

THE FOLLOWING MINUTES ARE SUBJECT TO APPROVAL BY THE BOARD OF SELECTMEN

The Board of Selectmen held a regular meeting Tuesday, January 22, 2019, in the Council Chamber, Newtown Municipal Center, 3 Primrose Street, Newtown. First Selectman Rosenthal called the meeting to order at 7:30pm.

PRESENT: First Selectman Daniel C. Rosenthal, Selectman Maureen Crick Owen and Selectman Jeff Capeci.

ALSO PRESENT: Finance Director Robert Tait, Police Chief Viadero, Library Director Douglas Lord, Board of Fire Commissioners Jay Nezvesky and Bob Kick and four members of the public.

VOTER COMMENTS: **Barbara O'Connor**, 36 Little Brook Lane, spoke in favor of the Republican nominated candidates, saying the committee works very hard to make good appointments. Many boards are apolitical. Suzanne Lang is qualified for Cultural Arts; Elaine Corbo is enthusiastic and Joanne Albanesi is well liked and the Commission on Aging is happy to have her back. Understanding there is one Democrat on Inland Wetlands, three Republicans and three unaffiliated voters. Ms. O'Connor said that Kendall Horch is a licensed civil engineer, is highly qualified to be on Inland Wetlands and has the time to devote to the Commission. **Dan Wiedemann**, 13 Clearview Dr., also spoke in favor of the Republican recommended candidates saying the Suzanne Lane has an exuberance for the arts, Elaine Corbo has an excitement and passion that would be a welcome addition, Joanne Albanesi has served on the Commission on Aging in the past and would be a returning member. Kendall Horch is extremely qualified and it would be a disservice not to get her involved.

First Selectman addressed appointments/reappointments first as many people were present for that item.

ACCEPTANCE OF THE MINUTES: Selectman Crick Owen moved to accept the minutes of the regular meeting of 101/07/19. Selectman Capeci seconded. All in favor.

COMMUNICATIONS: First Selectman Rosenthal reported that there was debate and discussion around the construction of the pickle ball courts, at the Legislative Council level. The project was in year three of the Selectmen approved CIP. There was a \$25,000 donor; the Legislative Council decided to make this a year one project. The Charter permits appropriations to be made by the Board of Selectmen or the Legislative Council. First Selectman Rosenthal let the Legislative Council that he wouldn't bring this appropriation to the Board of Selectmen for consideration; the Legislative Council will need to originate the appropriation. Additionally, he strongly recommended the project go to referendum. Emails were sent to the Chairs of the Board of Finance and the Legislative Council to inform if members attend the Board of Selectmen budget deliberations they will have an opportunity for Q&A. This will be a more collaborative budget process.

FINANCE DIRECTORS REPORT: Mr. Tait went over the 2017-18 Financials, ending June 30, 2018 which summarizes every financial transaction.

NEW BUSINESS

Discussion and possible action:

- 1. Town of Newtown Pension Plan – Selectmen and Board of Education Personnel & Elected Officials Plan:** Mr. Tait went over the Town, Board of Education and Elected Officials pension plans (att.). The actuary is connected to TR Paul (the pension administrator); Fiduciary Investment Advisors are the pension advisors who recommend investments to the pension committee. Wells Fargo makes the investment.
- 2. Town of Newtown Pension Plan – Police Personnel:** Mr. Tait went over the Police pension plan (att.). See notes under #1.

3. **First Selectman FY 2019-2020 Budget Presentation:** First Selectman Rosenthal and Mr. Tait presented the First Selectman's proposed budget (att.). The goal was to keep the budget increase as low as possible while preserving same services. There is road bonding in the next few years of the CIP; to wean off road bonding the operating budget for roads will increase. There is a unique opportunity to combine roles of positions recently vacated. The proposed budget includes some salary enhancements. There are significant capital needs, some of which are addressed in the budget. First Selectman Rosenthal spoke about a pay as you go system to address capital projects. The budget increase breakdown include wages & salaries, 2.4%, fringe benefits (pension, medical self-insurance and social security contributions), 3%; capital, 11.6%; contingency, 16.7%; agencies, 3.2%; debt service, 2.9%. Governor Lamont will be presenting his budget February 20, while the budget process is with the Board of Finance/Legislative Council. Most increases at the Library are related to staff and salary. Edmond Town Hall is on the right path to creating sustainability. Items may be considered if there is a budget surplus. Mr. Tait stated that the proposed budget is typically compared to last years amended budget saying when union contracts are settled the amended reflects actual salaries. This year the proposed was not compared to the amended due to the \$700,000 transfer of capital non-recurring for the tornado. This year the proposed budget is compared to the adopted budget. The department requests vs. First Selectman proposed is in the back of the budget.
4. **Appointments/Reappointments/Vacancies/Openings:** Selectman Crick Owen moved the appointment of Jim Zarifis (R) to the Bike and Trail Committee. Selectman Capeci seconded. First Selectman Rosenthal noted that an appointed member recently resigned due to a job opportunity out of state. All in favor. Selectman Crick Owen moved the appointment of Suzanne Lang (R) to the Cultural Arts Commission for a term to expire 1/6/22, the appointment of Elaine Corbo (R) to the C.H. Booth Library, Board of Trustees, for a term to expire 7/1/19, and the appointment of Joanne Albanesi (R) to the Commission on Aging, Alternate, for a term to expire 1/6/21. Selectman Capeci seconded. All in favor. Selectman Crick Owen moved the appointment of Megan Thorn (D) to the Inland Wetlands Commission. Selectman Capeci seconded. First Selectman Rosenthal stated that because this seat was an open seat he received recommendations from both the Democrat Town Committee and the Republican Town Committee. He then met with both candidates, one a biologist and the other a certified civil engineer; both uniquely qualified. Because the composition of the commission is one Democrat, three Republican's and three unaffiliated voters, First Selectman Rosenthal recommended Megan Thorn (D). Selectman Capeci's concern is that while both candidates are well qualified, the candidate with specific experience and knowledge in the field was not recommended for political reasons. Selectman Capeci feels it makes more sense to appoint Kendall Horch, as she has the experience; it is her profession. First Selectman Rosenthal stated the intent was not to be political. Selectman Crick Owen withdrew her motion. Selectman Capeci withdrew his second. Selectman Capeci moved to appoint Kendall Horch (R) to the Inland Wetland Commission for a term to expire 1/6/23. Selectman Crick Owen seconded. All in favor. Selectman Crick Owen moved the re-appointments of Donna Saputo, Tax Collector, for a term to expire 2/1/23; Gary Fillion, (U), Lake Zoar Authority, for a term to expire 1/6/22; George Hill, Water & Sewer, for a term to expire 1/6/23, Bill Halstead, Sr. as Director of Emergency Management for a term to expire 1/6/22 and Donna Culbert and Maureen Will, as Deputy Director of Emergency Management for a term to expire on 1/6/22. Selectman Capeci seconded. All in favor.
5. **Driveway Bond Release/Extension:** Selectman Crick Owen moved the release of the driveway bond for Michael Whalen, Bentagrass Lane, M30, B1, L11, in the amount of \$1,000.00. Selectman Capeci seconded. All in favor.
6. **Tax Refunds:** Selectman Crick Owen moved the January 2018/19 Refunds, Refund 11 in the amount of 12,319.46. Selectman Capeci seconded. All in favor

VOTER COMMENTS: none.

ANNOUNCEMENTS: First Selectman Rosenthal said if the weekend storm had more snow there would have been multiple more power outages due to weight on power lines. The power outages peaked at 20%; Eversource worked through the night. First Selectman Rosenthal thanked the CERT team as well as the emergency management team, Bill Halstead, Maureen Will, Donna Culbert, Rob Sibley, Department of Public Works and Police and Fire. The CERT team was activated when the Municipal Center and the Senior Center were opened as warming centers. There were no calls to police/dispatch asking for a shelter.

ADJOURNMENT: Having no further business the regular Board of Selectmen meeting adjourned at 9:09 p.m.

Att: TR Paul, Town of Newtown Pension Plan; First Selectman's proposed budget, Jan. 22, 2019

Respectfully submitted,
Sue Marcinek, Clerk

December 24, 2018

The Honorable Dan Rosenthal
TOWN OF NEWTOWN
Edmond Town Hall
3 Primrose St.
Newtown, CT 06470

Re: Town of Newtown Pension Plan - Selectmen and
Board of Education Personnel & Elected Officials Pension Plan
Our File No. 2823

Dear First Selectman Rosenthal:

We are pleased to present your Annual Valuation Report as of July 1, 2018. Again this year we have separated the report into two sections, with Part I containing the general calculations and disclosures, and Part II covering the individual participants benefit data. Part II will be completed after the new year.

For the 2019-2020 Fiscal Year of the Town, our recommended contribution is as follows:

As of July 1, 2019:	<u>Recommended</u>
Selectmen	\$ 720,920
Police (see separate rpt.)	<u>988,509</u>
Total Town of Newtown	\$1,709,429
Board of Education:	\$ 669,083


The above recommended contributions amounts are based on the second year of a three year phase in of a reduction in the assumed interest rate from 7.5% to 7.0%.

If the deposits are to be made substantially later than July 1, 2019, interest at 7.0% per annum should be added.

Please see the General Comments section of the valuation report for information regarding changes in the plan's contribution requirements. At the end of the report is the information on the Elected Officials Pension Plan.

Please let me know if you have any questions or comments concerning this report.

Sincerely,


David G. Leonard, A.S.A.
Account Executive

cc: Ellen Whelan (8 copies)

Robert Tait

MAKING A DIFFERENCE SINCE 1947

ACTUARIAL CERTIFICATION

This report has been prepared in accordance with generally accepted actuarial standards and procedures and conforms to the Guidelines for Professional Conduct of the American Academy of Actuaries.

The valuation is based on employee and plan financial data which were provided by the Plan Administrator, Plan Trustee, and various financial institutions. All information submitted to us has been reviewed for reasonableness and consistency, but has otherwise been accepted and relied upon without audit. The plan provisions and other material assumptions are disclosed in report in their respective sections.

Projected mortality improvements have been recognized through the use of SOA tables RP-2014 with projection scale MP-2017. This represents a change from 2017 when the prior year's projection scale, MP-2016 was employed.

To the best of our knowledge, the information supplied in this report is complete and accurate.

Future actuarial measurements may differ significantly from the current measurement presented in this report due to such factors as the following: plan experience differing from that anticipated; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

I, David G. Leonard, A.S.A., E.A., am a member of the Society of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained here



David G. Leonard, A.S.A.

Enrollment #17-03604

12/24/18
Date

ANNUAL VALUATION REPORT
FOR
TOWN OF NEWTOWN PENSION PLAN
BOARDS OF SELECTMEN AND EDUCATION
AS OF JULY 1, 2018

Prepared by:

David G. Leonard, ASA
T R PAUL, INC.

December 24, 2018

TOWN OF NEWTOWN PENSION PLAN

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TOWN OF NEWTOWN PENSION PLAN

I. HIGHLIGHTS

This section of the report summarizes the results of the July 1, 2018 actuarial valuation and provides a comparison with the results of the prior valuation. The development of these items for the current valuation is shown in the remaining sections of the report. The percentage in parenthesis express each amount as a percentage of covered payroll:

	July 1, 2018 <u>Valuation</u>		July 1, 2017 <u>Valuation</u>	
1. Recommended Annual Contributions:*				
a. Board of Selectmen	\$720,920	(9.7%)	\$626,219	(8.6%)
b. Board of Education	\$669,083	(9.1%)	\$642,711	(8.3%)
c. Total Town Plan	\$1,390,003	(9.4%)	\$1,268,930	(8.5%)
2. Covered Payroll of Participants (pension earnings projected for the fiscal year following the valuation date)				
a. Board of Selectmen	\$7,409,789		\$7,282,538	
b. Board of Education	\$7,335,284		\$7,699,003	
c. Total Town Plan	\$14,745,073		\$14,981,541	
3. Net Normal Cost (EAN / PUC)	\$823,892	(5.6%)	\$874,468	(5.8%)
4. Accrued Actuarial Liability (EAN / PUC)	\$32,456,485		\$30,630,006	
5. Assets - Market Value (MV)	\$26,552,507		\$24,549,593	
- Valuation Assets (VA)	\$27,126,749		\$25,816,265	
6. Unfunded Accrued Liability (VA)	\$5,329,736		\$4,813,741	
7. Actuarial Value of Benefits (total plan):				
a. Value of Vested Accrued Benefits	\$26,886,395		\$25,295,275	
b. Value of Non-Vested Accrued Bens.	\$685,300		\$850,415	
c. MV Assets in excess of Vested Benefits (5 minus 7a)	(\$333,888)		(\$745,682)	
8. Number of Participants:	<u>Sel.</u>	<u>Bd. of Ed.</u>	<u>Sel.</u>	<u>Bd. of Ed.</u>
a. Active Participants	130	175	132	191
b. Retired and Beneficiaries	66	61	68	57
c. Terminated Vested Participants (includes refunds only due)	19	22	15	15
d. Total	215	258	215	263

* Calculated assuming end of the fiscal year payment, for use in following fiscal year as of July 1.

TOWN OF NEWTOWN PENSION PLAN

II. GENERAL COMMENTS

The July 1, 2018 valuation report was prepared on a group of 130 active members in the Selectmen's accounts, and 175 members for the Board of Education. This represents a decrease of eighteen (18) active members from 2017, mostly in the Board of Education.

The recommended contribution produced by the July 1, 2018 valuation increased \$121,073, to a recommended level of \$1,390,003 for the 2019-20 fiscal year. The Selectman group's recommended contribution again increased more than the Board of Education, \$94,701 to \$26,372 for the Board of Ed.

A summary of the factors in the change for the year reveals the following:

	<u>Selectmen</u>	<u>Bd. of Education</u>
Change in Normal Cost:	\$ (5,659)	\$ (49,648)
Valuation Asset Losses:	56,276	45,367
New Members:	16,612	2,538
Change in Assumptions (phased in interest rates)	35,477	32,766
Misc. Actuarial Factors:	(8,005)	(4,651)
Total Changes:	\$ 94,701	\$ 26,372

The July 1, 2018 Valuation was prepared based on the second year of the 7.00% interest rate phase in. The full 7% rate calculation would have resulted in a recommended contribution for next year of \$1,458,238, or \$68,000 more than this year's phased in amount. It is interesting to note that the full 7% recommendation increased about \$24,000 from last year to this year. Additionally, the actuarial losses under the 7% calculation were less than the 7.5% version, mainly due to "lowered expectations" for the trust asset yield. Next year's valuation will be run at 7.00%, so there will be a planned increase of perhaps another \$70,000.

A side effect of the phase in can be seen on our new schedule of funding base history, temporarily located on page 7a. Because the full 7% contribution was not made last year, the plan experienced a negative amortization on the initial 20 year base. We will address any funding concerns from this in future reports, after 7% has been fully phased in.

For now, the new base for 2018 is shown with a ten (10) year amortization, however the magnitude of the losses this year is much less than the initial base from 2017.

TOWN OF NEWTOWN PENSION PLAN

II. GENERAL COMMENTS

As projected last year, this year's recognition of previous asset losses from the smoothed valuation method did impact the recommended contribution this year by about \$100,000, not counting the Police Plan. The breakdown for this plan is shown on the table on the prior page.

The market rate of return was 7.30%, however the valuation yield came in at only 4.22%. The good news is that the unrecognized loss was reduced from more than \$2,000,000 to less than one million dollars as of July 1, 2018, with the expectation that next year the trust will show a small unrecognized gain.

Two caveats to that thought – one is that we have included an increase to the recommended contribution in anticipation of next year's loss recognition, and the other is that at the time of this writing the equity markets are in a free fall, which could cause a new round of losses. The smoothing will take any new losses as of June 30, 2019 in stride, deferring recognition of 80%, but any large losses will again weigh down the progress of the funding for several more years.

After the valuation asset losses and the continued phase in of the 7.00% interest assumption, the next most important factor in the cost calculations for the year was the participant experience, which was fairly neutral for the Selectman's departments, and very positive for the Board of Education.

For the Selectman, the number of active members decreased just slightly, however the normal cost decreased as salary increase rates came in at a 1.74% average, which is modestly under our assumed rate of 3.0%.

On the Board of Education side, with no direct new members added to the plan their active population shrank by sixteen (16), with the Normal Cost following suit with a decrease of almost \$50,000. The average continuing active member experienced a 2.99% salary increase, so that was right in line with the assumed rate.

The mortality experience for the year for the plan as a whole followed expectations reasonably well, so there was no push in either direction from the retiree population.

The plan's market value funding ratios again improved. The funding of accrued actuarial liabilities at 7% interest increased 4.7% points to 86.7%, while the accrued benefit measure increased 2.4% points to 96.3%.

Note that the trust assets in this report differ from the GASB statement in that prepaid benefits are not included in the GASB disclosures.

TOWN OF NEWTOWN PENSION PLAN
III. PLAN ASSETS

A. Summary

Investment	07/01/2017 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income	Trust Expenses	Transfer EE's Distributions	Transfers out	06/30/2018 Ending Balance
ER Contrib. Receivable/(Payable)	0	0	0	0	0	0	0	0
EE Contrib. Receivable	14,126	0	(11,688)	0	0	0	0	2,439
Distribution Due PARS	42	0	0	(42)	0	(3,095)	0	(3,095)
Prepaid Benefits	178,330	0	0	0	0	(11,553)	0	166,777
<u>Wells Fargo / Westport Resources</u>								
Cash	701,182	1,896,113	490,574	1,274,144	(112,775)	(2,099,811)	(1,802,504)	346,923
Investments	38,762,085	0	0	1,885,941	0	0	1,802,504	42,450,530
Accrued Interest	118,448	0	0	(115,843)	0	0	0	2,604
<u>PLAN TOTALS</u>	39,774,214	1,896,113	478,886	3,044,199	(112,775)	(2,114,459)	0	42,966,178

Distribution of Assets by Department

Plan Category	07/01/2017 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income*	Distributions	06/30/2018 Ending Balance	06/30/2018 Valuation Asset Balance
Town Plan	24,549,593	1,070,329	282,586	1,780,926	(1,130,926)	26,552,508	27,126,749
Elected officials	150,979	10,810	3,434	10,362	(75,182)	100,404	N/A
Police Plan	15,073,641	814,974	192,867	1,140,136	(908,350)	16,313,268	16,666,070
Grand Total	39,774,214	1,896,113	478,887	2,931,424	(2,114,459)	42,966,179	43,792,819

* Income reduced for trust expenses; allocated on a weighted basis by Wells Fargo.

TOWN OF NEWTOWN PENSION PLAN

III. PLAN ASSETS (Continued)

B. Development of Valuation Assets (Actuarial Value of Assets)

The Actuarial Valuation of Assets is calculated by recognizing 20% of the current year's actuarial gain or loss (to the 7.5% assumed rate of return), along with recognition of prior year's gains or losses that are also being recognized 20% per year. The final Valuation Asset level is subject to a corridor of 80% to 120% of the Market Value.

The prior smoothed actuarial asset valuation method was changed for the July 1, 2015 valuation, using the initial unrecognized gains from July 1, 2015 as the only prior base in place.

This method was then modified slightly for 2016 to anticipate Market Value yield at the assumed rate, rather than Expected Valuation Asset Value yield. Please see following page for additional detail.

The following illustrates the calculation of the Actuarial Value of Assets for June 30, 2018:

1. Assumed market value yield at valuation rate*	\$2,792,502
2. Actual MV Yield for June 30, 2017 **	2,921,062
3. Current Year (Gain)/Loss on Market value yield* (1) - (2)	(128,559)
4. Portion of Curr. Yr. Loss to be Recognized in 2017 (3) x 20%	(25,712)
5. Portion of Current Years (Gain)/Loss Not Recognized in 2017	(102,848)
6. Prior Unrec. (Gains)/ losses - June 30, 2018 - see next page	1,029,890
7. Total Unrecognized (Gains)/Losses (5) + (6)	927,043
8. Market Value of Trust Assets as of June 30, 2018	42,865,776
9. Preliminary Actuarial Value of Assets - June 30, 2018 (7)+(8)	\$43,792,819
10. (a) 80% corridor of Market Value	34,292,621
(b) 120% corridor of Market Value	51,438,931
11. Final Actuarial Value of Assets - June 30, 2018***	\$43,792,819

The Preliminary Actuarial Value of Assets is 102.2% of the Market Value, and thus falls within the 80% to 120% corridor of actual June 30, 2018 Market Value.

The yield on Valuation Assets for the 2017-2018 Plan Year was 4.22%.

* Assumed income is calculated based on a weighted balance which takes into account the date that the contributions and distributions are made to the fund.

** All items shown exclude the Money Purchase Plan assets. There were no receivable contributions as of the end of the fiscal year.

*** Includes both Town Plan and Police Plan

TOWN OF NEWTOWN PENSION PLAN

III. PLAN ASSETS (Continued)

C. SMOOTHED VALUATION ASSET AND UNRECOGNIZED (G)/L DETAIL- INCLUDES TOWN AND POLICE PLAN

Smoothed Valuation Asset Calculation

	Transition Year 07/01/2014	06/30/2015	06/30/2016	06/30/2017	06/30/2018	06/30/2019	06/30/2020
Actuarial Value of Assets	\$36,445,798						
Market Value of Assets	34,676,083	35,698,524	34,740,866	39,623,234	42,865,776		
Unrecognized (G)/L	1,769,715						
Recognized in Year (for 6/30/15)	(442,429)						
Expected Earnings at Market Value (7.50%/7.00%)*							
Actual Earnings MV		2,662,813	2,730,057	2,680,400	2,792,502		
Actuarial (Gain)/Loss on MV		977,145	(1,017,424)	4,614,032	2,921,062		
		1,685,668	3,747,481	(1,933,631)	(128,559)		
Recognition of current years (Gain)/Loss		(337,134)	(749,496)	386,726	25,712		
<u>Anticipated Unrecognized (Gain)/Loss for Future Years</u>							
Remaining Unrecognized (G)/L - 7/1/14 Trans.							
Remaining Unrecognized (G)/L - 6/30/15 (G)/L	1,327,286	1,061,829	1,061,829	707,886	353,943	0	0
Remaining Unrecognized (G)/L - 6/30/16 (G)/L	1,348,534	1,011,401	1,011,401	674,267	337,134	0	0
Remaining Unrecognized (G)/L - 6/30/17 (G)/L		2,997,985	2,997,985	2,248,489	1,498,992	749,496	0
Remaining Unrecognized (G)/L - 6/30/18 (G)/L			(1,546,905)	(1,546,905)	(1,160,179)	(773,452)	(386,726)
Remaining Unrecognized (G)/L - 6/30/19 (G)/L					(102,848)	(102,848)	(102,848)
Total Unrecognized (Gains)/Losses		2,675,820	5,071,214	2,083,737	927,043	(126,804)	(489,574)
Market Value of Assets - EOY							
Total Unrecognized (Gain)/Loss		35,698,524	34,740,866	39,623,234	42,865,776		
		2,675,820	5,071,214	2,083,737	927,043		
Actuarial Value of Assets - EOY		\$38,374,344	\$39,812,081	\$41,706,971	\$43,792,819		

* Calculated using weighted contributions - ER by date, EE at 50%, Distrib at 50%. 7.00% interest assumption effective July 1, 2017 forward.

Note: 6/30/2015 Valuation Assets shown above based on the "new" method and do not equal the Valuation Assets used for the July 1, 2015 valuation Report. Outstanding balance of 2018 unrecognized gain for 2021 Valuation not shown.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2018

a. Calculation of Recommended Contributions Assumes 7.50%

	SELECTMEN	BOARD OF ED.	TOTALS
1. Gross Normal Cost as of 7/1/2018	\$503,277	\$490,278	\$993,554
2. Expenses	6,728	6,272	13,000
3. Expected Employee Contributions	139,786	140,722	280,508
4. Net Normal Cost (1 + 2 - 3) as of 7/1/2018	370,218	355,828	726,047
5. Accrued Liability:			
i. Active Employees	9,896,148	9,514,882	19,411,029
ii. Inactive Employees	801,091	858,779	1,659,870
iii. Retired Participants	5,928,439	3,888,366	9,816,804
6. Total Accrued Liability	\$16,625,677	\$14,262,027	\$30,887,704
7. Plan Assets - Blended Value	14,647,302	12,479,447	27,126,749
8. Unfunded (overfunded) Accrued Liability (6 - 7)	1,978,376	1,782,579	3,760,955
9. Amortization of Unfunded (Overfunded) Accd. Liability*	199,670	178,921	378,591
10. Normal Cost plus Amortization 7/1/2018 (4 + 9)	569,889	534,749	1,104,638
11. Recommended Contrib.- 2019-2020 to be paid 7/01/2019 (10 adjusted for time passage**)	\$649,974	\$603,558	\$1,253,532

* Initial EAN Base amortized over 20 years. (Gains)/losses starting with July 1, 2018 will be amortized over 10 years.

** 2019 adjustment takes into account the expected increases from unrecognized trust asset losses for 2019, plus normal cost increases assumed in the funding method.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2018

b. Calculation of Recommended Contributions Assumes 7.00%

	SELECTMEN	BOARD OF ED.	TOTALS
1. Gross Normal Cost as of 7/1/2018	\$550,649	\$540,750	\$1,091,400
2. Expenses	6,728	6,272	13,000
3. Expected Employee Contributions	139,786	140,722	280,508
4. Net Normal Cost (1 + 2 - 3) as of 7/1/2018	417,591	406,300	823,892
5. Accrued Liability:			
i. Active Employees	10,463,636	10,070,699	20,534,335
ii. Inactive Employees	861,842	890,602	1,752,444
iii. Retired Participants	6,145,827	4,023,879	10,169,706
6. Total Accrued Liability	\$17,471,305	\$14,985,180	\$32,456,485
7. Plan Assets - Blended Value	14,647,302	12,479,447	27,126,749
8. Unfunded (overfunded) Accrued Liability (6 - 7)	2,824,003	2,505,733	5,329,736
9. Amortization of Unfunded (Overfunded) Accd. Liability*	255,534	224,013	479,547
10. Normal Cost plus Amortization 7/1/2018 (4 + 9)	673,125	630,313	1,303,438
11. Recommended Contrib.- 2019-2020 to be paid 7/01/2019 (10 adjusted for time passage**)	\$756,393	\$701,845	\$1,458,238

* Initial EAN Base amortized over 20 years. (Gains)/losses starting with July 1, 2018 will be amortized over 10 years.

** 2019 adjustment takes into account the expected increases from unrecognized trust asset losses for 2019, plus normal cost increases assumed in the funding method.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2018

b. Summary of Funding Bases

SELECTMEN

Summary of Funding Bases	Initial Base	Rem. Bal. -18	Min. Amort.	Rem. Yrs (at min)
Initial Base - 7/1/17	\$ 2,447,983	\$ 2,546,016	\$ 215,955	19
(Gain)/Loss/Amend/Changes - 2018	\$ 277,987	\$ 277,987	\$ 39,579	10
Totals	\$ 2,725,970	\$ 2,824,003	\$ 255,534	

BOARD OF EDUCATION

Summary of Funding Bases	Initial Base	Rem. Bal. -18	Min. Amort.	Rem. Yrs (at min)
Initial Base - 7/1/17	\$ 2,365,758	\$ 2,398,196	\$ 208,702	19
(Gain)/Loss/Amend/Changes - 2018	\$ 107,537	\$ 107,537	\$ 15,311	10
Totals	\$ 2,473,295	\$ 2,505,733	\$ 224,013	

Funding Bases shown at 7.0% only.

If remaining balance is greater than the initial base, then negative amortization has occurred.

- this is an expected result based on the phasing in of the 7.0% discount assumption.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2018

c. Calculation of Blended Contributions

	SELECTMEN	BOARD OF ED.	TOTALS
1. Recommended Contrib. - 7.5%	\$649,974	\$603,558	\$1,253,532
2. Recommended Contrib. - 7.0%	\$756,393	\$701,845	\$1,458,238
3. Recommended Contrib.- 2019-2020 Blended: 1/3 (7.5%) + 2/3 (7.0%)	\$720,920	\$669,083	\$1,390,003

d. Comparison of Results

	SELECTMEN	BOARD OF ED.	TOTALS
4. Gross Normal Cost			
a. Normal Cost at 7.5%	\$503,277	\$490,278	\$993,554
b. Normal Cost at 7.0%	550,649	540,750	1,091,400
c. Difference	47,373	50,472	97,845
5. Accrued Liability:			
a. Liability at 7.5%	\$16,625,677	\$14,262,027	\$30,887,704
b. Liability at 7.0%	17,471,305	14,985,180	32,456,485
c. Difference	845,627	723,154	1,568,781
6. Plan Assets - Blended Value	14,647,302	12,479,447	27,126,749
7. Unfunded (overfunded)			
Accrued Liability (5 - 6)			
a. Unfunded at 7.5%	1,978,376	1,782,579	3,760,955
b. Unfunded at 7.0%	2,824,003	2,505,733	5,329,736
c. Difference	845,627	723,154	1,568,781

* Initial EAN Base amortized over 20 years. Future (gains)/losses will be amortized over 10 years.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2018

e. GASB Statement 67 and FASB Statement 35/36 Information

	SELECTMEN	BOARD OF ED.	TOTALS
I. ACTUARIAL ACCRUED LIABILITY - 7.00%			
a. Retirees/Benefic./Terminated	\$7,007,669	\$4,914,481	\$11,922,150
b. Current Employees			
I. EE Contr. & Intr.	2,139,737	2,009,098	4,148,835
II. ER Financed Vested	6,911,037	6,261,448	13,172,485
III. ER Financed Non-Vested	430,411	963,987	1,394,399
c. TOTALS	\$16,488,854	\$14,149,015	\$30,637,869
d. ASSETS - Market Value	\$14,337,235	\$12,215,272	\$26,552,507
e. FUNDED RATIO (7/1/2018) at 7.0%	86.95%	86.33%	86.67%
f. FUNDED RATIO (7/1/2017) at 7.0%	83.19%	80.71%	82.05%
<i>- These results will differ from the actual GASB disclosures, which are based on projected liabilities in order to ensure timely delivery.</i>			
II. PRESENT VALUE OF ACCRUED BENEFITS - 7.00%			
a. Retirees/Benefic./Terminated	\$7,007,669	\$4,914,481	\$11,922,150
b. Current Employees			
I. EE Contr. & Intr.	2,139,737	2,009,098	4,148,835
II. ER Financed Vested	5,491,758	5,323,652	10,815,410
III. ER Financed Non-Vested	221,569	463,731	685,300
c. TOTALS	\$14,860,733	\$12,710,962	\$27,571,695
d. ASSETS - Market Value	\$14,337,235	\$12,215,272	\$26,552,507
e. FUNDED RATIO (7/1/2018)	96.48%	96.10%	96.30%
f. FUNDED RATIO (7/1/2017)	94.80%	92.82%	93.90%

TOWN OF NEWTOWN PENSION PLAN

V. HISTORY OF PLAN CONTRIBUTIONS AND LIABILITIES

Plan Year Beginning	Participants Act. - Other	Compensation*	Accrued Liability***	Market Value Assets	Unfunded Accrued Liability**	Recommended Contribution (***)	Actual Town Contribution
1/1/1990	91 37	\$2,050,023	\$1,902,884	\$2,141,739	(\$238,855)	\$102,982 (5.02%)	\$114,531
7/1/1995	130 35	3,708,414	3,751,830	3,840,917	(89,087)	208,274 (5.62%)	208,274
7/1/2000	161 58	5,400,600	6,647,849	8,409,663	(1,761,814)	79,486 (1.47%)	80,297
7/1/2005	274 86	9,809,015	11,515,670	11,857,942	(342,272)	416,365 (4.24%)	420,381
7/1/2010	341 111	13,109,110	17,709,414	14,861,965	2,847,449	663,805 (5.06%)	651,581
7/1/2014	338 129	14,332,155	22,250,733	20,979,551	1,271,182	757,780 (5.29%)	731,579
7/1/2015	340 130	14,648,086	24,619,393	21,638,928	2,980,465	836,136 (5.71%)	836,137
7/1/2016	321 147	14,390,882	26,188,592	21,154,338	5,034,254	1,001,871 (6.96%)	1,001,870
2017 Select. 2017 Board	132 83 191 72	7,282,538 7,699,003	16,587,728 14,042,278	13,467,334 10,777,797	3,120,394 3,264,481	495,371 (6.80%) 574,958 (7.47%)	495,370 574,958
07/01/2017 (tot)	323 155	14,981,541	30,630,006	24,245,131	6,384,875	1,070,329 (7.14%)	1,070,328
2018 Select. 2018 Board	130 85 175 83	7,409,789 7,335,284	17,471,305 14,985,180	14,337,235 12,215,272	3,134,070 2,769,908	626,219 (8.45%) 642,711 (8.76%)	
07/01/2018 (tot)	305 168	14,745,073	32,456,485	26,552,507	5,903,978	1,268,930 (8.61%)	

* Compensation shown is expected for the twelve months following the valuation date for active members only.

**Based on Market Value, not Valuation Assets.

*** Figures in parenthesis are Recommended Contribution as a percentage of compensation. Recommended Contribution is based on prior year's valuation rolled forward, not on current valuation. The 2018 valuation produced a Recommended Contribution of \$1,390,003 for the 2019-2020

**** Beginning 7/1/2017 the actuarial liability is calculated at a 7.0% interest rate.

TOWN OF NEWTOWN PENSION PLAN

VI. PARTICIPANT DATA RECONCILIATION

The total number of active plan participants as of the current valuation date is reconciled with the total number as of the prior valuation date as follows:

	Selectmen's <u>Accounts</u>	Board of <u>Education</u>	Plan <u>Totals</u>
Number of Active Participants as of July 1, 2017:	132	191	323
Decreases:			
Non-Vested Terminations:	(4)	(8)	(12)
Vested Terminations:	(2)	(3)	(5)
Retirements:	(1)	(6)	(7)
Deaths, Transfers:	<u>0</u>	<u>0</u>	<u>0</u>
Total Increases/(Decreases):	(7)	(17)	(24)
New Entrants during 2017-2018: - includes rehires/reinstatements	<u>5</u>	<u>1</u>	<u>6</u>
Net Change:	<u>(2)</u>	<u>(16)</u>	<u>(18)</u>
Number of Active Participants as of July 1, 2018:	130	175	305
Also as of July 1, 2018:			
**Total Vested Terminated:	19	22	41
Total Retired:	<u>66</u>	<u>61</u>	<u>127</u>
TOTAL PARTICIPANTS:	215	258	473

* Active participants include Late Retirees and exclude Inactives.

** Includes 9 participants due refunds of contributions and interest,
and other inactive participants who may not have terminated.

TOWN OF NEWTOWN PENSION PLAN

APPENDIX APENSION TRUST SUMMARY

PLAN SPONSOR: Town of Newtown
 EFFECTIVE DATE: July 1, 1965
 ANNIVERSARY DATE: July 1 of each year.
 VALUATION DATE: JULY 1, 2018

DEFINITIONS

Compensation: Base Salary as of July 1 each year. For departments that do not report base salary, actual earnings from prior plan year are used. Final Average Compensation includes the participants five (5) highest consecutive years.

Participation: Eligibility - Service: 6 Months
 Maximum Age: 60

Entry Date: On the first day of the month following satisfaction of eligibility, with the participant's election to make employee contributions (2% of base salary).

Service: Continuous employment with the Town.

Credited Service: Service used in the determination of plan benefits. Includes all service except:

- (1) Service in excess of 30 years.
- (2) Service after July 1, 1965 during which an employee could have made employee contributions but did not.
- (3) Service prior to July 1, 1965 if an employee did not elect to be covered on that date.

Normal Retirement Benefit: Greater of:

- (1) 2% of Final Average Compensation times years of Credited Service, less 50% of Social Security (at SSNRA),
- or
- (2) 1.15% of Final Average Compensation times years of Credited Service.

If a participant retires on or after his Normal Retirement Age (earlier of 30 years of Service or age 65), he will receive an additional temporary benefit equal to 50% of Social Security from his retirement date to his 65th birthday.

Normal Form of Benefit: Modified Cash Refund Annuity.

Death Benefits: Greater of Qualified Survivor Annuity or return of Employee Contributions plus interest (active and terminated only).

Vesting: 100% vesting in Employer portion of Normal Retirement Benefit at the completion of 10 years of Credited Service. Town Hall contract employees and department heads are eligible for 100% vesting after 5 years of Credited Service.

TOWN OF NEWTOWN PENSION PLAN

APPENDIX BACTUARIAL ASSUMPTIONSFUNDING METHOD

Entry Age Normal Method – This method calculates an annual normal cost for each active employee, and adds an amortization of the unfunded accrued actuarial liability for all participants. The initial funding base was re-established as of July 1, 2017 (when the funding method was changed from Projected Unit Credit), and will be amortized over 20 years. Future changes in accrued liability due to experience gains or losses, changes in assumptions, and/or plan provisions will be amortized over 10 years.

For funding purposes, change in interest rate from 7.5% to 7.0% will be phased in over three years. July 1, 2018 is the first year of the phase in and thus the Actuarially Determined Contribution is based on 33.3% of the 7.5% valuation results and 66.6% of the 7.0% valuation results.

<u>INTEREST ASSUMPTION</u>	Pre-Retirement:	7.0% Compounded Annually
	Post-Retirement:	7.0% Compounded Annually

MORTALITY ASSUMPTION

RP-2014 Society of Actuaries Mortality Table, with future generational increases projected with the MP-2017 scale.

TURNOVER Participants are assumed to terminate at the following rates:

<u>Age</u>	<u>Males</u>	<u>Females</u>
25	10 %	15 %
30	7½	10
35	5	7½
40	3	5
45	1½	2½
50	0	0

SALARY SCALE & SOCIAL SECURITY BENEFITS

Salaries are assumed to increase at 3% per year. Since prospective salaries are reported, the increase applies after the end of the valuation year. Social Security laws projected using 3% COLA, with increases of 3% for the TWB and the NAMW.

RETIREMENT AGE

Participants are assumed to retire 50% of the time at their Normal Retirement Age and the remainder of the time at age 65. Participants past age 65 are assumed to retire one year after the valuation date.

ESTIMATED EXPENSES Direct expenses of the trust are assumed to be \$13,000.

TOWN OF NEWTOWN ELECTED OFFICIALS PENSION PLAN

ALLOCATION REPORT for the Period
July 1, 2017 to June 30, 2018

	7/1/2017 BEGINNING BALANCE	PAYMENTS	CONTRI- BUTIONS	11.89% INVESTMENT EARNINGS	06/30/2018 ENDING BALANCE
<u>DEBBIE HALSTEAD</u>					
EMPLOYER ACCOUNT	59,733.00	0.00	4,496.46	7,372.21	71,601.67
EMPLOYEE ACCOUNT	19,802.74	0.00	1,492.66	2,444.16	23,739.56
	-----	-----	-----	-----	-----
Participant Total	79,535.74	0.00	5,989.12	9,816.38	95,341.24
<u>DANIEL ROSENTHAL</u>					
EMPLOYER ACCOUNT	0.00	0.00	3,712.74	220.80	3,933.54
EMPLOYEE ACCOUNT	0.00	0.00	1,065.48	63.37	1,128.85
	-----	-----	-----	-----	-----
Participant Total	0.00	0.00	4,778.22	284.17	5,062.39
<u>PATRICIA LLODRA</u>					
EMPLOYER ACCOUNT	53,714.07	-56,583.27	2,600.80	268.40	0.00
EMPLOYEE ACCOUNT	17,642.79	-18,599.19	876.04	80.36	0.00
	-----	-----	-----	-----	-----
Participant Total	71,356.86	-75,182.46	3,476.84	348.76	0.00
Plan Totals	150,892.60	-75,182.46	14,244.18	10,449.30	100,403.62



14 Commerce Road • Newtown, Connecticut 06470-5508 • (800) 678-8161 • FAX (203) 426-1565

December 24, 2018

The Honorable Dan Rosenthal
TOWN OF NEWTOWN
3 Primrose St.
Newtown, CT 06470

Re: Town of Newtown Pension Plan - Police Personnel
Our File No. 2823

Dear First Selectman Rosenthal:

We are pleased to present your Annual Valuation Report for the Police Pension Plan as of July 1, 2018.

For the 2019-2020 Fiscal Year of the Town, we are recommending a contribution as follows:

Recommended As of July 1, 2019: \$988,509

This represents a modest increase from last year, when the recommended contribution was \$974,971. Several factors including the DROP participation of three Participants and salary decreases among actuarially key participants helped offset other items that would have resulted in an increase of 10% or more in the contribution for next year.

Please see the General Comments section of the report for more details on the ongoing funding progress of the plan.

Please note the Actuarial Certification, which is included on page 2 of this letter.

Please let me know if you have any questions or comments concerning this report.

My direct phone line is (386)206-8932.

Sincerely,

David G. Leonard, A.S.A.
Account Executive

cc: Ellen Whelan
Robert Tate

Enclosures

ACTUARIAL CERTIFICATION

This report has been prepared in accordance with generally accepted actuarial standards and procedures and conforms to the Guidelines for Professional Conduct of the American Academy of Actuaries.

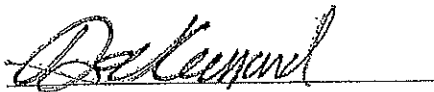
The valuation is based on employee and plan financial data which were provided by the Plan Administrator, Plan Trustee, and various financial institutions. All information submitted to us has been reviewed for reasonableness and consistency, but has otherwise been accepted and relied upon without audit. The plan provisions and other material assumptions are disclosed in report in their respective sections.

Projected mortality improvements have been recognized through the use of RP 2014 SOA Blue Collar tables with projection scale MP-2017. This represents a change from 2017 when the prior year's projection scale, MP-2016 was employed.

To the best of our knowledge, the information supplied in this report is complete and accurate.

Future actuarial measurements may differ significantly from the current measurement presented in this report due to such factors as the following: plan experience differing from that anticipated; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

I, David G. Leonard, A.S.A., E.A., am a member of the Society of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained here



David G. Leonard, A.S.A.

Enrollment #17-03604

12/24/18
Date

ANNUAL VALUATION REPORT
FOR
TOWN OF NEWTOWN PENSION PLAN
POLICE DEPARTMENT PERSONNEL
AS OF JULY 1, 2018

Prepared by:

David G. Leonard, ASA
T R PAUL, INC.

December 24, 2018

TOWN OF NEWTOWN PENSION PLAN – POLICE PERSONNEL

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TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL

I. HIGHLIGHTS

This section of the report summarizes the results of the July 1, 2018 actuarial valuation and provides a comparison with the results of the prior valuation. The development of these items for the current valuation is shown in the remaining sections of the report. The percentage in parenthesis express each amount as a percentage of covered payroll:

	July 1, 2018 <u>Valuation</u>	July 1, 2017 <u>Valuation</u>
1. Recommended Annual Contributions:*	\$988,509 (27.1%)	\$974,971 (25.1%)
2. Covered Payroll of Participants (covered earnings for the fiscal year preceding the valuation date)	\$3,651,597	\$3,888,389
3. Net Normal Cost (EAN / PUC)	\$343,564 (9.4%)	\$372,653 (9.6%)
4. Accrued Actuarial Liability (EAN)	\$24,010,717	\$23,083,423
5. Assets - Market Value (MV)	\$16,313,268	\$15,078,119
- Valuation Assets (VA)	\$16,666,070	\$15,851,388
6. Unfunded Accrued Liability (VA)	\$7,344,647	\$7,231,035
7. Actuarial Value of Benefits (total plan):		
a. Value of Vested Accrued Benefits	\$20,778,570	\$20,174,132
b. Value of Non-Vested Accrued Bens.	\$107,780	\$295,807
c. MV Assets in excess of Vested Benefits (5 minus 7a)	(\$4,465,302)	(\$5,096,013)
8. Number of Participants:		
a. Active Participants	39	42
b. Retirees, DROPs, Benef., & Alt Payees	31	28
c. Terminated Vested Participants (includes refunds only due)	4	4
d. Total	74	74

* Calculated assuming beginning of the next fiscal year payment, for that fiscal year.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

II. GENERAL COMMENTS

The recommended contribution produced by the July 1, 2018 valuation increased \$9,803, to a recommended level of \$984,774 for the 2019-20 fiscal year.

A summary of the factors in the change for the year reveals the following:

Change in Normal Cost (N.C):	\$ (1,390)
Valuation Asset Losses:	56,261
Retiring Members N.C.:	(40,504)
Change in Assumptions (phased in interest rates)	48,308
Misc. Actuarial Factors:	(52,873)
Total Changes:	\$ 9,803

Effective July 1, 2018, a DROP program was instituted that allows police officers who are eligible for Normal Retirement to have their pension payments commence and be deposited into an alternate retirement account, while continuing to work for up to five years. At actual retirement, the accumulated DROP account is paid to the retiree in a lump sum. His monthly pension payments will continue at the initial DROP rate.

For the purpose of the plan, the three members who took immediate advantage of the DROP (Deferred Retirement Option Program) are now considered retired, and the removal of their normal costs helped keep the total Police contribution in check.

The two factors that added significant costs were the continued phasing in of the 7% interest assumption and valuation asset losses.

This year we are weighting the 7.00% calculations at 66.6% and the 7.5% calculations at 33.3%, which resulted in the increase in costs of \$48,308 as shown above. There is one more year of the phase in, so you can expect a similar increase from this factor next year as well. Without the phase in, the 7.00% recommended contribution level for 2019-20 would have been \$1,033,182.

The valuation assets produced a yield of 4.22%, despite the market value return on assets of 7.30%. As discussed previously (and in more detail in the Town Plan's 2018 report), prior unrecognized losses are gradually being brought into the cost calculations, which is why there is the differential in returns, and why the trust asset performance added to the contribution requirements for next year by \$56,261.

In the breakdown above, we list "Misc. Actuarial Factors" as a major downward (negative) component in the overall minor change for the year, teaming with the DROP retirees to offset the change in assumptions and Valuation Asset losses.

This seemed like a large decrease to us, even though it is really only about 5% of the total annual contribution. Nevertheless, it was important to identify the reason for such a large drop in costs, and it turned out to be a salary related issue.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

II. GENERAL COMMENTS

Unlike the Town Plan, salaries for the Police Union members can be very volatile, because their overtime pay is also included in their pensionable earnings (up to 25% of base). This year, although the average continuing active salary increase was 5.02%, there were three particular participants who are close to retirement whose pension compensation decreased significantly. Because of their long service and higher than average ages, large swings in their final projected average salaries resulted in more than \$100,000 in actuarial gains.

While not the entire reason for the “Miscellaneous Actuarial Factors” gains, these three members’ decline in liabilities was a major part of it. An additional factor was the update in mortality tables also contributed to the gain, as the longevity projections originally included by the Society of Actuaries in their 2014 report have been reduced each year since then.

We always include the most current published updated in the projected mortality rates; for this year it is the 2017 projections.

The plan’s funding ratios for actuarial liability and present values of accrued benefits both rose this year, to 68% and 78% respectively. While these gains are welcome, this plan still lags behind the Town Plan in both measures. As the plan’s active population shrinks, the trust asset performance and the longevity of the growing retired population could cause radical changes in the annual contribution as a percentage of active payroll.

With that said, we would expect the actual dollar amount of the contribution to level off and begin slowly declining unless further assumed interest rate cuts are mandated, or the trust assets endure several very bad years.

Note that the trust assets in this report differ from the GASB statement in that prepaid benefits are not included in the GASB disclosures.

TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL
III. PLAN ASSETS

A. Summary

Investment	07/01/2017 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income	Trust Expenses	Transfer EEs Distributions	Transfers out	06/30/2018 Ending Balance
ER Contrib. Receivable/(Payable)	0	0	0	0	0	0	0	0
EE Contrib. Receivable	14,126	0	(11,688)	0	0	0	0	2,439
Distribution Due PARS	42	0	0	(42)	0	(3,095)	0	(3,095)
Prepaid Benefits	178,330	0	0	0	0	(11,553)	0	166,777
<u>Wells Fargo / Westport Resources</u>								
Cash	701,182	1,896,113	490,574	1,274,144	(112,775)	(2,099,811)	(1,802,504)	0
Investments	38,762,085	0	0	1,885,941	0	0	1,802,504	346,923
Accrued Interest	118,448	0	0	(115,843)	0	0	0	42,450,530
<u>PLAN TOTALS</u>	<u>39,774,214</u>	<u>1,896,113</u>	<u>478,886</u>	<u>3,044,199</u>	<u>(112,775)</u>	<u>(2,114,459)</u>	<u>0</u>	<u>42,966,178</u>

Distribution of Assets by Department

Plan Category	07/01/2017 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income	Distributions*	06/30/2018 Ending Balance	06/30/2018 Valuation Asset Balance
Town Plan	24,549,593	1,070,329	282,586	1,780,926	(1,130,926)	26,552,508	27,126,749
Elected officials	150,979	10,810	3,434	10,362	(75,182)	100,404	N/A
Police Plan	15,073,641	814,974	192,867	1,140,136	(908,350)	16,313,268	16,666,070
Grand Total	39,774,214	1,896,113	478,887	2,931,424	(2,114,459)	42,966,179	43,792,819

* Income reduced for trust expenses; allocated on a weighted basis. Distributions adjusted for internal employee transfers.

TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL

III. PLAN ASSETS (Continued)

B. Development of Valuation Assets (Actuarial Value of Assets)

The Actuarial Valuation of Assets is calculated by recognizing 20% of the current year's actuarial gain or loss (to the 7.5% assumed rate of return), along with recognition of prior year's gains or losses that are also being recognized 20% per year. The final Valuation Asset level is subject to a corridor of 80% to 120% of the Market Value.

The prior smoothed actuarial asset valuation method was changed for the July 1, 2015 valuation, using the initial unrecognized gains from July 1, 2015 as the only prior base in place.

This method was then modified slightly for 2016 to anticipate Market Value yield at the assumed rate, rather than Expected Valuation Asset Value yield. Please see following page for additional detail.

The following illustrates the calculation of the Actuarial Value of Assets for June 30, 2018:

1. Assumed market value yield at valuation rate*	\$2,792,502
2. Actual MV Yield for June 30, 2018 **	2,921,062
3. Current Year (Gain)/Loss on Market value yield* (1) - (2)	(128,559)
4. Portion of Curr. Yr. Loss to be Recognized in 2018 (3) x 20%	(25,712)
5. Portion of Current Years (Gain)/Loss Not Recognized in 2018	(102,848)
6. Prior Unrec. (Gains)/ losses - June 30, 2018 - see next page	1,029,890
7. Total Unrecognized (Gains)/Losses (5) + (6)	927,043
8. Market Value of Trust Assets as of June 30, 2018	42,865,776
9. Preliminary Actuarial Value of Assets - June 30, 2018 (7)+ (8)	\$43,792,819
10. (a) 80% corridor of Market Value	34,292,621
(b) 120% corridor of Market Value	51,438,931
11. Final Actuarial Value of Assets - June 30, 2018***	\$43,792,819

The Preliminary Actuarial Value of Assets is 102.2% of the Market Value, and thus falls within the 80% to 120% corridor of actual June 30, 2018 Market Value.

The yield on Valuation Assets for the 2017-2018 Plan Year was 4.22%.

* Assumed income is calculated based on a weighted balance which takes into account the date that the contributions and distributions are made to the fund.

** All items shown exclude the Money Purchase Plan assets. There were no receivable contributions as of the end of the fiscal year.

*** Includes both Town Plan and Police Plan

TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL

III. PLAN ASSETS (Continued)

C. SMOOTHED VALUATION ASSET AND UNRECOGNIZED (G)/L DETAIL- INCLUDES TOWN AND POLICE PLAN

Smoothed Valuation Asset Calculation

	Transition Year 07/01/2014	06/30/2015	06/30/2016	06/30/2017	06/30/2018	06/30/2019	06/30/2020
Actuarial Value of Assets	\$36,445,798						
Market Value of Assets	34,676,083	35,698,524	34,740,866	39,623,234	42,865,776		
Unrecognized (G)/L	1,769,715						
Recognized in Year (for 6/30/15)	(442,429)						
Expected Earnings at Market Value (7.50%/7.00%)*		2,662,813	2,730,057	2,680,400	2,792,502		
Actual Earnings MV		977,145	(1,017,424)	4,614,032	2,921,062		
Actuarial (Gain)/Loss on MV		1,685,668	3,747,481	(1,933,631)	(128,559)		
Recognition of current years (Gain)/Loss		(337,134)	(749,496)	386,726	25,712		
<u>Anticipated Unrecognized (Gain)/Loss for Future Years</u>							
Remaining Unrecognized (G)/L - 7/1/14 Trans.		1,327,286	1,061,829	707,886	353,943	0	0
Remaining Unrecognized (G)/L - 6/30/15 (G)/L		1,348,534	1,011,401	674,267	337,134	0	0
Remaining Unrecognized (G)/L - 6/30/16 (G)/L			2,997,985	2,248,489	1,498,992	749,496	0
Remaining Unrecognized (G)/L - 6/30/17 (G)/L				(1,546,905)	(1,160,179)	(773,452)	(386,726)
Remaining Unrecognized (G)/L - 6/30/18 (G)/L					(102,848)	(102,848)	(102,848)
Remaining Unrecognized (G)/L - 6/30/19 (G)/L						0	0
Total Unrecognized (Gains)/Losses		2,675,820	5,071,214	2,083,737	927,043	(126,804)	(489,574)
Market Value of Assets - EOY							
Total Unrecognized (Gain)/Loss		35,698,524	34,740,866	39,623,234	42,865,776		
		2,675,820	5,071,214	2,083,737	927,043		
Actuarial Value of Assets - EOY		\$38,374,344	\$39,812,081	\$41,706,971	43,792,819		

* Calculated using weighted contributions - ER by date, EE at 50%, Distrib at 50%. 7.00% interest assumption effective July 1, 2017 forward.

Note: 6/30/2015 Valuation Assets shown above based on the "new" method and do not equal the Valuation Assets used for the July 1, 2015 valuation Report. Outstanding balance of 2018 unrecognized gain for 2021 Valuation not shown.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

IV. ANNUAL VALUATION - JULY 1, 2018

a. Calculation of Recommended Contributions

	7.5%	7.0%	Difference
1. Gross Normal Cost as of 7/1/2018	\$460,815	\$519,144	\$58,329
2. Expenses	7,000	7,000	
3. Expected Employee Contributions	182,580	182,580	
4. Net Normal Cost (1 + 2 - 3) as of 7/1/2018	285,235	343,564	\$58,329
5. Accrued Liability:			
i. Active Employees	10,302,933	11,084,963	782,030
ii. Inactive Employees	730,238	783,575	53,337
iii. Retired Participants (includes DROP)	11,618,922	12,142,179	523,257
6. Total Accrued Liability	\$22,652,093	\$24,010,717	\$1,358,624
7. Valuation Assets - Smoothed Value	16,666,070	16,666,070	
8. Unfunded (overfunded) Accrued Liability (6 - 7)	5,986,024	7,344,647	\$1,358,624
9. Amortization of Unfunded (Overfunded) Accd. Liability*	535,733	620,577	\$84,844
10. Normal Cost plus Amortization as of 7/1/2018 (4 + 9)	820,967	964,141	\$143,174
11. Recommended Contribution for 2019-2020 to be paid 7/01/2019 (10 adjusted for time passage**)	\$891,894	\$1,036,817	\$144,924
12. Blended Recommended Contribution Blended: 1/3 (7.5%) + 2/3 (7.0%)	\$988,509		

* Initial EAN Base amortized over 20 years. Future (gains)/losses will be amortized over 10 years.

** 2019 adjustment takes into account the expected increases from unrecognized trust asset losses for 2019, plus normal cost increases assumed in the funding method.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

IV. ANNUAL VALUATION - JULY 1, 2018

b. Summary of Funding Bases

Summary of Funding Bases	Initial Base	Rem. Bal. -18	Min. Amort.	Rem. Yrs (at min)
Initial Base - 7/1/17	\$ 7,231,035	\$ 7,466,353	\$ 637,905	19
(Gain)/Loss/Amend/Changes - 2018	\$ (121,706)	\$ (121,706)	\$ (17,328)	10
Totals	\$ 7,109,329	\$ 7,344,647	\$ 620,577	

Funding Bases shown at 7.0% only.

If remaining balance is greater than the initial base, then negative amortization has occurred.

- this is an expected result based on the phasing in of the 7.0% discount assumption.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

IV. ANNUAL VALUATION - JULY 1, 2018

b. GASB Statement 67 and FASB
Statement 35/36 Information

I. ACCRUED ACTUARIAL LIABILITY (7.0%)

a. Retirees/Benefic./Terminated	\$12,925,754
b. Current Employees	
I. EE Contr. & Intr.	2,736,335
II. ER Financed Vested	7,722,018
III. ER Financed Non-Vested	626,610
c. TOTALS	24,010,717
d. ASSETS - Market Value	16,313,268
e. FUNDED RATIO (7/1/2018)	67.94% - at 7.00%
f. FUNDED RATIO (7/1/2017)	65.32% - at 7.00%
<i>- These results will differ from the actual GASB disclosures, which are based on projected liabilities in order to ensure timely delivery.</i>	

II. PRESENT VALUE OF ACCRUED BENEFITS (PVAB)

a. Retirees/Benefic./Terminated	\$12,925,754
b. Current Employees	
I. EE Contr. & Intr.	2,736,335
II. ER Financed Vested	5,116,481
III. ER Financed Non-Vested	107,780
c. TOTALS	20,886,350
d. ASSETS - Market Value	16,313,268
e. FUNDED RATIO (7/1/2018)	78.10% - at 7.00%
f. FUNDED RATIO (7/1/2017)	73.66% - at 7.00%

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

V. HISTORY OF PLAN CONTRIBUTIONS AND LIABILITIES

Plan Year Beginning	Participants Act. - Other	Compensation	Accrued Liability	Market Value Assets	Unfunded Accrued Liability**	Recommended Contribution (***)	Actual Town Contribution
1/1/1990	28	3	\$1,028,594	\$1,897,742	\$1,570,259	\$105,873 (10.29%)	\$120,889
7/1/1995	34	6	1,603,088	4,116,224	3,468,628	209,628 (13.08%)	209,628
7/1/2000	36	13	1,768,798	6,912,642	(531,756)	102,234 (5.78%)	150,000
7/1/2005	42	16	2,637,458	9,515,132	751,881	214,000 (8.11%)	213,647
7/1/2010	46	23	3,579,566	12,755,035	2,857,194	460,540 (12.87%)	472,764
7/1/2014	40	28	3,393,213	16,582,292	2,885,760	615,427 (18.14%)	615,427
7/1/2015	43	30	3,793,179	18,056,413	3,996,976	586,601 (15.46%)	586,601
7/1/2016	43	32	3,809,065	19,153,240	5,566,712	685,944 (18.01%)	685,944
7/1/2017	42	32	3,888,389	23,082,423	8,004,304	814,974 (20.96%)	814,974
7/1/2018	39	35	3,658,639	24,010,717	7,697,449	974,971 (26.65%)	

* Compensation shown is expected for the twelve months following the valuation date for active members only.

**Based on Market Value, not Valuation Assets.

*** Figures in parenthesis are Recommended Contribution as a percentage of compensation. Recommended Contribution is based on prior year's valuation rolled forward, not on current valuation. The 2018 valuation produced a Recommended Contribution of \$988,509 for the 2019-2020 plan

**** Beginning 7/1/2017 the actuarial liability is calculated at a 7.0% interest rate.

TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL

VI. PARTICIPANT DATA RECONCILIATION

The total number of active plan participants as of the current valuation date is reconciled with the total number as of the prior valuation date as follows:

	<u>Police Personnel</u>
Number of Active Participants as of July 1, 2017:*	42
Decreases:	
Non-Vested Terminations:	0
Vested Terminations:	0
Retirements (DROP Actives):	(3)
Deaths, Withdrawals:	<u>0</u>
Total Increases/(Decreases):	(3)
New Entrants during 2017-2018:	<u>0</u>
Net Change:	(3)
Number of Active Participants as of July 1, 2018:*	39
Also as of July 1, 2018:	
Total Vested Terminated (incl. refunds due):	4
Total Retired:**	<u>31</u>
TOTAL PARTICIPANTS:	74

* Active participants include members beyond their
Normal Retirement Dates.

** Includes Alternate Payee, Beneficiaries and DROP participants.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

APPENDIX APENSION TRUST SUMMARY

PLAN SPONSOR: Town of Newtown
 EFFECTIVE DATE: July 1, 1965
 ANNIVERSARY DATE: July 1 of each year.
 VALUATION DATE: July 1, 2018

DEFINITIONS

Compensation: Total compensation limited each year to 125% of base compensation.
 Final Average Compensation includes the participants highest 36 consecutive months.

Participation: Eligibility - Service: 6 Months
 Maximum Age: 60

The Plan was closed to new entrants as of May 5, 2015.

Entry Date: On the first day of the month following satisfaction of eligibility.

Service: Continuous employment with the Town.

Credited Service: Service used in the determination of plan benefits. Includes all service except:

- (1) Service in excess of 30 years.
- (2) Service after July 1, 1965 during which an employee could have made employee contributions but did not.
- (3) Service prior to July 1, 1965 if an employee did not elect to be covered on that date.

Normal Retirement Date: First of the month coinciding with or following the earlier of:

- (1) Age 60 with at least 10 years of continuous Credited Service.
- (2) 25 years of Service at any age.

Early Retirement Date: Anytime after completing 20 years of Service.

Normal Retirement Benefit: 2.25% of Final Average Compensation times years of Credited Service.

PENSION TRUST SUMMARY - Continued

Early Retirement Benefit:	Accrued Benefit reduced 6% for each year prior to Normal Retirement Date.
Normal Form of Benefit:	Modified Cash Refund Annuity.
Disability:	
Eligibility:	At least one year of service and unable to work in any occupation.
Benefit:	2.25% of base salary times years of Credited Service subject to a minimum of 25% of base salary and one of the following maximums: <ul style="list-style-type: none"> (1) Job related disability - 85% of base salary less any other Town funded disability benefits (Social Security, Worker's Compensation, etc.). (2) Non-job related disability - 50% of base salary.
Pre-Retirement Spouse's Benefit:	The following benefits are available to the spouse of an actively employed policeman who dies: <ul style="list-style-type: none"> (1) Death incurred in the line of duty - 50% of a Policeman's Normal Retirement Benefit, assuming salary and service would have continued to Normal Retirement Date. There is no age or service requirement for this benefit. The benefit stops when the spouse remarries or dies. (2) Death not incurred in the line of duty - Benefit is equal to the 50% Joint and Survivor Benefit that would have been available if the policeman had retired on his date of death. Participant must have been eligible for Early or Normal Retirement to qualify for this death benefit. The benefit stops when the spouse remarries or dies.
Death Benefits:	Return of Employee Contributions plus interest (active and terminated only).
Vesting:	100% vesting in Employer portion of Normal Retirement Benefit at the completion of 10 years of Credited Service.
Cost of Living Adjustment:	
Eligibility:	There are three (3) retired members of the plan who are eligible for and receive Cost of Living Adjustments. There is no Cost of Living Adjustment for any other currently active or currently retired member.
Benefits:	Annual cost of living increased will be provided to eligible retired policemen in an amount equal to the smaller of: <ul style="list-style-type: none"> (1) 50% of the rate of salary increase for new policemen (2) 3%

PENSION TRUST SUMMARY - Continued

- Special Buy Back: Special provision which allowed L. Carlson, M. Fekete, J. Mooney and H. Stormer to resume employee contributions and buy back past contributions plus 5½% interest.
- Military Buy Back: MERF B type of military service buyback which allowed for the buyback of military service during the Korean and Vietnam hostilities by contributing 2% of earnings for each such year of service. In addition, another MERF B type of military service buyback which allowed for the buyback of 75% of military service which took place outside of the Korean and Vietnam hostilities by contributing 2% of earnings for each such year of credited military service.
- Employee Contributions: 5% of Compensation for all members. Maximum contribution period is 30 years.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

APPENDIX BACTUARIAL ASSUMPTIONSFUNDING METHOD

Entry Age Normal Method – This method calculates an annual normal cost for each active employee, and adds an amortization of the unfunded accrued actuarial liability for all participants. The initial funding base was re-established as of July 1, 2017 (when the funding method was changed from Projected Unit Credit), and will be amortized over 20 years. Future changes in accrued liability due to experience gains or losses, changes in assumptions, and/or plan provisions will be amortized over 10 years.

For funding purposes, change in interest rate from 7.5% to 7.0% will be phased in over three years. July 1, 2018 is the second year of the phase in and thus the Actuarially Determined Contribution is based on 33.3% of the 7.5% valuation results and 66.7% of the 7.0% valuation results.

TRUST ASSET VALUATION METHOD

Valuation assets are calculated using a smoothing formula which recognizes variances from the assumed rate of return 20% per year. For 2015 and forward, each year's loss will be separately accounted for and recognized over five years.

<u>INTEREST ASSUMPTION</u>	Pre-Retirement:	7.0% Compounded Annually
	Post-Retirement:	7.0% Compounded Annually

MORTALITY ASSUMPTION RP-2014 Society of Actuaries Blue Collar Mortality Table, with future generational increases projected with the RP-2017 scale.

TURNOVER - Based on the closure of the plan to new entrants, and the historically low termination rates of veteran police officers, no turnover has been assumed starting with the July 1, 2017 valuation.

SALARY SCALE Salaries are assumed to increase at 3% per year starting one year after the Valuation Date. For the year following the Valuation Date we use the current base compensation increased by a factor that is based on the overtime percentage earned in the prior fiscal year.

RETIREMENT AGE Participants are assumed to retire at the later of their Normal Retirement Date, or age 50. If a participant is past the date as determined above, he is assumed to retire one year after the valuation date.

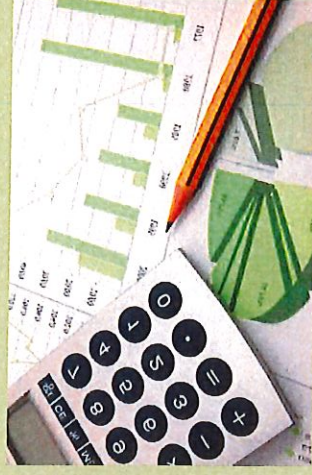
COLA -Assumed to be 1.5% annually when in force.

ESTIMATED EXPENSES - Direct expenses of the trust are assumed to be \$7,000.

ANNUAL BUDGET 2019 - 2020



TOWN OF NEWTOWN, CONNECTICUT



FIRST SELECTMAN'S PROPOSED

JANUARY 22, 2019

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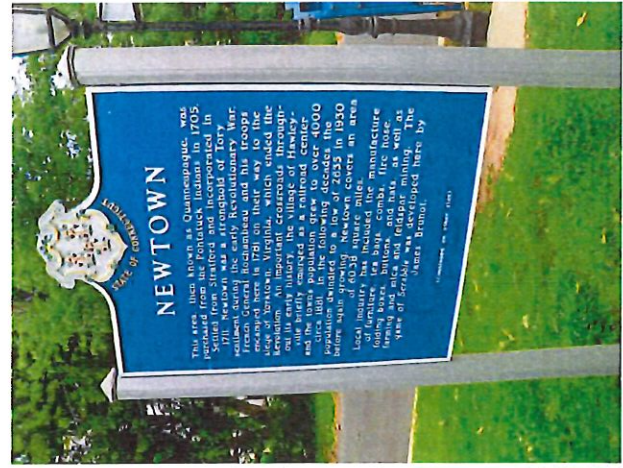
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Fire apparatus list

Public works equipment list

FIRST SELECTMAN PROPOSED BUDGET PRESENTATION

2019 - 2020



TOWN OF NEWTOWN

TOWN ORGANIZATIONAL VALUES

The Town of Newtown is dedicated to providing quality services in a cost effective manner. This commitment to quality depends upon a dedicated partnership between residents, elected officials and the employees of the Town. The Town of Newtown has expectations and values shared by all to ensure organizational excellence and quality service. They are:

- Getting close to our residents and businesses (customers)
- Committing to the highest ideals of professionalism and integrity
- Improving relations among all employees
- Use of technology to gain efficiencies
- Committing to long range planning

MAJOR PUBLIC POLICIES

Newtown must continually position itself to meet the challenges that lie ahead.
The public policies below form the basis of public actions.

- Newtown must be a safe and secure place in which to live and do business.
- Newtown must be a community that actively supports and promotes recreational, cultural, and social opportunities for all citizens.
- Newtown's infrastructure and physical appearance must be the best it can be. This includes roads, sidewalks, and other parts of the rights of way in residential and commercial areas and the strict enforcement of public safety, zoning, housing, environmental and health codes to prevent the appearance of neglect or unsafe conditions.
- Newtown must provide superior customer service. The Town will commit itself to continuous improvement to achieve this.
- Newtown will incorporate the market forces of competition while being mindful of the need to maintain public accountability.

Budget Goals and Priorities

- *Keeping the budget increase as low as possible; while preserving same services; while increasing the capital road account by \$250,000.
- *Phase 2 (out of 3) of the new pension actuarial calculation method (best practice) and reduction of the pension discount rate from 7.5% to 7.0% as recommended by the Pension Committee.
- *The creation of a Director of Human / Senior Services position combining the Director of Social Services, Director of Senior Services and Director of Community Wellness into one role. This should streamline and , more importantly, enhance our delivery of services in this key area for our community.
- *Delivering salary enhancements to positions that are compensated below average industry comparable to retain key staff and maintain continuity of leadership.
- Difficulty in addressing capital replacement needs puts a finer point on need to plan and build capital non-recurring through lower reliance on debt and corresponding debt service.

Right to the Point

- FIRST SELECTMAN 2019-20 PROPOSED BUDGET INCREASE (TO 2018-19 ADOPTED) = 2.9%.
- WITHOUT THE \$250,000 PROPOSED INCREASE IN CAPITAL ROADS THE PROPOSED BUDGET INCREASE WOULD BE 2.3%.
- WITHOUT ALL PROPOSED CAPITAL INCREASES THE PROPOSED BUDGET INCREASE WOULD BE 2.16%.

First Selectman 2019 – 2020 Proposed Budget

Category	2018 – 2019 Adopted	2019 - 2020 Proposed	Increase (Decrease)	Percent Change
*WAGES & SALARIES	\$12,467,487	\$12,768,293	\$300,806	2.4%
*FRINGE BENEFITS	\$5,849,896	\$6,026,891	\$176,995	3.0%
INSURANCE	\$1,120,500	\$1,120,500	\$-0-	-0-%
OPERATING EXPENSES	\$7,362,745	\$7,410,649	\$47,904	0.7%
*CAPITAL	\$2,762,582	\$3,090,455	\$327,873	11.6%
*CONTINGENCY	\$120,000	\$140,000	\$20,000	16.7%
*OUTSIDE AGENCIES	\$2,393,392	\$2,468,936	\$75,544	3.2%
*DEBT SERVICE	\$8,990,368	\$9,249,118	\$258,750	2.9%
TOTAL BUDGET	\$41,066,970	\$42,274,842	\$1,207,872	2.9%

* Detail attached

BUDGET INCREASE WITH OUT
CAPITAL ROAD INCREASE OF
\$250,000



2.3%

Budget Increase Breakdown (ROUNDED)

Wages & Salaries 2.4% \$301,000

General wage increase (2.25%)	\$103,000
General wage increase (2.50%) (police & P & R)	\$121,000
Overtime	\$ 14,000
Police salary steps (5)	\$ 26,000
*Staff changes	\$ (25,000)
*Salary enhancements	\$ 22,000
Borough extra work – land use (paid by Borough)	\$ 15,000
Other	\$ 25,000
TOTAL	\$301,000

* Detail attached.

Budget Increase Breakdown (ROUNDED)

Fringe Benefits	3.0%	\$177,000
-----------------	------	-----------

Pension Contribution (interest rate & actuarial funding method change) (includes 401a plan)		\$154,000
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Medical Self Insurance (-0-% based on claims experience)		\$-0-
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Social Security Contributions		\$ 23,000
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TOTAL		\$177,000
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Budget Increase Breakdown (ROUNDED)

Capital	11.6%	\$328,000
Highway – Road Improvements		\$250,000
Transfer to capital non-recurring		33,000
Other Department Capital:		
Fire		21,000
Highway		(21,000)
Transfer Station		5,000
Public Building Maintenance		26,000
Parks & Recreation		7,000
Other		2,000
TOTAL		328,000

Budget Increase Breakdown

Contingency

16.7%

\$20,000

In 2018-19 to attain the goal of achieving the smallest possible budget increase request, while at the same time increasing the roads account by \$250,000, it was decided to reduce the contingency account from \$200,000 (adopted) to \$120,000.

An appropriate amount was budgeted in the winter maintenance department and the Registrars. Typically these departments have requested transfers from contingency.

Contingency has been increased by \$20,000 in this request

Budget Increase Breakdown (ROUNDED)

Agencies	3.2%	\$76,000
----------	------	----------

Library		30,000
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Edmond Town Hall		28,000
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Health District		5,000
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Other Agencies		13,000
----------------	--	--------

TOTAL		\$76,000
-------	--	----------

Budget Increase Breakdown (ROUNDED)

Debt Service	2.9%	\$259,000
Current debt service schedule decreases by		(334,000)
Planned new bonding in February/March 2019-20 estimated debt service		843,000
Available debt service funds to be applied to interest		(250,000)
TOTAL		\$259,000

Major Staffing Changes

Human / Social Services:

Director of Human / Social Services	\$80,000
Replaces – Director of Social Services	(60,233)
Director of Community Wellness	(67,958)
Senior Services Director	(58,907)
Senior Services Professional	43,000
Senior Services Program Coordinator (30%)	12,900
Social Services Coordinator	<u>45,000</u>
	(\$9,198)

Public Works:

Assistant Town Engineer	\$75,000
Deputy PW Director / Assistant Town Engineer	<u>(90,725)</u>
	(\$15,725)

Salary Enhancements

<u>DEPT/POSITION</u>	<u>AMOUNT</u>	<u>JUSTIFICATION</u>
<u>Information Technology</u>		
Director	\$10,000	Reflects responsibility (2 of 2)
(3) IT positions (shared)	\$ 7,000	Bring closer to market value
<u>Fire</u>		
Fire Marshal	\$2,500	Bring closer to market value
<u>Grants Administration</u>		
EDC / FHA Coordinator	\$2,344	Bring closer to market value
TOTAL	\$21,844	

Changes in Budget by Function – Compared to 2018-19 Adopted

Function	First Selectman Proposed 2019-20	\$ Increase -Decrease	% Increase -Decrease
Public Works	10,780,841	402,148	4.1%
Public Safety	10,564,076	175,861	1.7%
Debt Service	9,249,118	258,750	2.9%
General Government	4,790,653	152,514	3.3%
Recreation & Leisure	3,895,429	87,121	2.4%
Health & Welfare	1,548,832	333	0.0%
Planning	876,382	50,529	6.1%
Other Uses	429,511	60,616	16.4%
Contingency	140,000	20,000	16.7%
TOTAL	42,274,842	1,207,872	2.9%

TOWN OF NEWTOWN									
DEPARTMENT REQUEST VS FIRST SELECTMAN PROPOSED 2019 - 2020 BUDGET									
	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference		COMMENTS
					DEPARTMENT REQUEST	1st SELECTMAN PROPOSED			
SELECTMEN									
SALARIES & WAGES - FULL TIME	154,374	163,244	170,843	170,843	174,420	174,420	-		
GROUP INSURANCE	23,124	23,127	21,526	21,526	22,132	22,132	0		
SOCIAL SECURITY CONTRIBUTIONS	12,002	12,267	13,069	13,069	13,343	13,343	-		
RETIREMENT CONTRIBUTIONS	9,421	10,074	11,746	11,746	13,157	13,157	(0)		
TOWN HALL O.T./ED./LONGEVITY	7,646	7,717	8,000	8,000	8,000	8,000	-		
PROF SVS - LEGAL	204,944	220,422	200,000	200,000	200,000	200,000	-		
DUES, TRAVEL & EDUCATION	3,000	1,140	2,000	2,000	2,000	2,000	-		
OFFICE SUPPLIES	2,658	2,317	2,500	2,500	2,500	2,500	-		
OTHER EXPENDITURES	4,000	4,000	4,000	4,000	4,000	4,000	-		
	421,169	444,309	433,684	433,684	439,553	439,553	0		
SELECTMEN - OTHER									
SOCIAL SECURITY CONTRIBUTIONS	3,169	3,325	3,500	3,500	3,500	3,500	-		
REPAIR & MAINTENANCE SERVICES	1,281	1,669	2,000	2,000	2,000	2,000	-		
COPIER LEASING	40,735	41,516	45,000	45,000	45,000	45,000	-		
POSTAGE	48,307	50,520	50,000	50,000	50,000	50,000	-		
ADVERTISING	13,342	19,631	18,000	18,000	18,000	18,000	-		
MEETING CLERKS	48,000	48,923	50,000	50,000	50,000	50,000	-		
	154,834	165,584	168,500	168,500	168,500	168,500	-		
HUMAN RESOURCES									
SALARIES & WAGES - FULL TIME	62,926	70,341	71,925	71,925	73,543	73,543	-		
GROUP INSURANCE	18,244	18,162	16,806	16,806	16,700	16,700	(0)		
SOCIAL SECURITY CONTRIBUTIONS	4,578	5,019	5,502	5,502	5,626	5,626	-		
RETIREMENT CONTRIBUTIONS	7,237	3,422	3,596	3,596	3,677	3,677	-		
PROF SVS - OFFICIAL /	15,345	15,915	17,500	17,500	10,000	10,000	-		
PROF SVS - PROFESSIONAL	4,455	-	-	-	-	-	-		
DUES, TRAVEL & EDUCATION	-	-	2,000	2,000	2,000	2,000	-		
	112,785	112,860	115,330	115,330	111,546	111,546	-		

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET			
					DEPARTMENT	1st SELECTMAN	Difference	COMMENTS
					REQUEST	PROPOSED		
TAX COLLECTOR								
SALARIES & WAGES - FULL TIME	207,223	215,380	225,340	214,180	228,952	228,952	-	
SALARIES & WAGES - PART TIME	13,582	12,500	12,500	12,500	12,500	12,500	-	
SALARIES & WAGES - SEASONAL	4,947	4,514	5,000	5,000	5,000	5,000	-	
SALARIES & WAGES - OVER TIME	3,000	2,990	3,000	3,000	3,000	3,000	-	
GROUP INSURANCE	91,072	91,355	84,830	84,830	84,184	84,184	(0)	
SOCIAL SECURITY CONTRIBUTIONS	17,039	16,555	18,807	18,807	19,083	19,083	-	
RETIREMENT CONTRIBUTIONS	13,637	14,466	18,762	18,762	23,111	23,111	(0)	
DUES, TRAVEL & EDUCATION	255	900	750	750	1,000	1,000	-	
OFFICE SUPPLIES	4,498	4,818	5,000	5,000	4,750	4,750	-	
	355,253	363,478	373,989	363,645	381,580	381,580		
PURCHASING								
SALARIES & WAGES - FULL TIME	-	-	44,385	31,885	45,384	45,384	-	
GROUP INSURANCE	-	-	-	-	22,676	22,676	-	
SOCIAL SECURITY CONTRIBUTIONS	-	-	3,395	3,395	3,472	3,472	-	
RETIREMENT CONTRIBUTIONS	-	-	2,219	2,219	2,269	2,269	-	
DUES, TRAVEL & EDUCATION	-	-	-	-	500	500	-	
	-	-	50,000	37,500	74,301	74,301	-	
PROBATE COURT								
PROF SVS - OFFICIAL /	5,864	6,279	7,543	7,543	7,543	7,543	-	
	5,864	6,279	7,543	7,543	7,543	7,543	-	
TOWN CLERK								
SALARIES & WAGES - FULL TIME	184,192	187,320	192,289	192,006	196,326	196,326	-	
GROUP INSURANCE	67,938	67,943	63,018	63,018	62,628	62,628	(0)	
SOCIAL SECURITY CONTRIBUTIONS	13,896	13,895	14,710	14,710	15,019	15,019	-	
RETIREMENT CONTRIBUTIONS	11,318	11,923	14,236	14,236	16,623	16,623	(0)	
PROF SVS - OFFICIAL /	146	152	500	500	500	500	-	
PRINTING, BINDING & MICROFILMING	28,725	30,000	25,000	25,000	25,000	25,000	-	
DUES, TRAVEL & EDUCATION	2,500	2,324	2,500	2,500	2,500	2,500	-	
OFFICE SUPPLIES	3,714	3,424	3,500	3,500	3,500	3,500	-	
	312,429	316,981	315,753	315,470	322,096	322,096	1	

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference	COMMENTS
					DEPARTMENT 1st SELECTMAN REQUEST	PROPOSED		
REGISTRARS								
SALARIES & WAGES - FULL TIME	63,955	65,394	66,865	66,865	68,370	68,370	0	
SALARIES & WAGES - PART TIME	14,882	19,785	19,000	19,000	20,000	20,000	-	
SOCIAL SECURITY CONTRIBUTIONS	6,288	6,916	6,569	6,569	6,760	6,760	0	
PROF SVS - ELECTION	47,268	44,500	60,000	60,000	65,000	65,000	-	
REPAIR & MAINTENANCE SERVICES	2,000	1,999	2,100	2,100	2,100	2,100	-	
DUES,TRAVEL & EDUCATION	6,297	2,880	3,500	3,500	3,500	3,500	-	
OFFICE SUPPLIES	1,965	1,513	2,000	2,000	2,000	2,000	-	
	142,655	142,986	160,034	160,034	167,730	167,730	(0)	
ASSESSOR								
SALARIES & WAGES - FULL TIME	167,235	214,183	221,838	221,481	226,465	226,465	-	
SALARIES & WAGES - PART TIME	21,717	-	-	-	-	-	-	
SALARIES & WAGES - OVERTIME	1,502	2,706	4,000	4,000	4,000	4,000	-	
GROUP INSURANCE	50,194	50,203	47,234	47,234	47,096	47,096	0	
SOCIAL SECURITY CONTRIBUTIONS	14,310	16,078	17,277	17,277	17,631	17,631	-	
RETIREMENT CONTRIBUTIONS	13,178	13,979	14,691	14,691	22,860	22,860	(0)	
OTHER EMPLOYEE BENEFITS	50	75	150	150	150	150	-	
PROF SVS - AUDIT	3,500	-	3,000	3,000	3,000	3,000	-	
DUES,TRAVEL & EDUCATION	3,077	3,236	3,500	3,500	3,500	3,500	-	
OFFICE SUPPLIES	3,092	3,440	4,000	4,000	4,000	4,000	-	
	277,855	303,899	315,690	315,333	328,701	328,701	0	
FINANCE								
SALARIES & WAGES - FULL TIME	349,021	357,084	365,118	364,819	373,027	373,027	-	
GROUP INSURANCE	91,417	91,479	84,555	84,555	84,595	84,595	(0)	
SOCIAL SECURITY CONTRIBUTIONS	24,488	25,414	27,932	27,932	28,537	28,537	-	
RETIREMENT CONTRIBUTIONS	33,451	33,439	40,401	40,401	47,654	47,654	0	
DUES,TRAVEL & EDUCATION	3,241	3,282	3,375	3,375	3,375	3,375	-	
OFFICE SUPPLIES	4,803	4,548	5,000	5,000	5,000	5,000	-	
OTHER EXPENDITURES	1,488	1,243	1,700	1,700	1,700	1,700	-	
	507,909	516,488	528,080	527,781	543,888	543,888	0	

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference	COMMENTS
					DEPARTMENT 1st SELECTMAN REQUEST	PROPOSED		
TECHNOLOGY DEPARTMENT								
SALARIES & WAGES - FULL TIME	252,807	280,484	296,968	296,705	313,193	313,193	-	
GROUP INSURANCE	59,008	59,016	56,000	56,000	55,693	55,693	(0)	
SOCIAL SECURITY CONTRIBUTIONS	18,884	20,429	22,718	22,718	23,959	23,959	-	
RETIREMENT CONTRIBUTIONS	15,062	15,335	18,076	18,076	21,556	21,556	(0)	
FEES & PROFESSIONAL SERVICES	22,267	24,491	37,000	87,563	32,000	32,000	-	
SOFTWARE/HARDWARE	177,727	180,409	225,500	266,937	282,125	282,125	-	
DUES/TRAVEL & EDUCATION	8,421	3,804	9,000	9,000	10,000	10,000	-	
OFFICE SUPPLIES	12,095	10,952	10,000	10,000	12,000	12,000	-	
EQUIPMENT - TECHNOLOGY	15,964	29,988	52,000	20,000	65,000	55,000	(10,000)	Reduce replacement PCs to prior year amount
	582,235	624,888	727,261	786,298	815,526	805,526	(10,000)	
UNEMPLOYMENT								
UNEMPLOYMENT COMPENSATION	26,401	27,746	10,000	10,000	10,000	10,000	-	
	26,401	27,746	10,000	10,000	10,000	10,000	-	
OPEB CONTRIBUTION								
GROUP INSURANCE	85,531	85,531	79,116	79,116	78,531	78,531	(0)	
OTHER POST EMPLOYMENT	100,000	100,000	100,000	100,000	100,000	100,000	-	
	185,531	185,531	179,116	179,116	178,531	178,531	(0)	
PROFESSIONAL ORGANIZATIONS								
OTHER EXPENDITURES	34,744	37,702	40,658	40,658	40,658	40,658	-	
	34,744	37,702	40,658	40,658	40,658	40,658	-	
INSURANCE								
INSURANCE, OTHER THAN	1,079,827	1,103,581	1,100,500	1,100,500	1,100,500	1,100,500	-	
OTHER EXPENDITURES	19,832	14,889	10,000	10,000	10,000	10,000	-	
	1,099,659	1,118,470	1,110,500	1,110,500	1,110,500	1,110,500	-	
LEGISLATIVE COUNCIL								
PROF SVS - AUDIT	47,690	45,000	45,000	45,000	45,000	45,000	-	
	47,690	45,000	45,000	45,000	45,000	45,000	-	

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference	COMMENTS
					REQUEST	PROPOSED		
DISTRICT CONTRIBUTIONS								
OTHER EXPENDITURES - HATTERTOWN	-	3,500	-	-	-	-	-	
OTHER EXPENDITURES - HAWLEYVILLE	-	-	-	-	-	-	-	
OTHER EXPENDITURES - SANDY HOOK	8,000	2,315	10,000	10,000	10,000	10,000	-	
	8,000	5,815	10,000	10,000	10,000	10,000	-	
SUSTAINABLE ENERGY COMM								
OTHER EXPENDITURES	-	-	1,000	1,000	1,000	1,000	-	
FAIRFIELD HILLS AUTHORITY								
SALARIES & WAGES - PART TIME	-	-	-	-	-	-	-	
GROUP INSURANCE	-	-	-	-	-	-	-	
FEES & PROFESSIONAL SERVICES	-	44,000	-	-	-	-	-	
REPAIR & MAINTENANCE SERVICES	-	-	4,000	4,000	139,000	4,000	(135,000)	Safety measures at Fairfield Hills will be handled in capital & nobn-recurring
CONTRACTUAL SERVICES	-	-	40,000	40,000	-	40,000	40,000	Keep Fairfield Hills mowing contract in Fairfield Hills budget
GENERAL SUPPLIES	-	-	-	-	-	-	-	
	-	44,000	44,000	44,000	139,000	44,000	(95,000)	

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	DEPARTMENT REQUEST	DEPARTMENT 1st SELECTMAN PROPOSED	
EMERGENCY COMMUNICATIONS							
SALARIES & WAGES - FULL TIME	547,750	557,191	570,672	570,672	582,896	582,896	-
SALARIES & WAGES - OVERTIME	57,975	88,349	90,000	90,000	90,000	90,000	-
GROUP INSURANCE	112,978	112,908	107,233	107,233	106,670	106,670	0
SOCIAL SECURITY CONTRIBUTIONS	42,974	50,690	50,541	50,541	51,477	51,477	-
RETIREMENT CONTRIBUTIONS	35,125	38,485	43,504	43,504	50,661	50,661	(0)
OTHER EMPLOYEE BENEFITS	-	956	2,000	2,000	2,000	2,000	-
REPAIR & MAINTENANCE SERVICES	35,158	35,158	35,000	35,000	35,000	35,000	-
RENTAL OF EQUIPMENT	194,077	200,742	206,648	206,648	207,385	207,385	-
OTHER PURCHASED SERVICES	1,605	1,329	3,000	3,000	3,000	3,000	-
DUES TRAVEL & EDUCATION	3,239	5,818	7,000	7,000	7,000	7,000	-
OFFICE SUPPLIES	415	500	500	500	500	500	-
CAPITAL	-	-	-	-	-	-	-
	1,031,296	1,092,125	1,116,098	1,116,098	1,136,588	1,136,588	0
POLICE							
SALARIES & WAGES - FULL TIME	3,747,390	3,927,003	4,077,327	4,077,327	4,175,713	4,175,713	-
SALARIES & WAGES - PART TIME	-	-	-	-	-	-	-
SALARIES & WAGES - SEASONAL	19,974	18,084	22,250	22,250	22,250	22,250	-
SALARIES & WAGES - TEMPORARY	283,376	-	-	-	-	-	-
SALARIES & WAGES - OVERTIME	176,211	153,324	151,500	151,500	163,400	158,400	(5,000) Reduction leaves a \$12,000 increase
GROUP INSURANCE	914,458	914,746	859,054	859,054	852,379	852,379	0
SOCIAL SECURITY CONTRIBUTIONS	316,563	305,929	325,207	325,207	333,262	333,262	(0)
RETIREMENT CONTRIBUTIONS	714,397	850,368	1,004,075	1,004,075	1,032,126	1,032,126	(0)
OTHER EMPLOYEE BENEFITS	58,785	50,996	70,050	70,050	73,850	73,850	-
SOFTWARE/HARDWARE	110,226	108,014	110,980	81,480	74,446	74,446	-
OTHER PURCHASED SERVICES	17,400	12,035	18,700	18,700	22,000	22,000	-
CONTRACTUAL SERVICES	73,314	17,623	37,475	44,975	37,475	37,475	-
DUES TRAVEL & EDUCATION	51,094	36,926	55,450	67,450	56,850	56,850	-
OFFICE SUPPLIES	5,960	5,550	6,000	6,000	6,000	6,000	-
MACHINERY & EQUIPMENT - VEHICLES	112,499	114,000	121,500	121,500	126,654	126,654	-
POLICE EQUIPMENT	36,400	26,027	32,050	42,050	32,600	32,600	-
CAPITAL	30,000	-	-	-	62,800	-	(62,800) Take out pick up. Take out traffic calming - seek grant or other sources.
OTHER EXPENDITURES	5,498	4,629	6,050	6,050	6,700	6,700	-
	6,673,545	6,545,252	6,897,669	6,897,669	7,078,505	7,010,705	(67,800)

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	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET DEPARTMENT 1st SELECTMAN		Difference	COMMENTS
					REQUEST	PROPOSED		
FIRE								
SALARIES & WAGES - FULL TIME	149,078	167,249	173,888	175,784	189,739	182,239	(7,500)	Adjusted Fire Marshall additional wage increase
SALARIES & WAGES - PART TIME	34,859	18,618	20,437	20,437	20,897	20,897	-	
GROUP INSURANCE	28,362	28,622	26,612	26,612	26,639	26,639	(0)	
SOCIAL SECURITY CONTRIBUTIONS	13,140	14,130	14,866	14,866	15,540	15,540	(0)	
RETIREMENT CONTRIBUTIONS	10,392	11,035	14,478	14,478	18,396	18,396	(0)	
OTHER EMPLOYEE BENEFITS	260,228	303,898	284,400	284,400	308,000	308,000	-	
PROF SVS - OFFICIAL /	12,426	13,141	16,400	19,400	16,400	16,400	-	
WATER/SEWER	2,612	3,127	3,000	3,000	3,000	3,000	-	
HYDRANTS	65,297	74,559	80,000	80,000	78,600	78,600	-	
REPAIR & MAINTENANCE SERVICES	55,353	65,522	44,769	44,769	48,305	48,305	-	
RADIO & PAGER SERVICE	20,084	17,988	15,540	17,540	32,140	17,140	(15,000)	Reduce to reflect prior experience
TRUCK REPAIR	44,806	73,201	94,575	92,575	83,300	83,300	-	
INSURANCE, OTHER THAN	64,400	58,460	60,800	60,800	52,200	52,200	-	
DUES, TRAVEL & EDUCATION	69,009	60,355	66,500	66,500	71,500	71,500	-	
OFFICE SUPPLIES	1,313	1,311	1,500	1,500	1,400	1,400	-	
ENERGY - NATURAL GAS	16,541	15,013	17,500	17,500	16,000	16,000	-	
ENERGY - ELECTRICITY	59,015	61,563	52,800	52,800	62,200	62,200	-	
ENERGY - BOTTLED GAS	6,781	6,797	6,800	6,800	7,000	7,000	-	
ENERGY - OIL	13,100	18,481	35,000	30,000	19,000	19,000	-	
FIRE EQUIPMENT	34,033	36,929	39,469	39,469	53,898	53,898	-	
CAPITAL	114,229	139,153	144,418	144,418	150,973	150,973	-	
CONTRIBUTIONS TO FIRE	145,000	145,000	145,000	145,000	145,000	145,000	-	
	1,220,058	1,334,151	1,358,752	1,358,648	1,420,127	1,397,627	(22,500)	
EMERGENCY MGT/N.U.S.A.R.								
SALARIES & WAGES - PART TIME	12,531	12,595	12,925	12,925	14,925	14,925	-	
SOCIAL SECURITY CONTRIBUTIONS	710	801	989	989	1,142	1,142	-	
PROF SVS - OFFICIAL /	4,764	1,973	7,505	7,505	7,505	7,505	-	
CONTRACTUAL SERVICES	20,141	18,328	28,080	28,080	36,950	25,000	(11,950)	Reduced to reflect prior experience.
DUES, TRAVEL & EDUCATION	2,332	1,140	4,200	4,200	5,500	5,500	-	
OFFICE SUPPLIES	2,012	406	1,500	1,500	2,000	2,000	-	
ENERGY - ELECTRICITY	3,334	3,174	3,500	3,500	3,500	3,500	-	
ENERGY - OIL	1,130	1,750	1,120	1,120	2,000	2,000	-	
CAPITAL	8,665	2,182	11,015	11,015	15,406	-	(15,406)	remotely operated vehicle taken out
	55,619	42,348	70,834	70,834	88,928	61,572	(27,356)	

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		
					DEPARTMENT 1st REQUEST	DEPARTMENT 1st SELECTMAN PROPOSED	Difference
							COMMENTS
LAKE AUTHORITIES							
OTHER PURCHASED SERVICES	45,965	45,477	44,670	44,670	45,776	45,776	-
	45,965	45,477	44,670	44,670	45,776	45,776	-
N.W. SAFETY COMMUNICATION							
OTHER PURCHASED SERVICES	10,839	11,140	11,140	11,140	11,363	11,363	(0)
EMERGENCY MEDICAL SERVICES							
OTHER PURCHASED SERVICES	270,000	270,000	270,000	270,000	270,000	270,000	-
	270,000	270,000	270,000	270,000	270,000	270,000	-
NW CONNECTICUT EMS COUNCIL							
OTHER PURCHASED SERVICES	-	-	250	250	250	250	-
BUILDING DEPARTMENT							
SALARIES & WAGES - FULL TIME	273,216	288,404	294,898	294,404	306,014	306,014	-
GROUP INSURANCE	106,157	106,216	98,557	98,557	97,986	97,986	0
SOCIAL SECURITY CONTRIBUTIONS	20,003	21,113	22,560	22,560	23,410	23,410	-
RETIREMENT CONTRIBUTIONS	18,101	18,931	24,554	24,554	30,890	30,890	(0)
OTHER EMPLOYEE BENEFITS	888	968	1,000	1,000	1,000	1,000	-
PROF SVS - OTHER	210	-	500	500	500	500	-
DUES, TRAVEL & EDUCATION	810	1,015	1,000	1,000	1,200	1,200	-
OFFICE SUPPLIES	3,149	2,750	3,000	3,000	3,000	3,000	-
	422,534	439,397	446,069	445,575	464,000	464,000	(0)

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference	COMMENTS
					DEPARTMENT	1st SELECTMAN		
					REQUEST	PROPOSED		
HIGHWAY								
SALARIES & WAGES - FULL TIME	2,405,540	2,447,783	2,568,215	2,549,014	2,624,336	2,624,336	-	
SALARIES & WAGES - OVERTIME	30,381	35,893	45,000	45,000	45,000	45,000	-	
GROUP INSURANCE	709,327	709,871	659,661	659,661	653,185	653,185	(0)	
SOCIAL SECURITY CONTRIBUTIONS	184,934	188,980	199,911	199,911	204,204	204,204	-	
RETIREMENT CONTRIBUTIONS	155,027	164,357	213,169	213,169	253,208	253,208	(0)	
OTHER EMPLOYEE BENEFITS	46,644	46,332	47,730	47,730	49,957	49,957	-	
FEES & PROFESSIONAL SERVICES	14,100	15,000	15,000	15,000	15,000	15,000	-	
REPAIR & MAINTENANCE SERVICES	482,414	464,167	492,750	492,750	502,600	502,600	-	
CONTRACTUAL SERVICES	647,691	649,081	650,000	650,000	650,000	650,000	-	
DUES, TRAVEL & EDUCATION	2,795	4,835	4,000	4,000	4,000	4,000	-	
OFFICE SUPPLIES	2,083	3,000	2,000	2,000	2,000	2,000	-	
ENERGY - GASOLINE	240,015	264,039	281,200	281,200	282,800	282,800	-	
STREET LIGHTS	42,399	43,867	45,000	45,000	45,000	45,000	-	
CONSTRUCTION SUPPLIES	23,383	23,754	25,000	25,000	25,000	25,000	-	
STREET SIGNS	14,000	14,006	14,000	14,000	14,000	14,000	-	
DRAINAGE MATERIALS	100,000	99,870	100,000	100,000	100,000	100,000	-	
ROAD PATCHING MATERIALS	84,357	84,970	85,000	85,000	85,000	85,000	-	
ROAD IMPROVEMENTS - PUBLIC	1,497,849	1,320,286	1,750,000	1,750,000	2,000,000	2,000,000	-	
CAPITAL	197,050	155,850	183,950	183,950	598,050	163,050	(435,000)	took out medium duty dump truck (\$50,000); rail mower (\$135,000); \$210,000
	6,880,989	6,735,940	7,381,587	7,362,385	8,153,340	7,718,340	(435,000)	6 wheel dump truck to be funded over two years in cap non-recurring)
WINTER MAINTENANCE								
SALARIES & WAGES - OVERTIME	173,894	211,758	190,000	190,000	206,955	196,955	(10,000)	
SOCIAL SECURITY CONTRIBUTIONS	13,275	14,109	14,535	14,535	15,832	15,067	(765)	
CONTRACTUAL SERVICES	147,749	138,931	150,000	150,000	163,750	163,750	-	
SAND	58,804	70,186	70,000	70,000	70,670	70,670	-	
SALT	374,521	334,245	370,000	370,000	310,686	310,686	-	
MACHINERY & EQUIPMENT -	20,000	18,903	25,000	25,000	25,000	25,000	-	
	788,243	788,131	819,535	819,535	792,893	782,128	(10,765)	

TRANSFER STATION	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference	COMMENTS
					DEPARTMENT REQUEST	1st SELECTMAN PROPOSED		
SALARIES & WAGES - FULL TIME	164,436	175,318	179,367	179,367	183,402	183,402	-	
SALARIES & WAGES - OVERTIME	27,580	21,275	25,000	25,000	25,000	25,000	-	
GROUP INSURANCE	45,881	45,928	42,591	42,591	42,992	42,992	0	
SOCIAL SECURITY CONTRIBUTIONS	14,304	14,567	15,634	15,634	15,943	15,943	-	
RETIREMENT CONTRIBUTIONS	10,865	11,515	14,934	14,934	18,513	18,513	0	
OTHER EMPLOYEE BENEFITS	5,575	5,477	6,140	6,140	3,935	3,935	-	
REPAIR & MAINTENANCE SERVICES	1,576	730	1,500	1,500	1,500	1,500	-	
CONTRACTUAL SERVICES	1,111,187	1,145,909	1,150,000	1,150,000	1,250,000	1,250,000	-	
DUES, TRAVEL & EDUCATION	200	75	500	500	500	500	-	
GENERAL SUPPLIES	800	570	800	800	800	800	-	
ENERGY - ELECTRICITY	4,071	3,793	4,000	4,000	4,000	4,000	-	
CAPITAL	-	15,000	15,000	15,000	20,000	20,000	-	
	1,386,475	1,440,158	1,455,466	1,455,466	1,566,585	1,566,586	0	
PUBLIC BUILDING MAINTENANCE								
SALARIES & WAGES - FULL TIME	87,848	83,788	98,195	97,955	100,159	100,159	-	
SALARIES & WAGES - OVERTIME	10,469	10,369	12,000	12,000	12,000	12,000	-	
GROUP INSURANCE	49,753	49,729	46,120	46,120	45,825	45,825	(0)	
SOCIAL SECURITY CONTRIBUTIONS	7,249	6,949	8,430	8,430	8,580	8,580	-	
RETIREMENT CONTRIBUTIONS	5,948	6,304	8,176	8,176	10,110	10,110	0	
OTHER EMPLOYEE BENEFITS	568	614	650	650	650	650	-	
WATER / SEWERAGE	78,915	82,041	77,538	77,538	34,313	34,313	-	
REPAIR & MAINTENANCE SERVICES	38,984	33,468	34,806	34,806	31,300	31,300	-	
CONTRACTUAL SERVICES	119,000	108,464	99,100	99,100	112,800	112,800	-	
GENERAL MAINTENANCE SUPPLIES	8,787	6,142	4,600	4,600	3,380	3,380	-	
ENERGY - ELECTRICITY	226,328	214,936	217,777	217,777	207,675	207,675	-	
ENERGY - OIL	72,295	72,551	72,033	72,033	78,715	78,715	-	
CAPITAL	40,072	38,153	42,680	42,680	91,280	68,280	(23,000)	Municipal Center maintenance reduced by \$15,000. Self help on painting.
	746,216	713,508	722,105	721,865	736,787	713,787	(23,000)	Multi Purpose building renovations eliminated (\$8,000).

					2019 - 2020 BUDGET			
					DEPARTMENT REQUEST	1st SELECTMAN PROPOSED	Difference	
	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED				COMMENTS
SOCIAL SERVICES								
SALARIES & WAGES - FULL TIME	188,222	209,898	214,623	214,526	237,222	222,220	(15,002)	made some staffing changes
GROUP INSURANCE	79,193	66,927	41,076	41,076	40,800	20,800	(20,000)	medical insurance paid by VOCA grant
SOCIAL SECURITY CONTRIBUTIONS	16,382	17,558	16,419	16,419	18,148	17,000	(1,148)	
RETIREMENT CONTRIBUTIONS	10,987	16,606	14,567	14,567	16,962	13,157	(3,805)	
FEES & PROFESSIONAL SERVICES	3,000	2,146	6,000	6,000	6,000	6,000	-	
DUES,TRAVEL & EDUCATION	100	2,411	5,500	5,500	5,500	5,500	-	
OFFICE SUPPLIES	1,000	3,692	4,500	4,500	4,000	4,000	-	
CONTRIBUTIONS TO INDIVIDUALS	4,000	4,000	4,000	4,000	4,000	4,000	-	
OTHER EXPENDITURES	2,948	1,091	2,000	2,000	2,000	2,000	-	
	305,832	324,329	308,685	308,588	334,632	294,677	(39,954)	
SENIOR SERVICES								
SALARIES & WAGES - FULL TIME	92,511	97,506	100,632	98,217	125,360	92,900	(32,460)	made some staffing changes
SALARIES & WAGES - PART TIME	3,586	2,300	10,500	10,500	5,000	5,000	-	
GROUP INSURANCE	28,081	28,083	26,120	26,120	25,934	25,934	0	
SOCIAL SECURITY CONTRIBUTIONS	7,109	7,117	8,502	8,502	9,973	7,489	(2,483)	
RETIREMENT CONTRIBUTIONS	6,034	6,400	8,462	8,462	12,455	8,720	(3,735)	
SENIOR BUS CONTRACT	148,700	151,500	153,800	153,800	157,600	157,600	-	
DUES,TRAVEL & EDUCATION	426	193	1,050	1,050	1,200	1,200	-	
OFFICE SUPPLIES	1,000	1,357	1,500	1,500	1,500	1,500	-	
OTHER EXPENDITURES	37,265	35,429	40,000	42,326	46,500	46,500	-	
	324,712	329,883	350,566	350,477	385,522	346,844	(38,677)	
NEWTOWN HEALTH DISTRICT								
GROUP INSURANCE	104,500	104,482	96,904	96,904	95,828	95,828	(0)	
RETIREMENT CONTRIBUTIONS	17,659	18,051	22,897	22,897	27,189	27,173	(16)	
OTHER PURCHASED SERVICES	272,828	275,375	278,323	278,323	288,471	280,000	(8,471)	Adjust for Health District fund balance (adjust for other communities)
	394,987	397,908	398,124	398,124	411,488	403,001	(8,487)	
NEWTOWN YOUTH & FAMILY SVS								
GROUP INSURANCE	37,680	36,266	35,473	35,473	35,239	35,239	(0)	
CONTRIBUTIONS TO OUTSIDE	262,441	266,000	266,000	266,000	266,000	266,000	-	
	300,121	302,266	301,473	301,473	301,239	301,239	(0)	

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	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET	
					DEPARTMENT 1st SELECTMAN REQUEST	PROPOSED
ECONOMIC & COMMUNITY DEV						
SALARIES & WAGES - FULL TIME	49,852	71,308	73,007	73,007	74,650	74,650
GROUP INSURANCE	2,288	2,288	2,500	2,500	2,500	2,500
SOCIAL SECURITY CONTRIBUTIONS	3,814	5,374	5,585	5,585	5,711	5,711
RETIREMENT CONTRIBUTIONS	792	3,500	3,650	3,650	7,535	7,535
FEES & PROFESSIONAL SERVICES	13,730	31,454	30,000	30,000	70,331	40,331
DUES, TRAVEL & EDUCATION	1,650	1,650	2,000	2,000	2,000	2,000
OFFICE SUPPLIES	663	464	1,000	1,000	750	750
	72,789	116,039	117,742	117,742	163,476	133,477
						(30,000)
GRANTS ADMINISTRATION						
SALARIES & WAGES - FULL TIME	14,086	20,000	20,450	20,450	23,007	23,007
SOCIAL SECURITY CONTRIBUTIONS	899	1,420	1,564	1,564	1,760	1,760
RETIREMENT CONTRIBUTIONS	1,408	1,313	1,703	1,703	2,322	2,322
CONTRACTUAL SERVICES	-	-	-	-	-	-
	16,393	22,733	23,717	23,717	27,089	27,089
						(0)
NW CONSERVATION DISTRICT						
OTHER PURCHASED SERVICES	1,040	1,040	1,100	1,100	1,100	1,100
						-

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference
					DEPARTMENT REQUEST	1st SELECTMAN PROPOSED	
PARKS AND RECREATION							
SALARIES & WAGES - FULL TIME	846,878	906,181	970,616	965,256	993,556	993,556	-
SALARIES & WAGES - PART TIME	70,964	70,788	74,153	74,104	74,559	74,559	-
SALARIES & WAGES - SEASONAL	249,275	222,014	208,913	208,913	214,413	214,413	-
SALARIES & WAGES - OVERTIME	67,224	61,229	60,000	60,000	62,000	62,000	-
GROUP INSURANCE	302,767	302,520	281,143	281,143	279,345	279,345	(0)
SOCIAL SECURITY CONTRIBUTIONS	93,346	100,002	100,497	100,497	102,856	102,856	0
RETIREMENT CONTRIBUTIONS	63,446	61,018	75,373	75,373	88,402	88,402	0
OTHER EMPLOYEE BENEFITS	12,388	13,342	14,250	14,250	14,250	14,250	-
CONTRACTUAL SERVICES	285,837	283,949	286,940	286,940	281,760	280,260	(1,500)
DUES, TRAVEL & EDUCATION	8,641	10,205	10,975	10,975	10,975	10,975	-
GENERAL SUPPLIES	10,999	12,253	12,000	12,000	12,000	12,000	-
OFFICE SUPPLIES	2,388	2,557	4,000	4,000	4,000	4,000	-
SIGNS	6,579	6,223	7,000	7,000	7,000	7,000	-
POOL SUPPLIES	32,325	30,718	32,342	32,342	32,342	32,342	-
GENERAL MAINTENANCE SUPPLIES	33,262	31,999	39,225	39,225	39,225	39,225	-
GROUND MAINTENANCE	136,347	146,217	148,731	148,731	159,731	154,231	(5,500)
CAPITAL	168,712	135,634	126,000	126,000	300,500	147,500	(158,000)
	2,391,378	2,396,851	2,452,159	2,446,750	2,676,914	2,511,914	(165,000)
LIBRARY							
GROUP INSURANCE	1,034	1,686	2,000	2,000	2,000	2,000	-
RETIREMENT CONTRIBUTIONS	6,630	18,599	24,415	24,415	26,743	26,735	-
CONTRIBUTIONS TO OUTSIDE	1,271,333	1,315,123	1,325,834	1,325,834	1,373,380	1,353,380	(20,000)
	1,278,997	1,335,408	1,352,249	1,352,249	1,402,123	1,382,115	(20,008)
NEWTOWN CULTURAL ARTS COMM							
OTHER EXPENDITURES	2,497	2,500	2,500	2,500	2,500	-	(2,500)
							has a healthy fund
NEWTOWN PARADE COMMITTEE							
INSURANCE, OTHER THAN	1,298	1,298	1,400	1,400	1,400	1,400	-
CONTINGENCY							
CONTINGENCY FUND	-	-	120,000	120,000	140,000	140,000	-

	2016 - 2017 ACTUALS	2017 - 2018 ACTUALS	2018 - 2019 ADOPTED	2018 - 2019 AMENDED	2019 - 2020 BUDGET		Difference
					DEPARTMENT 1st SELECTMAN REQUEST	PROPOSED	
DEBT SERVICE							
BOND PRINCIPAL	6,906,538	6,766,194	6,736,992	6,736,992	6,910,107	6,910,107	-
BOND INTEREST	2,333,701	2,170,874	2,253,376	2,253,376	2,339,011	2,339,011	-
BONDING EXPENSE							-
	9,240,239	8,937,068	8,990,368	8,990,368	9,249,118	9,249,118	-
TOWN HALL BOARD OF MANAGERS							
GROUP INSURANCE	52,131	52,022	49,068	49,068	48,404	48,404	(0)
RETIREMENT CONTRIBUTIONS	2,636	6,169	7,827	7,827	6,107	6,107	0
CONTRIBUTIONS TO OUTSIDE	75,000	85,000	95,000	95,000	160,952	125,000	(35,952)
	129,767	143,191	151,895	151,895	215,463	179,511	(35,952)
RESERVE FOR CAP & NON-REC EXP.							
TRANSFER OUT	462,250	1,244,500	217,000	717,000	250,000	250,000	-
	462,250	1,244,500	217,000	717,000	250,000	250,000	-
TRANSFER OUT - TO OTHER FUNDS							
TRANSFER OUT	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
TOTALS	39,775,547	40,493,719	41,014,970	41,537,203	43,340,348	42,274,843	(1,065,506)