROLL. AMENDMENT APPROVED. MAIN MOTION APPROVED"

George Ferguson opened by meeting by indicating that we would take up the old business first and that it was hoped that we could through a series of motions and discussion to move the Debt Policy over to the Board of Finance for their advice.

#### **Motions and Discussion on Debt Policy for Consideration of Board of Finance:**

**Motion:** Anthony Filiato moved that we ask the Board of Finance to advise on the concept of taking a break from bonding and debt every 5<sup>th</sup> year and advise if they think this should be mandatory, done under specific circumstances, or used as a tool to be used as needed to adjust debt burden levels. If considering the latter two options, please offer guidance about parameters and or triggers. Seconded by Ryan Knapp. All in Favor.

**Discussion:** The LC Finance and Administration is considering the advisability of recommending that the Town of Newtown take a break from the bonding every 5<sup>th</sup> year. A conversation about what guidance and triggers means ensued with a general understanding that these would be used if the break was not mandatory. It would guide leaders about the circumstances around when a hiatus should be implemented.

**Motion:** Anthony Filiato moved that we ask the Board of Finance to please review the idea of developing a schedule for reducing the Debt Cap incrementally by having it go from 9% to 8.5% to 8% to 7.5% to 7%, such as the Cap for a Moody's AAA community like Simsbury, and the consensus level of communities of similar population size. (Universal Chart of Accounts – OPM). Seconded by Ryan Knapp. Motion passes 4 to 1 with Paul Lundquist voting nay.

**Discussion:** The LC Finance and Finance Committee has already acted to recommend to the Board of Finance that the Debt Cap be reduced to 9%. Such a change however will have no immediate impact on the Town's Finances, Debt Plans, or CIP. The Committee is interested in possibly moving the Town of Newtown's Debt Cap to a lower level. Paul Lundquist said he was more in favor of having Debt managed through the CIP process although he is not averse to their taking this up for discussion, he would really like to see if it can be managed through the CIP process. Mary Ann Jacob made the point that "The Debt Cap" does drive the CIP. Paul reiterated again that if we can we should manage the Debt via the CIP. Ryan Knapp said that he would like to see this explored by the Board of Finance. We want to have formal policies that give definitive guidance regarding our borrowing. He said he is concerned that many people view the ability to borrow as money in the bank. He also said he would like to see policies drive those decisions and to have best practices memorialized.

**Motion:** Anthony Filiato moved that the Board of Finance be asked to review and advise on the benchmarks for debt per capita and determine if the national number be incorporated into the discussion and if the selected and other benchmark communities should be considered. Seconded by Mary Ann Jacob. Motion passed unanimously.

**Discussion:** LC Finance and Administration's work began with a motion that asked the Town of Newtown's per capita debt level be compared to Moody's National Average Debt Per Capita ratio for Municipalities. In our work the Committee felt that this number was not appropriate (too low) but felt that a comparison against other Connecticut Communities would be more appropriate, including a group of neighboring communities similar to Newtown, the other A+ rated communities, and the DRG B communities used by the State Department of Education. The debt policy references debt per capita and the Moody's benchmark number for Municipalities was an initial driver in this conversation.

**Motion:** George Ferguson moved to ask the Board of Finance to follow through on the previous Board's work and the assertion that Newtown's Debt Levels should be "controlled through the CIP process. We ask the current Board of Finance to elaborate on the statement "control through the C.I.P. process. Seconded by Anthony Filiato. Motion passed unanimously.

- **Discussion:** Our Committee's charge was the Debt Policy, not the CIP process. The current debt policy calls for "controlling Debt through the CIP process."

**Motion:** That the Board of Finance please advise on the merits of a more formalized process and attendant timetable that would annually review specific metrics and benchmarks and offer advice and suggestions about how to best do this under our Charter and across out Boards. Motion passed unanimously.

**Discussion:** The LC Finance and Administration Committee suggests that we develop a more formal process so that we "annually" have a public discussion around Newtown's debt per capita in relation to its net grand list and the trends in debt and asset values. (Procedures, who, what, when, form of report, metrics, timeline)

As part of the Debt Policy discussion Bob Tait took the Committee through one of the four debt analysis scenarios that he had previously prepared and forwarded to the Committee.

#### **Motion and Discussion on First Selectman's Office Salaries**

**Motion:** Mary Ann Jacob moved to keep the First Selectman's Salary at its present level inasmuch as it is competitive and will remain attractive to individuals seeking such a position. Seconded by Paul Lundquist. Motion Passed Unanimously.

**Voter Comment** None

**Announcements** None

**Motion:** Mary Ann Jacob moved to adjourn the meeting a 7:20 p.m. Seconded by Ryan Knapp.

George Ferguson  
Chair





Attachment F

Arlene Miles <arlene.miles@newtown-ct.gov>

## Correspondence - Ordinance Chair to BOF on Senior Tax Relief Question

1 message

John Godin <jgodin1312@gmail.com>

Mon, Jan 16, 2017 at 8:15 PM

To: Jim Gaston <okjt@aol.com>, kelleyjohnson@gmail.com, Aaron Carlson <aaron4newtown@gmail.com>, Mark Boland <bolmark@aol.com>, Mark Boland <markbolandbof@gmail.com>, Sandy Roussas <sandyroussasBOF@gmail.com>

Cc: Arlene Miles <arlene.miles@newtown-ct.gov>

Jim/Kelly/Aaron/Mark/Sandy,

As preparation for our next meeting, please see below the correspondence from the Legislative Council relative to the Senior Property Tax Relief topic.

Arlene,

Please post this note as "Back Up" to the Agenda for our next meeting. Let me know if you have any questions.

Best,

John

Begin forwarded message:

**From:** Ryan Knapp <[ryan.w.knapp@gmail.com](mailto:ryan.w.knapp@gmail.com)>

**Subject:** Ordinance Chair to BOF on Senior Tax

**Date:** January 12, 2017 at 1:10:51 PM EST

**To:** John Godin <[jgodin1312@gmail.com](mailto:jgodin1312@gmail.com)>

**Cc:** Mary Ann Jacob <[mjacob4404@charter.net](mailto:mjacob4404@charter.net)>, "Grogins, David L." <[DGrogins@cohenandwolf.com](mailto:DGrogins@cohenandwolf.com)>, Ryan Knapp <[ryan.w.knapp@gmail.com](mailto:ryan.w.knapp@gmail.com)>

Hello Chairman Godin,

I am writing as Chair of the Ordinance Committee. Thank you for including me in your deliberations on Monday. I would like to reaffirm a few points in writing. Please include this in your correspondence and I will do the same.

The Ordinance Committee request is that the Board of Finance provide a recommendation on possibly adjusting some, all or none of the numbers in the current Senior Tax Abatement ordinance (code book chapter 208, sections 1 through 8) that the Legislative Council has the authority to do so by resolution.

The scope of this request is limited to:

- The levels of income defining the four groups A, B, C and D (208-2 F 1 and 3)
- The amount of abatement given to qualifying applicants within each group (208-2 F 2 and 3)
- The QTAV (208-2 K)
- The Assessed Value Limit (208-2 L) and/or
- The limitation of total relief granted to group D (208-8 B)

Originally the request was that this recommendation be made by December. Now I ask that it be made as

soon as possible. The application period begins in March.

As I said during your meeting, while the Ordinance Committee welcomes future recommendations from the Board of Finance regarding more substantive changes to our program, we ask that the BOF limit this recommendation to the scope of the request as that is all we have time to adjust for the upcoming application period. Given our Charter mandated process, there is insufficient time for substantive changes ahead of the next application period.

Thank you and the entire Board of Finance for taking this up,

-Ryan Knapp  
Chair, LC Ordinance Subcommittee

--

Ryan W Knapp  
Sr Mechanical Project Engineer  
[www.macton.com](http://www.macton.com)  
(203) 232 6394 (c)

# Attachment G

Group	D	C	B	A	Odd Results
Benefit Level	\$800	\$1,300	\$1,750	\$2,525	
Abatement Total \$	\$32,800	\$138,771	\$218,533	\$1,006,322	\$19,478
	2.35%	9.94%	15.65%	72.06%	1.22%
			\$1,396,426		\$1,415,904

Taxpayer Households	41	107	126	416	690	15
Distribution	5.94%	15.51%	18.26%	60.29%		
Average Credit	\$800	\$1,297	\$1,734	\$2,419		
Percentage of Max.	100.0%	99.8%	99.1%	95.8%		
Cumulative Credit	\$1,396,426	\$1,363,626	\$1,224,855	\$1,006,322		

Adding \$\$ to the bands						
Sample add'l credit	\$	-	\$	300	\$	500
\$ of add'l credit				\$32,100	\$37,800	\$208,000
Cumulative credit				\$1,641,526	\$1,470,655	\$1,214,322
Adjustment for collecting < max				\$1,502,679	\$1,251,785	\$1,205,594

Attachment 1



Arlene Miles &lt;arlene.miles@newtown-ct.gov&gt;

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**Fwd: Note about ECS issue**

1 message

John Godin &lt;jgodin1312@gmail.com&gt;

Thu, Jan 26, 2017 at 9:48 PM

To: Arlene Miles &lt;arlene.miles@newtown-ct.gov&gt;

Under "Announcements, please add this email from Keith Alexander

Thank you

John

Begin forwarded message:

**From:** "Keith Alexander" <alexanderk\_boe@newtown.k12.ct.us>**Subject:** Note about ECS issue**Date:** January 22, 2017 at 11:13:33 PM EST**To:** "John Godin" <jgodin1312@gmail.com>**Cc:** <erardij@newtown.k12.ct.us>**Reply-To:** <alexanderk\_boe@newtown.k12.ct.us>

Hi John,

Please forward the message below to your Board.

Dear John and Members of the Board of Finance:

In late December 2016, Dr. Erardi informed the Board of Education that the expected Education Cost Sharing grant of \$5,080,129 had been reduced to \$4,893,944 resulting in a Newtown revenue shortfall of \$186,185. As you know, this issue was further discussed in partnership with the Legislative Council on Wednesday, January 18, with our state delegates.

Presently, due to cost containment in key areas within our operational plan, our 2016-17 projection shows a positive balance; however, as you also know, with winter just half over, we are vulnerable to what could be considerable additional expenditures.

Dr. Erardi and his leadership team, in partnership with the Board of Education, will work with the Board of Finance and keep you up to date on the 2016-17 bottom line with a monthly update starting in February 2017. It is my hope that if we continue the trend of the first half of the fiscal year, the Board of Education will have a surplus that could significantly contribute to the revenue shortfall.

Please let me know if you would like to further discuss this issue.

--Keith Alexander

BCC: NBOE