

**BOROUGH OF NEWTOWN
NEWTOWN, CONNECTICUT**

Minutes of the regular meeting of the Borough of Newtown Board of Burgesses on **Tuesday, January 11, 2022**. The meeting was held remotely due to COVID-19 precautions. Warden Maher called the meeting to order at 7:32p.m.

Present: Warden Jay Maher, Senior Burgess Chris Gardner, Burgess James Gaston, Burgess Bill Lucas, Burgess Sarah Phillips, Treasurer Paula Brinkman, Tax Collector Jodie Enriquez, Tree Warden Rob McCulloch, Auditor Glenn Nanavaty and Clerk Ann Scaia.

Absent: Burgess Anthony Baiad, Burgess Jared Modzelewski and Zoning Officer Rob Sibley

Also Present: 3 members of public.

Senior Burgess Gardner made a motion to accept the December 14, 2021 regular meeting minutes, seconded by Burgess Gaston and unanimously approved.

Auditor's Report: Borough Auditor Glenn Nanavaty distributed copies of the Borough of Newtown Audited Financial Statement with Independent Auditor's Report Year Ended June 30, 2021. It is required that within one week of receipt, a legal notice be published indicating that the report is complete and on file in the Borough Office as well as the Town Clerk's Office. Glenn will send a copy to the State of Connecticut Office of Policy and Management.

He presented an Executive Summary of Audited Financial Statements. Total revenues were \$240,459.00 and total expenses were \$242,053.00 resulting in a General Fund Balance of \$515,445.00. This represents an Unassigned Fund Balance of 129% of next year's Budget.

Glenn noted revenues were higher in 2021 than in 2020. Fees were higher at approximately \$68,291 in 2021 vs. approximately \$4,800 in 2020 mainly due to higher building and zoning fees. The total tax collected in 2021 was approximately \$163,000.00 vs. approximately \$160,000 collected in 2020. Glenn also noted a slight increase in expenses in 2021. Expenses were approximately \$215,000 in 2020 vs. approximately \$242,000 in 2021. Glenn attributed this increase to approved expenditures on sidewalk projects and increases in fire hydrants costs. In conclusion, expenses were more than the revenues. As a result of comparable revenues and expenses, the General Fund balance for 2021 is approximately \$515,445 vs. approximately \$517,039 in 2020. Once again, he commended the Board for their accurate record keeping, internal controls, and system of approvals and transferring funds. Good checks and balances are in place.

Warden Maher stated that the Borough's net position for this period increased approximately \$7500. Also noteworthy, the Borough used \$52,625 of fund balance to offset taxes during the 2020- 2021 fiscal year. However, the 2021-2022 fiscal year, the Borough plans to use

\$44,789.00 of fund balance. The result is, in 2020-2021, 23% of the budget came from the fund balance. In 2021-2022, the use of the fund balance is approximately 20%. He also noted building fees during 2020-2021 were originally estimated to be \$35,000.00 and in actuality the Borough received \$68,291, which is almost double what was budgeted.

Burgess Gaston also noted the building fees came in faster than anticipated and not many significant building fees expected in the next few years. In the future we need to address the impact of lower building fees collected. Senior Burgess Gardner suggested we look for opportunities to offset the diminishing building fees when entering the budget process.

Burgess Gaston made a motion to accept the Auditor's Report for Year Ended June 30, 2021 and the filing of the report with the Office of Policy and Management, seconded by Burgess Lucas and unanimously approved.

Burgess Lucas made a motion to accept Glenn Nanavaty of Nanavaty, Nanavaty and Davenport as the auditor for the 2021-2022 fiscal year for the Borough of Newtown, seconded by Senior Burgess Gardner and unanimously approved.

Burgess Gaston made a motion to post a legal notice in a The Bee that the Borough's audited financials are available by request to the Borough Clerk or The Town of Newtown Clerk, seconded by Burgess Lucas and unanimously approved.

Warden's Report: Warden Maher noted Eversource had sent an annual summary report of the Borough's unmetered account as of December 13, 2021. The notification from Eversource has been included in the minutes.

Warden Maher announced the resignation of Zoning Officer Sibley effective immediately. Zoning Officer Sibley noted due to extensive workloads and family commitments, he humbly resigned from his position. Warden Maher wanted to thank Zoning Officer Sibley for his excellent work and professionalism. Warden Maher talked with Doug Nelson and George Benson to discuss next steps. Burgess Gaston stated we have the resources to employ a part time Zoning Officer and suggested we conduct a job search quickly. He suggested the new candidate be fully dedicated to the Borough and could conduct their work from the Land Use Management offices where all necessary zoning documents reside. Burgess Gaston also suggested we contact Borough legal counsel to assist in structuring the position and its offerings. Warden Maher will contact Legal Counsel Monte Franke to begin the process.

Warden Maher further researched and clarified use of American Rescue Plan Act funds which supports the Borough to pursue use of funds towards general government services. Burgess Gaston will further research the definition of general government services. Senior Burgess Gardner met with Chief Ward of the Newtown Hook and Ladder for possible use of funds from the American Rescue Plan Act. Chief Ward requested \$15,977.00 for the following items/services: defibrillator for one engine, replace malfunctioning thermal imaging camera, 3 computer tablets for recording keeping purpose, projector & projector screen for training room to enhance meetings for renters of the space and enhance WIFI capability in times

of major power outages to run on a generator allowing residents up to a ½ - 1 mile away to have access to WIFI. Senior Burgess Gardner also met with Douglas Lord, director of the C.H. Booth Library. Mr. Lord requested a total of \$5,650.00 to cover Zoom costs for their digital programming for children and adults, improve literary programs for children and young adults and literacy programs for adults (this would include laptops and other telecommunication costs).

Burgess Gaston made a motion to approve utilizing funds from the American Rescue Plan Act of \$15,977.00 to the Newtown Hook & Ladder and \$5,650.00 to the C.H. Booth Library based on Senior Burgess Gardner's presentation with monies being released upon receipt of a formal request and outlining costs from both recipients, seconded by Senior Burgess Gardner and unanimously approved.

Burgess Gaston stated Superintendent Rodriguez has not had an opportunity submit their request for funds from the American Rescue Plan Act for Hawley Elementary School and Newtown Middle School for intervention programs. Warden Maher also mentioned the impact of COVID on small businesses and the possibility of assisting them with funds from the American Rescue Plan Act. Burgess Gaston is not opposed to the idea, but stated it would be an in depth project and would most likely require a subcommittee. He also stated a policy would have to be created setting regulations and thresholds.

Tree Warden's Report: Tree Warden McCulloch reported he is still pursuing the removal of a tree on the southwest corner of the exit of Big Y parking lot.

Tax Collector's Report: Tax Collector Enriquez reported the following for January 2022: Taxes Collectable \$163,730.75; Current Taxes: \$164,087.75; Back Taxes: \$1,190.09; Interest: \$1,081.65; Liens & Fees: \$120.00. Total Submitted to Treasurer to Date: \$163,700.00. Current Taxes Collected: \$162,533.92 representing 99.27%. Please review attached report for January 2022.

Burgess Lucas made a motion to accept the Tax Collector's Report for January 2022, seconded by Burgess Gaston and unanimously approved.

Treasurer's Report: The January 2022 report presents: A deposit of \$454.00 was made from the Borough Zoning Office. There was no deposit made from Tax Collector, Jodie Enriquez. A transfer of \$11,000.00 was made to cover last month's invoicing. A transfer of \$454.00 was transferred into the ISC Account from the Borough Operating Account. A transfer of \$11,000.00 was transferred from the ISC Account to the Borough Operating Account. Interest on the 6 mo. CD was \$13.05 making a total of \$79,365.63. Please review attached report for January 2022.

Senior Burgess Gardner made a motion to accept the Treasurer's Report for January 2022, seconded by Burgess Gaston and unanimously approved.

Burgess Gaston made a motion to transfer \$200.00 from Contingency to Audit, seconded by Burgess Phillips and unanimously approved.

Zoning Officer's Report: Nothing new to report given the recent resignation of Zoning Officer Sibley.

Historic District: Warden Maher reported Signorama is currently working on the "Welcome" signs. Burgess Gaston reported there were no new applications.

Sidewalks: Warden Maher reported Rob Connor, of Connor Landscaping, completed the work for the edging of the sidewalks in December. Warden Maher had no further update from Benesch regarding the Church Hill Road/Queen Street Intersection project.

Streets & Parks: Nothing new to report.

New Business: None.

Old Business: None.

Public Participation: None.

The regular meeting of the Board of Burgesses will be held on Tuesday, February 8, 2022 at 7:30p.m.

**DUE TO THE RISE IN COVID-19, THE MEETING IS NOT IN-PERSON
PUBLIC REMOTE PARTICIPATION IS AVAILABLE**

There being no further business, Burgess Gaston made a motion to adjourn the meeting at 8:30 p.m., seconded by Senior Burgess Gardner and unanimously approved.

Respectfully submitted,

Ann Scaia
Borough Clerk

A recording of the meeting may be found here:

https://us02web.zoom.us/rec/share/fo_rrwmm43IXz3zsDp2L7iNmdx-oQIzdLXZJt7w1cuEJrBiW-Q-izMmjJiMJ9igW.2tkBwruw-iFzb8sA

NEWTOWN BOROUGH TAX

MONTHLY REPORT THRU: DECEMBER 2021

TOTAL TAXES DUE FOR GRAND LIST 2020:	\$163,367.21
LAWFUL CORRECTIONS:	INCREASE \$386.50
	DECREASE -\$22.96
TAXES COLLECTABLE:	\$163,730.75

AMOUNTS COLLECTED TO DATE:

CURRENT TAX:	\$164,087.75
BACK TAX	\$1,190.09
INTEREST:	\$1,081.65
LIENS & FEES:	\$120.00
TOTAL COLLECTED TO DATE:	\$166,479.49

TOTAL SUBMITTED TO TREASURER TO DATE:	\$163,700.00
REFUND GIVEN FROM CURRENT YR TAX	\$0.00
REFUND GIVEN DUE FROM PRIOR YR	\$0.00
	\$163,700.00

TAX COLLECTION SUMMARY:

GL 2020	TAXES COLLECTED	\$164,087.75	
	TAXES SUSPENDED	\$0.00	
	TRANSFERS	\$16.90	
	BOUNCED CHECKS	-\$372.34	
	REFUNDS	-\$1,198.39	
	TOTAL CURRENT TAX COLLECTED	\$162,533.92	99.27%
	UNCOLLECTED TAXES	\$1,196.83	0.73%
	OVERPAYMENTS	-\$241.74	

NOTE:

BACK TAXES OUTSTANDING FOR LIST 2019 AND PRIOR:

UNCOLLECTED TAXES	\$352.94
OVERPAYMENTS FROM PRIOR YEARS	-\$154.43
ADJUSTMENTS	\$0.00
TRANSFER (TO CURRENT YEAR)	-\$16.90
BOUNCED CHECK FROM BT PAID	-\$665.85

DATE:

10-Jan-22

SIGN: *Jodie Enriquez*
BOROUGH TAX COLLECTOR

BOROUGH OF NEWTOWN

Treasurer's Report Month Ending December 31, 2021

ACCOUNT 673	ACCOUNT 2470-D	ACCOUNT 873	TOTAL
Operating Account	Insured Cash Sweep	American Rescue Plan	

BEGIN 12/1/2021			\$250,010.27		\$359,512.56		\$274,781.57		\$884,304.40
Interest Transfer			-\$10.27		\$10.27				\$0.00
Transfer to Clerk's Account		Check #314	-\$10,000.00						-\$10,000.00
		Check #315	-\$15,000.00						-\$15,000.00
Transfer in from ICS			\$25,000.00		-\$25,000.00				\$0.00
Deposit from Bldg/Zoning			\$180.00		\$0.00				\$180.00
Deposit from Tax		YTD:\$163,700	\$2,000.00		\$0.00				\$2,000.00
Transfer out to ICS Acct.			-\$2,180.00		\$2,180.00				\$0.00
Interest earned 12/31/2021			\$10.62		\$15.51		\$13.48		\$39.61
ENDING BALANCE 12/31/2021			\$250,010.62		\$336,718.34		\$274,795.05		\$861,524.01

**6 MONTH
CD Account
matures
3/15/2022**

BEGIN 12/1/2021			\$79,365.63
Interest earned 12/31/2021		.20 APY	\$13.48
ENDING BALANCE 12/31/2021			\$79,379.11

Respectfully submitted 1/11/2021

NEWTOWN
PO Box 164
NEWTOWN, CT 06470
* This is not a bill.

EVERSOURCE

 Customer Central

Unmetered Account Annual Summary Report

NEWTOWN
PO Box 164
NEWTOWN, CT 06470

As Of Date : 12/13/2021

<u>Equipment Description</u>	<u>Total Usage(KWH)</u>	<u>Total Demand (KW)</u>	<u>Total Units</u>
Account Number: 640053005			
LIGHTING: DUSK/DAWN	759.00	2.200	1
Total Account Number 640053005:			1
Account Number: 808153084			
LIGHTING: DUSK/DAWN	103.70	0.300	1
Total Account Number 808153084:			1

UNACCTGRPANSUM

12/13/21 07:48 AM

January 11, 2022

Jay Maher, Warden
Members of the Board of Burgesses
Borough of Newtown

We have audited the financial statements of the governmental activities, and the major funds of Borough of Newtown for the year ended June 30, 2021 and have issued our report dated January 11, 2022. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Borough are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred. The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during our audit.

Management Representations

At the conclusion of the audit process, we requested and received certain representations from management in the form of a management representation letter dated January 11, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Board and management of the Borough and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Nanavaty, Davenport, Studley & White, LLP

BOROUGH OF NEWTOWN
EXECUTIVE SUMMARY - AUDITED FINANCIAL STATEMENTS

		General Fund - Year Ended June 30,		
		2021	2020	2019
Total revenues	page 12	\$ 240,459	\$ 168,927	\$ 276,422
Total expenses	page 13	\$ 242,053	\$ 214,362	\$ 175,808
Excess Revenues (under) over Expenses	page 13	<u>\$ (1,594)</u>	<u>\$ (45,435)</u>	<u>\$ 100,614</u>
General Fund - Committed Fund Balance	page 11	\$ 40,000	\$ -	\$ -
General Fund - Assigned Fund Balance		\$ 195,000	\$ -	\$ -
General Fund - Unassigned Fund Balance		\$ 280,445	\$ 517,039	\$ 562,474
General Fund - Total Fund Balance At June 30		<u>\$ 515,445</u>	<u>\$ 517,039</u>	<u>\$ 562,474</u>
Unassigned Fund Balance as a % of next year's Budget		129%	230%	246%

Analysis of General Fund Budget (pgs. 22-23)	Final Budget	Actual	Variance
Total revenues	\$190,520	\$240,459	\$49,939
Total expenses	\$243,145	\$242,053	\$1,092
Excess Revenues (under) over Expenses	<u>(\$52,625)</u>	<u>(\$1,594)</u>	<u>\$51,031</u>

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

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