

BOARD OF FINANCE  
MINUTES

REGULAR MEETING

3 Primrose Street, Newtown - Newtown Municipal Center  
Thursday, March 23, 2023 at 7:30 p.m.

*These minutes are subject to approval by the Board of Finance*

Present: Laura Miller, Steven Goodridge, Erica Sullivan and John Madzula

Absent: Sandy Roussas

Also Present: First Selectman, Dan Rosenthal, Finance Director, Bob Tait, BOE Chair, Deb Zukowski, and one member of the Public

Chair Madzula called the meeting to order at 7:36p.m. Attendees saluted the American Flag.

**Voter Comments**

None

**Communications**

Chair Madzula shared communication from BOE Member, Don Ramsey, re District Highlight newsletter (see link below) as well as from BOF Member, Laura Miller, re Outside Agency policy (see below).

**Minutes**

Erica Sullivan moved to approve the special minutes from the March 13, 2023. Steve Goodridge seconded (John Madzula abstained). All in favor and motion passes.

**First Selectman's Report**

The First Selectman reported the BOS approved a letter of intent for the sale of the old police building. More information to come during the Spring.

**Finance Director's Report**

Finance Director reported about a near-future authorization and issuance and of refunding bonds not to exceed \$25MM. The resolution expires year end. Refunding for years 2015, 2016 and 2018, which may give the Town a lower interest rate and will result in savings in interest may be ~\$600,000. Mr. Tait would like to spread this out over the next two years.

**New Business**

1. *American Rescue Plan \$200,000 appropriation for two Borough of Newtown sidewalk projects (Rte. 302 & Queen Street)*

The First Selectman shared the Sugar Street sidewalk would extend to Madison. The Queen Street sidewalk would incorporate proper signals as well as handicap accessibility in two different areas

Erica Sullivan moved to approve the American Rescue Plan \$200,000 appropriation for two Borough of Newtown sidewalk projects (Rte. 302 & Queen Street) funded by the ARP grant. Laura Miller seconded. All in favor and motion passes.

2. *Non-Lapsing Fund Policy*

Chair Madzula invited BOE Chair, Deb Zukowski, to discuss the final draft of the Non-Lapsing Education Fund policy. The aim is to have a tri-board agreement to better facilitate best practices in

the future. The Board discussed the point of having one joint meeting or to have separate meetings. Board members discussed the pros and cons of each position as well as writing a letter of recommendation to the LC in lieu of a joint meeting. The idea is to accept the policy as presented next meeting minor edits.

Erica Sullivan made a motion to approve the Non-Lapsing Fund policy as presented with the edits of change the word shall to may in section 4, change deposited to transfer throughout, keep section 6 and remove last sentence of section 1. Laura Miller seconded. All in favor and motion passes.

3. *Policy Discussion for Fund Balance for Outside Agencies*

Chair Madzula discussed with the Board the previously presented edits (see attached). Mr. Tait made a suggestion to be aware that the Not for Profits and Not for Profits/Authorities can change overtime.

Erica Sullivan made a motion to approve the Fund Balance for Outside Agencies with the inclusion of the red lined Purpose Statement and under Scope include "...including but limited to the following are subject to this policy". Laura Miller seconded. All in favor and motion passes.

4. *ARP, Recycling and CFF/CIP Sub Committee Reports*

*Recycling Committee* – no report

*ARP Committee* – no report.

*CFF/CIP Sub Committee Reports*

Mr. Goodridge shared the Governor declared the state may be doing a complete overhaul regarding waste. Much of the waste in the State is hauled out of state. The legislature will meet this Friday. More information to come. Hawley HVAC project is going well and under budget. Downes is waiting for the switch gear. Transportation is going well for now. The Superintendent had a successful meeting with All-Star resulting in borrowing five substitute drivers as well as having multiple drivers in training.

**Unfinished Business**

None

**Voter Comments**

None

**Announcements**

Chair Madzula mentioned that Mr. Goodridge and Ms. Miller joined him to present the budget to LC.

**Adjournment**

Erica Sullivan made a motion to adjourn. Laura Miller seconded. All members were in favor and the meeting was adjourned 8:59pm.

Respectfully submitted,  
Kiley Morrison Gottschalk, Clerk

**Attachments**

Communication

ARP Appropriation

Non-Lapsing Fund Policy

Fund Balance for Outside Agencies

**From:** Donald Ramsey via Newtown CT <[cmsmailer@civicplus.com](mailto:cmsmailer@civicplus.com)>  
**Date:** March 23, 2023 at 8:19:45 AM EDT  
**To:** [JSMADZULA2@gmail.com](mailto:JSMADZULA2@gmail.com)  
**Subject:** Form submission from: Contact the entire Board of Finance  
**Reply-To:** Donald Ramsey <[ramseyd\\_boe@newtown.k12.ct.us](mailto:ramseyd_boe@newtown.k12.ct.us)>

Submitted on Thursday, March 23, 2023 - 8:19am  
Submitted by user: Anonymous  
Submitted values are:

Your Name: Donald Ramsey  
Your e-mail address: [ramseyd\\_boe@newtown.k12.ct.us](mailto:ramseyd_boe@newtown.k12.ct.us)  
Subject: District Highlights Newsletter March/April  
Message:  
Dear Board of Finance,  
Please enjoy the Board of Education "District Highlights" for March/April. Don Ramsey BOE  
Secretary <https://www.smores.com/1rk7q>

----- Forwarded message -----

From: **Laura Miller** <[millerbofnewtown@gmail.com](mailto:millerbofnewtown@gmail.com)>  
Date: Thu, Mar 23, 2023 at 6:19 AM  
Subject: Re: Revised Outside Agency Policy - Draft  
To: Sandy Roussas <[sandyroussasbof@gmail.com](mailto:sandyroussasbof@gmail.com)>  
Cc: John Madzula <[jmbofnewtown@gmail.com](mailto:jmbofnewtown@gmail.com)>, Chandravir Ahuja <[ahujac.bof@gmail.com](mailto:ahujac.bof@gmail.com)>, Steven Goodridge <[sbgoodridge.bof@gmail.com](mailto:sbgoodridge.bof@gmail.com)>, Erica Sullivan <[sullivanbof21@gmail.com](mailto:sullivanbof21@gmail.com)>, Robert Tait <[robert.tait@newtown-ct.gov](mailto:robert.tait@newtown-ct.gov)>, Dan Rosenthal <[dan.rosenthal@newtown-ct.gov](mailto:dan.rosenthal@newtown-ct.gov)>

Good morning,  
I have some suggested wording for the document.

This sentence lacks clarity to me:  
"The Town of Newtown contributes funds through its annual municipal budget process to outside agencies (as defined below) or funds that operate outside the Town's general fund."

I read this as *the Town of Newtown contributes funds....to funds....that operate outside the...general fund.*

Suggested edit: Through the annual municipal budget process, the Town of Newtown reviews requests from agencies that operate outside of the Town's general fund.

Followed by this suggested edit:

The purpose of this policy is twofold. First, the policy ensures transparency and accountability for public funds contributed to outside agencies through the budget process. Second, outside agencies requesting public funds must demonstrate financial need and use the funds to benefit the citizens of Newtown.

This sentence is not clear to me:

"Outside agencies are entities or funds that operate outside of the Town's general fund who request public funds (i.e. local taxes) during the budget process to partially fund their operations. Current example outside agencies include:"

Suggested edit: For the purpose of this policy, all outside agencies or quasi-departments, as categorized or defined in the budget document, are subject to this policy.

**A resolution providing for an appropriation totaling \$200,000; for two, Borough of Newtown, sidewalk projects. To be funded from the American Rescue Plan (ARP) grant.**

\$200,000 requested appropriation was recommended by the ARP Working Group on 03/13/2023.

The ARP Working Group is comprised of the following:

Board of Selectmen

- Ed Schierloh \*

Board of Finance

- Sandy Roussas \*
- Erica Sullivan \*

Legislative Council

- Charles Gardner
- Matthew Mihalcik \*
- Michelle Ku \*

Ex-officio

- First Selectman, Dan Rosenthal \*

\* Present



*Borough of Newtown*  
*PO Box 60*  
*Newtown, CT 06470*

March 13, 2023

**Formal request for ARPA funds from the Town of Newtown to realized two projects within the Borough of Newtown.**

**Presenters:** Jay Maher, Warden of the Borough of Newtown

Chris Gardner, Senior Burgess, Borough of Newtown

**Sugar Street:** 1450 linear feet of sidewalk on the northside of Sugar Street that run west from the bridge across from Elm Drive to Madison Drive. This future pedestrian pathway will serve over fifty homes.

**Status of Project:** Completed drawings are currently under review at the State, Department of Transportation. It is projected that a request for proposal may be submitted before June 1, 2023.

**Projected cost:** \$194,000.00

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**Church Hill and Queen Street crosswalk:** Installation of 977 square feet of sidewalk on the east side of Queen St as it intersects with Church Hill Rd. Scope of work would include new handicap ramps at the four corners. All electrical equipment will be upgraded to state standard. Cross walk stripping to be installed on Queen St.

**Status of Project:** It is in the design phase

**Projected cost:** \$144,000.00

**Borough of Newtown - Pedestrian Improvements - Sugar Street**

Project No.: 70681

Newtown, CT

Date: January 2023

By: JHL

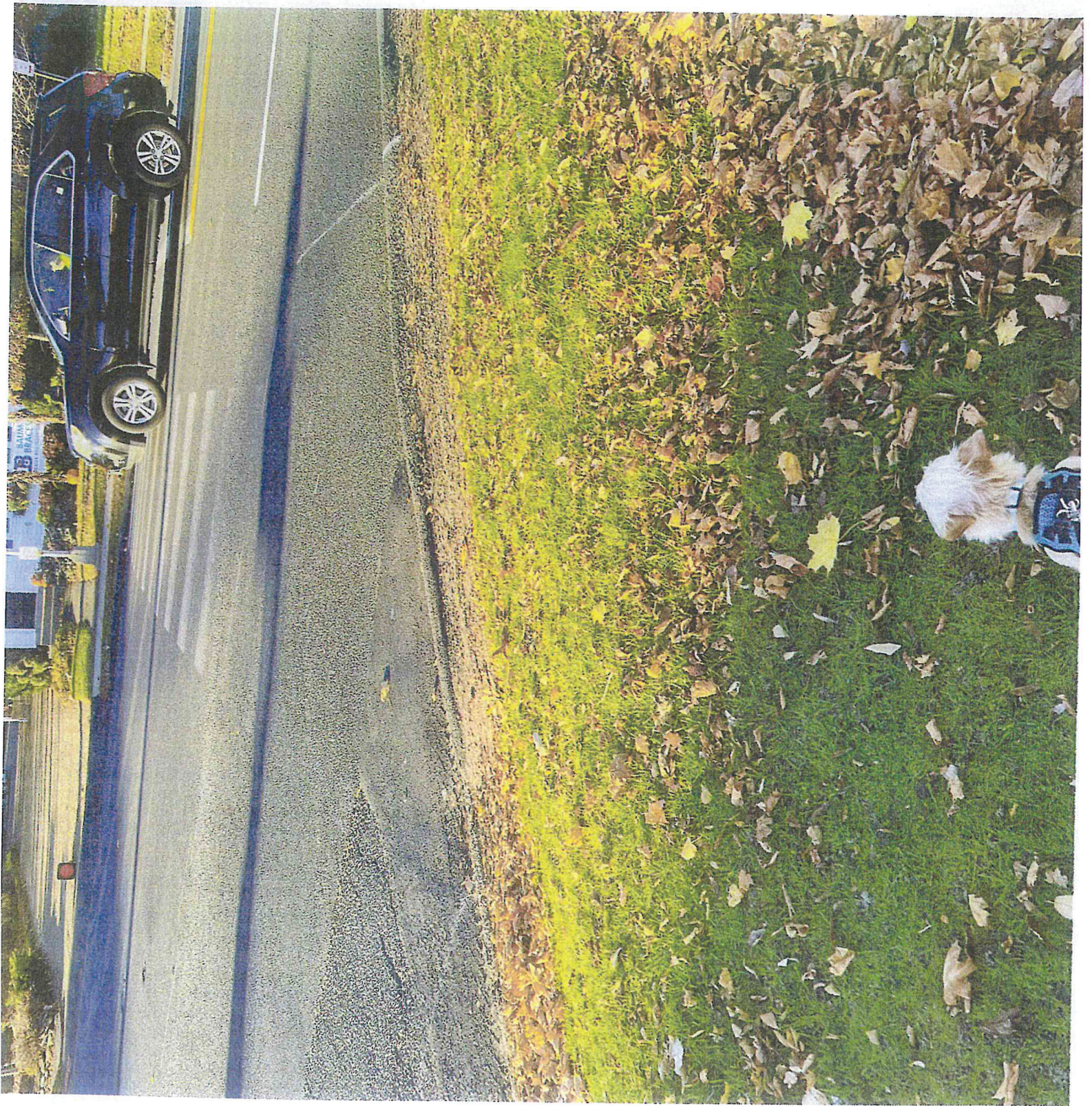
**Final Design Review**
**Construction Cost Estimate**

| ITEM NO.   | ITEM DESCRIPTION                                | UNIT | QUANT. | UNIT PRICE   | COST             |
|--|---|------|--------|--------------|------------------|
| <b>HIGHWAY ITEMS</b>   |   |      |        |              |                  |
| 0202000  | EARTH EXCAVATION                                | C.Y. | 45     | \$5.89       | \$265            |
| 0202501  | CUT CONCRETE PAVEMENT                           | L.F. | 10     | \$54.80      | \$548            |
| 0202513  | REMOVAL OF CONCRETE SIDEWALK                    | S.Y. | 14     | \$49.39      | \$691            |
| 0202529  | CUT BITUMINOUS CONCRETE                         | L.F. | 286    | \$3.09       | \$884            |
| 0207000  | BORROW  | C.Y. | 89     | \$21.63      | \$1,925          |
| 0212000  | Subbase   | C.Y. | 2      | \$51.68      | \$103            |
| 0219001  | SEDIMENTATION CONTROL SYSTEM                    | L.F. | 2582   | \$7.22       | \$18,642         |
| 0219050  | CATCH BASIN SEDIMENT FILTER                     | EA.  | 3      | \$185.76     | \$557            |
| 0406170  | HMA S1  | TON  | 2      | \$159.95     | \$320            |
| 0406171  | HMA S0.5  | TON  | 2      | \$122.47     | \$245            |
| 0815091  | REMOVAL OF BITUMINOUS CONCRETE LIP CURBING      | L.F. | 14     | \$6.00       | \$84             |
| 0921001  | CONCRETE SIDEWALK                               | S.F. | 6680   | \$13.48      | \$90,046         |
| 0921005  | CONCRETE SIDEWALK RAMP                          | S.F. | 206    | \$27.78      | \$5,723          |
| 0921048  | DETECTABLE WARNING STRIP                        | EA.  | 3      | \$419.44     | \$1,258          |
| 0922501  | BITUMINOUS CONCRETE DRIVEWAY                    | S.Y. | 33     | \$66.86      | \$2,206          |
| 0950005  | TURF ESTABLISHMENT                              | S.Y. | 1148   | \$2.05       | \$2,353          |
| 0952049  | SELECTIVE CLEARING AND THINNING                 | S.Y. | 12     | \$6.46       | \$78             |
| 1209131  | HOT-APPLIED PAINTED LEGEND, ARROWS AND MARKINGS | S.F. | 168    | \$1.24       | \$208            |
| 1206036  | RELOCATE SIGN                                   | EA.  | 3      | \$523.77     | \$1,571          |
| <b>HIGHWAY SUBTOTAL:</b>   |   |      |        |              | <b>\$127,709</b> |
| <b>PERCENTAGES</b>   |   |      |        |              |                  |
|  | MINOR ITEMS @ 15% of Highway                    |      |        | MINOR ITEMS: | \$19,000.00      |
| 0201001  | Clearing and Grubbing (1%)                      | LS   | 1      | \$1,000.00   | \$1,000          |
| 0971001  | A Maintenance and Protection of Traffic (2%)    | LS   | 1      | \$3,000.00   | \$3,000          |
| 0975004  | Mobilization and Project Closeout (3.5%)        | LS   | 1      | \$4,000.00   | \$4,000          |
| 0980001  | A Construction Staking (1.0%)                   | LS   | 1      | \$1,000.00   | \$1,000          |
| <b>LUMP SUM ITEMS:</b>   |   |      |        |              | <b>\$9,000</b>   |
| <b>SUBTOTAL (STRUCTURES + HIGHWAY + LANDSCAPING + MINOR ITEMS + LUMP SUM ITEMS):</b> |   |      |        |              | <b>\$155,709</b> |
|  | INCIDENTALS @ 5%                                |      |        |              | \$8,000          |
|  | CONTINGENCIES @ 15%                             |      |        |              | \$23,000         |
| <b>SUBTOTAL:</b>   |   |      |        |              | <b>\$186,709</b> |
|  | ESCALATION (1 Years @ 4%)                       |      |        |              | \$7,468.37       |
| <b>TOTAL:</b>  |   |      |        |              | <b>\$194,000</b> |

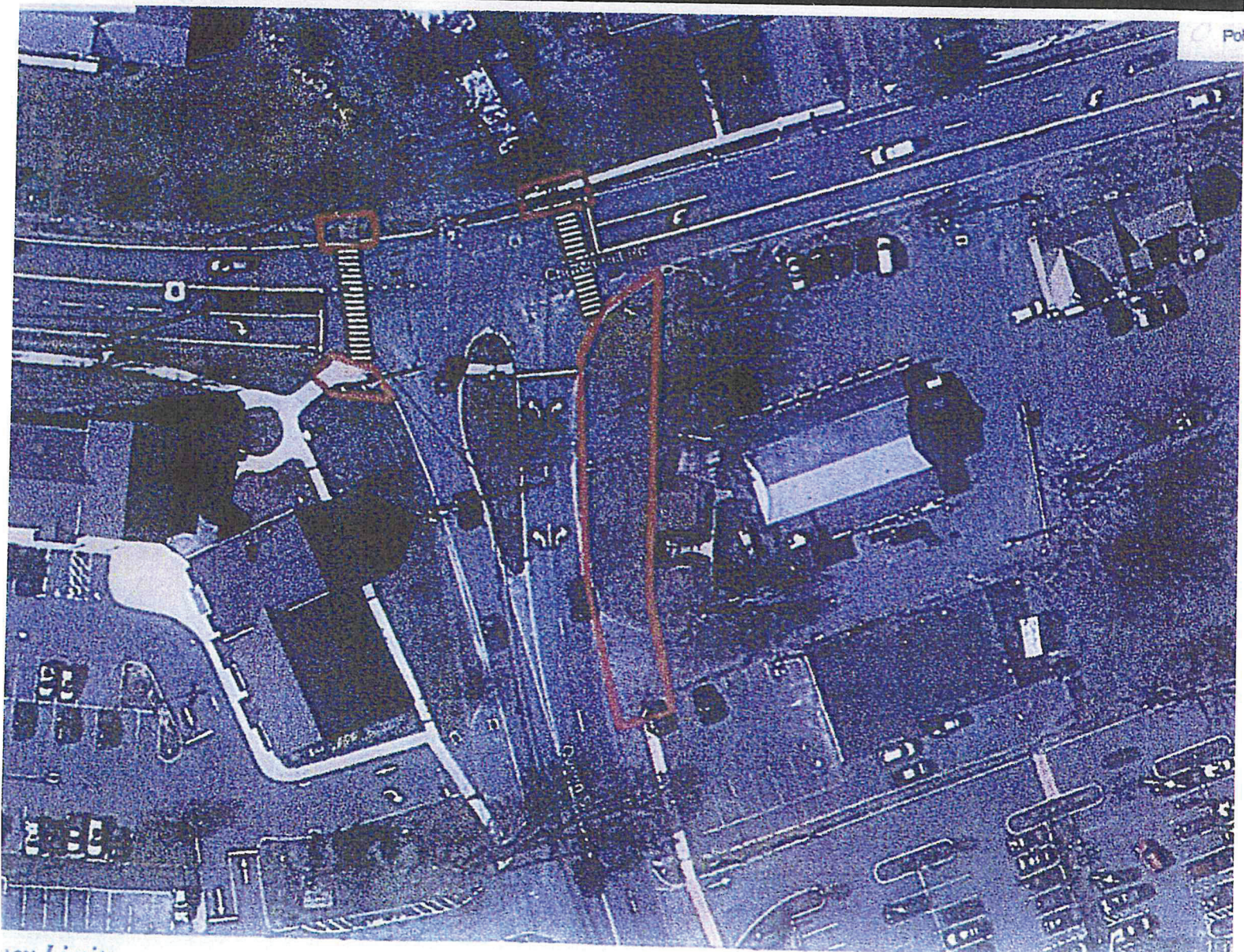












Key Limits



NEWTOWN, CONNECTICUT  
PROJECT NO. 70739.00

PRELIMINARY DESIGN CONSTRUCTION COST ESTIMATE

December 13, 2022, REV JAN 2023

CALC'D BY: JHL  
CHK'D BY: RGS

| ITEM NO.   | ITEM DESCRIPTION                                  | UNIT | QUANT. | UNIT PRICE   | COST             |
|--|---|------|--------|--------------|------------------|
| <b>HIGHWAY ITEMS</b>   |   |      |        |              |                  |
| 0202000  | EARTH EXCAVATION                                  | C.Y. | 27     | \$22.34      | \$603            |
| 0202501  | CUT CONCRETE PAVEMENT                             | L.F. | 16     | \$5.89       | \$94             |
| 0202513  | REMOVAL OF CONCRETE SIDEWALK                      | S.Y. | 36     | \$49.39      | \$1,778          |
| 0202529  | CUT BITUMINOUS CONCRETE                           | L.F. | 621    | \$3.09       | \$1,919          |
| 0207000  | BORROW  | C.Y. | 0      | \$21.36      | \$0              |
| 0212000  | SUBBASE   | C.Y. | 0      | \$51.68      | \$0              |
| 0219001  | SEDIMENTATION CONTROL SYSTEM                      | L.F. | 212    | \$7.22       | \$1,531          |
| 0219050  | CATCH BASIN SEDIMENT FILTER                       | EA.  | 1      | \$185.76     | \$186            |
| 0201501  | RESET MAILBOX                                     | EA.  | 0      | \$540.00     | \$0              |
| 0406170  | HMA S1  | TON  | 23     | \$150.95     | \$3,472          |
| 0406171  | HMA S0.5  | TON  | 23     | \$122.47     | \$2,817          |
| 0811001  | CONCRETE CURBING                                  | LF   | 225    | \$41.09      | \$9,245          |
| 0815091  | REMOVAL OF BITUMINOUS CONCRETE LIP CURBING        | L.F. | 173    | \$6.00       | \$1,038          |
| 0921001  | CONCRETE SIDEWALK                                 | S.F. | 977    | \$13.48      | \$13,170         |
| 0921005  | CONCRETE SIDEWALK RAMP                            | S.F. | 397    | \$27.78      | \$11,029         |
| 0921048  | DETECTABLE WARNING STRIP                          | EA.  | 10     | \$419.44     | \$4,194          |
| 0922501  | BITUMINOUS CONCRETE DRIVEWAY                      | S.Y. | 0      | \$66.86      | \$0              |
| 0950005  | TURF ESTABLISHMENT                                | S.Y. | 36     | \$2.09       | \$75             |
| 0952049  | SELECTIVE CLEARING AND THINNING                   | S.Y. | 12     | \$6.46       | \$78             |
| 1209131  | HOT-APPLIED PAINTED LEGEND, ARROWS AND MARKINGS   | S.F. | 523    | \$1.24       | \$649            |
| 1206036  | RELOCATE SIGN                                     | EA.  | 2      | \$523.77     | \$1,048          |
| <b>HIGHWAY SUBTOTAL:</b>   |   |      |        |              | <b>\$52,925</b>  |
| <b>TRAFFIC ITEMS</b>   |   |      |        |              |                  |
| 1002203  | TRAFFIC CONTROL FOUNDATION- PEDESTAL-TYPE I       | EA.  | 3      | \$728.40     | \$2,185          |
| 1008465  | 2" RIGID METAL CONDUIT                            | L.F. | 75     | \$56.15      | \$4,211          |
| 1010021  | CONCRETE HANDHOLE - TYPE II                       | EA.  | 2      | \$600.15     | \$1,200          |
| 1010054  | CAST IRON HANDHOLE COVER, TYPE II                 | EA.  | 1      | \$485.30     | \$485            |
| 1101201  | MODIFICATION OF TRAFFIC CONTROL FOUNDATION        | EA.  | 1      | \$5,000.00   | \$5,000          |
| 1102002  | 8' ALUMINUM PEDESTAL                              | EA.  | 3      | \$696.14     | \$2,088          |
| 1106001  | 1 WAY PEDESTRIAN SIGNAL POLE MOUNTED              | EA.  | 1      | \$712.42     | \$712            |
| 1106002  | 2 WAY PEDESTRIAN SIGNAL POLE MOUNTED              | EA.  | 1      | \$10,000.00  | \$10,000         |
| 1106003  | 1 WAY PEDESTRIAN SIGNAL PEDESTAL MOUNTED          | EA.  | 3      | \$682.10     | \$2,046          |
| 1107011  | ACCESSIBLE PEDESTRIAN SIGNAL AND DETECTOR(TYPE A) | EA.  | 6      | \$1,057.21   | \$6,343          |
| 1113103  | 7 CONDUCTOR NO. 14 CABLE                          | L.F. | 300    | \$2.75       | \$825            |
| 1118010  | REMOVAL OF EXISTING TRAFFIC SIGNAL EQUIPMENT      | LS   | 1      | \$5,000.00   | \$5,000          |
| <b>TRAFFIC SUBTOTAL:</b>   |   |      |        |              | <b>\$46,097</b>  |
| <b>PERCENTAGES</b>   |   |      |        |              |                  |
|  | MINOR ITEMS @ 15% of Highway, Traffic             |      |        | MINOR ITEMS: | \$14,000.00      |
| 0201001  | Clearing and Grubbing (1%)                        | LS   | 1      | \$1,000.00   | \$1,070          |
| 0971001  | A Maintenance and Protection of Traffic (2%)      | LS   | 1      | \$1,000.00   | \$2,140          |
| 0975004  | Mobilization and Project Closeout (3.5%)          | LS   | 1      | \$2,000.00   | \$3,746          |
| 0980001  | A Construction Staking (1.0%)                     | LS   | 1      | \$1,000.00   | \$1,070          |
| <b>LUMP SUM ITEMS:</b>   |   |      |        |              | <b>\$8,027</b>   |
| <b>SUBTOTAL (STRUCTURES + HIGHWAY +LANDSCAPING+ MINOR ITEMS + LUMP SUM ITEMS):</b> |   |      |        |              | <b>\$115,049</b> |
|  | INCIDENTALS @ 5%                                  |      |        |              | \$6,000          |
|  | CONTINGENCIES @ 15%                               |      |        |              | \$17,000         |
| <b>SUBTOTAL:</b>   |   |      |        |              | <b>\$138,049</b> |
|  | ESCALATION (1 Years @ 4%)                         |      |        |              | \$5,521.94       |
| <b>TOTAL:</b>  |   |      |        |              | <b>\$144,000</b> |

**Non-Lapsing Education Fund**  
**A Policy Agreement between:**  
**Board of Education, Board of Finance & Legislative Council**

**Section 1. Deposits into Non-Lapsing Education Fund.**

The Board of Education may, subject to the approval of the Legislative Council, deposit into the Non-Lapsing Education Fund all or a portion of any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the Town, provided that the amount deposited into the Non-Lapsing Education Fund shall not exceed the amount set forth in Section 10-248a of the Connecticut General Statutes. The Legislative Council shall consider the recommendation of the Board of Finance, if any, prior to approving the deposit of funds into the Non-Lapsing Education Fund. The Legislative Council may authorize deposits into the Non-Lapsing Education Fund in each fiscal year such that the total amount in the Non-Lapsing Education Fund may accumulate over time if not expended.

**Section 2. Timeline for Consideration of Deposits into Non-Lapsing Education Fund.**

No later than the first week of September, the Board of Education shall send notice to the Legislative Council and the Board of Finance of its request to deposit all or a portion of any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the Town into the Non-Lapsing Education Fund.

The Board of Finance and the Legislative Council shall hold a joint meeting to discuss the Board of Education request to deposit funds into the Non-Lapsing Education Fund.

**Section 3. Expenditure of Funds from Non-Lapsing Education Fund.**

The Board of Education may, subject to the approval of the Legislative Council, authorize expenditures from the Non-Lapsing Education Fund for any expenses that the Board of Education determines are necessary to support students or that are in the best interests of the Newtown Public Schools. The Legislative Council shall consider the recommendation of the Board of Finance, if any, prior to authorizing the expenditure of funds from the Non-Lapsing Education Fund.

If the Board of Education requests an expenditure from the Non-Lapsing Education Fund to pay for all or part of the costs of an approved Capital Improvement Plan (“CIP”) project, then such request shall be deemed approved when the Legislative Council approves the CIP as part of the annual review process.

**Section 4. Educational Purposes.**

The Non-Lapsing Education Fund shall only be used for educational purposes as required by Section 10-248a of the Connecticut General Statutes.

**Section 5. Annual Reporting Requirement.**

The Board of Education shall review the fund balance and revenues and expenditures of the Non-Lapsing Education Fund on an annual basis and provide a written **accounting** to the Legislative Council and the Board of Finance at the time a request for deposit is made.

## **Section 6. Review**

This policy shall be reviewed by the Board of Finance, at minimum, on a biennial basis during the month of January in each odd numbered year. Recommendations for change, if any will be presented first to the Board of Education for adoption and then to the Legislative Council for approval.

*Approved by Board of Education: 11/3/21*

*Approved by Legislative Council: 11/17/21*

*Discussed by Board of Finance: 3/13/23*



**Non-Lapsing Education Fund**  
**A Policy Agreement between:**  
**Board of Education, Board of Finance & Legislative Council**

**Section 1. Transfers into Non-Lapsing Education Fund.**

The Board of Education may, subject to the approval of the Legislative Council, transfer into the Non-Lapsing Education Fund all or a portion of any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the Town, provided that the amount transferred into the Non-Lapsing Education Fund shall not exceed the amount set forth in Section 10-248a of the Connecticut General Statutes. The Legislative Council shall consider the recommendation of the Board of Finance, if any, prior to approving the transfer of funds into the Non-Lapsing Education Fund. ~~The Legislative Council may authorize deposits into the Non-Lapsing Education Fund in each fiscal year such that the total amount in the Non-Lapsing Education Fund may accumulate over time if not expended.~~

**Section 2. Timeline for Consideration of Deposits into Non-Lapsing Education Fund.**

No later than the first week of September, the Board of Education shall send notice to the Legislative Council and the Board of Finance of its request to transfer all or a portion of any unexpended funds from the prior fiscal year from the budgeted appropriation for education into the Non-Lapsing Education Fund.

The Board of Finance and the Legislative Council shall hold a joint meeting to discuss the Board of Education request to deposit funds into the Non-Lapsing Education Fund.

**Section 3. Expenditure of Funds from Non-Lapsing Education Fund.**

The Board of Education may, subject to the approval of the Legislative Council, authorize expenditures from the Non-Lapsing Education Fund for any expenses that the Board of Education determines are necessary to support students or that are in the best interests of the Newtown Public Schools. The Legislative Council shall consider the recommendation of the Board of Finance, if any, prior to authorizing the expenditure of funds from the Non-Lapsing Education Fund.

If the Board of Education requests an expenditure from the Non-Lapsing Education Fund to pay for all or part of the costs of an approved Capital Improvement Plan (“CIP”) project, then such request shall be deemed approved when the Legislative Council approves the CIP as part of the annual review process.

**Section 4. Educational Purposes.**

The Non-Lapsing Education Fund shall only be used for educational purposes as required by Section 10-248a of the Connecticut General Statutes.

**Section 5. Annual Reporting Requirement.**

The Board of Education shall review the fund balance and revenues and expenditures of the Non-Lapsing Education Fund on an annual basis and provide a written **accounting** to the Legislative Council and the Board of Finance at the time a request for transfer is made.

## **Section 6. Review**

This policy shall be reviewed by the Board of Finance, at minimum, on a biennial basis during the month of January in each odd numbered year. Recommendations for change, if any, will be presented first to the Board of Education for adoption and then to the Legislative Council for approval.

*Approved by Board of Education: 11/3/21*

*Approved by Legislative Council: 11/17/21*

*Discussed by Board of Finance: 3/13/23*

## **Town of Newtown**

### **Policy on Outside Agency Request for Funds**

#### **Purpose Statement:**

The Town of Newtown contributes funds through its annual municipal budget process to outside agencies (as defined below) or funds that operate outside the Town's general fund. The purpose of this policy is to ensure transparency and accountability for the limited public resources contributed to outside agencies through the budget process and that those resources are directed to outside agencies that both benefit the citizens of Newtown and demonstrate financial need.

#### **Scope:**

Outside agencies are entities or funds that operate outside of the Town's general fund who request public funds (i.e. local taxes) during the budget process to partially fund their operations. Current example outside agencies include:

Not For Profits – categorized in the budget document as “outside agencies”:

Regional Hospice  
Women's Center of Danbury  
Ability Beyond Disability  
United Way of Western Connecticut  
Newtown Parent Connection  
Kevin's Community Center

Not For Profits/Authorities – categorized in the budget document as (quasi) departments:

Lake Authorities – Zoar & Lillinonah  
Newtown Underwater Search & Rescue  
Newtown Volunteer Ambulance Association  
Newtown Youth & Family Services  
Children's Adventure Center  
Cyrenius H. Booth Library

Town Special Revenue Funds - categorized in the budget document as “other

financing uses” Edmond Town Hall

**Policy Statement:**

Any outside agency requesting public funds to partially fund their operations **must** submit a report describing their mission and outlining how they benefit Newtown residents in the most recent fiscal year completed.

The outside agency will be required to submit their two most recent financial statements and their current working budget **as** compared to the three prior year budgets.

Any outside agency with an undesignated fund balance of over 10% of its total budget or \$50,000+, whichever is greater, must submit a report outlining planned expenditures of excess undesignated fund balance (amount over 10%) in order to have its budget request considered. Planned expenditures can be over a period of time (capital planning).

**Procedures:**

The Finance Director shall inform, in the October time period before the budget process starts, outside agencies that plan to request a contribution in the next budget process to submit a request with the required information:

- A mission statement
- A description of services which includes services that benefit Newtown residents (providing specific data)
- The most recent two completed financial statement.
- A budget comparison report comparing current budget to prior three years.
- A statement of planned use of excess undesignated fund balance.
  - Excess undesignated fund balance is the amount over 10% of total budget.
  - This requirement is not necessary if undesignated fund balance is under \$50,000.

This documentation will be included in the Town budget process as additional information for the budget reviewers to make decisions or to make additional inquiries.

## Town of Newtown

### Policy on Outside Agency Request for Funds

#### **Purpose Statement:**

Through the annual municipal budget process, the Town of Newtown reviews requests from agencies that operate outside of the Town's general fund.

The purpose of this policy is twofold. First, the policy ensures transparency and accountability for public funds contributed to outside agencies through the budget process. Second, outside agencies requesting public funds must demonstrate financial need and use the funds to benefit the citizens of Newtown.

#### **Scope:**

Suggested edit: For the purpose of this policy, all outside agencies or quasi-departments, *as categorized or defined in the budget document*, including but not limited to the following, are subject to this policy. ,

Not For Profits – categorized in the budget document as “outside agencies”:

- Regional Hospice
- Women’s Center of Danbury
- Ability Beyond Disability
- United Way of Western Connecticut
- Newtown Parent Connection
- Kevin’s Community Center

Not For Profits/Authorities – categorized in the budget document as (quasi) departments:

- Lake Authorities – Zoar & Lillinonah
- Newtown Underwater Search & Rescue
- Newtown Volunteer Ambulance Association
- Newtown Youth & Family Services
- Children’s Adventure Center
- Cyrenius H. Booth Library

Town Special Revenue Funds - categorized in the budget document as “other

financing uses” Edmond Town Hall

#### **Policy Statement:**

Any outside agency requesting public funds to partially fund their operations **must** submit a report describing their mission and outlining how they benefit Newtown residents in the most recent fiscal year completed.

The outside agency will be required to submit their two most recent financial statements and their current working budget **as** compared to the three prior year budgets.

Any outside agency with an undesignated fund balance of over 10% of its total budget or \$50,000+, whichever is greater, must submit a report outlining planned expenditures of excess undesignated fund balance (amount over 10%) in order to have its budget request considered. Planned expenditures can be over a period of time (capital planning).

**Procedures:**

The Finance Director shall inform, in the October time period before the budget process starts, outside agencies that plan to request a contribution in the next budget process to submit a request with the required information:

- A mission statement
- A description of services which includes services that benefit Newtown residents (providing specific data) • The most recent two completed financial statement.
- A budget comparison report comparing current budget to prior three years.
- A statement of planned use of excess undesignated fund balance.
  - Excess undesignated fund balance is the amount over 10% of total budget.
  - This requirement is not necessary if undesignated fund balance is under \$50,000.

This documentation will be included in the Town budget process as additional information for the budget reviewers to make decisions or to make additional inquiries.

**Non-Lapsing Education Fund**  
**A Policy Agreement between:**  
**Board of Education, Board of Finance & Legislative Council**

**Section 1. Transfers into Non-Lapsing Education Fund.**

The Board of Education may, subject to the approval of the Legislative Council, transfer into the Non-Lapsing Education Fund all or a portion of any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the Town, provided that the amount transferred into the Non-Lapsing Education Fund shall not exceed the amount set forth in Section 10-248a of the Connecticut General Statutes. The Legislative Council shall consider the recommendation of the Board of Finance, if any, prior to approving the transfer of funds into the Non-Lapsing Education Fund.

**Section 2. Timeline for Consideration of Deposits into Non-Lapsing Education Fund.**

No later than the first week of September, the Board of Education shall send notice to the Legislative Council and the Board of Finance of its request to transfer (“request”) all or a portion of any unexpended funds from the prior fiscal year from the budgeted appropriation for education into the Non-Lapsing Education Fund.

The Board of Finance and the Legislative Council shall hold a joint meeting to discuss the Board of Education request to transfer funds into the Non-Lapsing Education Fund. In the event that the Board of Finance receives the request prior to the joint meeting and makes a recommendation upon a majority vote, the Board of Finance may elect to submit a written letter of recommendation, in lieu of a joint meeting, to the Legislative Council on the Board of Education request.

**Section 3. Expenditure of Funds from Non-Lapsing Education Fund.**

The Board of Education may, subject to the approval of the Legislative Council, authorize expenditures from the Non-Lapsing Education Fund for any expenses that the Board of Education determines are necessary to support students or that are in the best interests of the Newtown Public Schools. The Legislative Council shall consider the recommendation of the Board of Finance, if any, prior to authorizing the expenditure of funds from the Non-Lapsing Education Fund.

If the Board of Education requests an expenditure from the Non-Lapsing Education Fund to pay for all or part of the costs of an approved Capital Improvement Plan (“CIP”) project, then such request shall be deemed approved when the Legislative Council approves the CIP as part of the annual review process.

**Section 4. Educational Purposes.**

The Non-Lapsing Education Fund may only be used for educational purposes as required by Section 10-248a of the Connecticut General Statutes.

**Section 5. Annual Reporting Requirement.**

The Board of Education shall review the fund balance and revenues and expenditures of the Non-Lapsing Education Fund on an annual basis and provide a written accounting to the Legislative Council and the Board of Finance at the time a request for transfer is made.

## **Section 6. Review**

This policy shall be reviewed by the Board of Finance, at minimum, on a biennial basis during the month of January in each odd numbered year. Recommendations for change, if any will be presented first to the Board of Education for adoption and then to the Legislative Council for approval.

*Approved by Board of Education: 11/3/21*

*Approved by Legislative Council: 11/17/21*

*Discussed by Board of Finance: 3/23/23 Edited from 3/13/23*



## **Town of Newtown**

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*As discussed by BOF: 3/23/23*