

3 PRIMROSE STREET
NEWTOWN, CT 06470
TEL. (203) 270-4221

BOARD OF FINANCE
MINUTES
REGULAR MEETING
3 Primrose Street – Council Chambers
Thursday, February 18, 2021 at 7:30 p.m.

These minutes are subject to approval by the Board of Finance

Present: Sandy Roussas, Keith Alexander, Ned Simpson, Chris Gardner, John Madzula and Matthew Mihalcik

Also Present: First Selectman Dan Rosenthal, Finance Director, Bob Tait, Town Clerk, Debbie Halstead and three members of the Public

Keith Alexander called the meeting to order at 7:32 p.m. Attendees saluted the American Flag.

Voter Comments

None

Communications

See attached report regarding updated communications with Chair Alexander.

Minutes

Sandy Roussas moved to approve the Public Hearing of February 11th, 2021. John Madzula seconded. All in favor and motion passes.

Sandy Roussas moved to approve the minutes of February 11th, 2021. Ned Simpson seconded. All in favor and motion passes.

First Selectman's Report

First Selectman Rosenthal reported Bob Tait worked diligently re S&P meeting (with Economic Development Director, Christal Preszler and the First Selectman). The report reaffirmed Newtown's strong financial standing and Newtown continues to hold their AAA Rating. The First Selectman shared there has been another 200 doses of the vaccine this past week.

Finance Director's Report

Finance Director, Bob Tait, reported the S&P report was overall very positive (see attached and see above in First Selectman's Report). The downside scenario with budgetary pressure "resulting in negative operations leading to a significant deterioration of available resources" could lower the rating. Mr. Tait noted Newtown has a potential to receive \$5.1MM for Municipal Federal Relief Fund and this money will likely go into a Special Revenue Grant Fund (with some flexibility).

Unfinished Business

Discussion 2021-2022 Budget

Town Clerk

Town Clerk, Debbie Halstead, answered some questions previously circulated from the BOF (see attached). Regarding the significant uptick in absentee ballots, there wasn't paid overtime per se; however, Ms.

Halstead commented she worked seven days a week, utilized a couple of part timers as well as some volunteers. Certain equipment was needed to help manage the absentee ballots. There were some grants during Election Season to help offset some of these extra expenditures. A large portion of the Town Clerk budget is spent in the first half of the year due to the group insurance and pension contribution taken out in July. The Town annual report is no longer being done.

Board Members continued to discuss the proposed BOS 2021-2022 budget. Some Senior Center discussion occurred namely by Mr. Simpson with the point that there are four staff members at the Senior Center with a budget for only three. The additional staff is for a senior center aid/part time van driver in the amount of \$16,000. Hart's Ridership is the outfit that helps with Senior Center transportation; however, there have been complaints among seniors. A request (for next year) for Senior Center and Community Center memberships statistics was made.

There was a request for more clarification and detail by Mr. Gardner on the \$106,847 for student athletics on the BOE budget.

Mr. Mihalczik questioned when the Lake Lillinonah dock construction is coming up (likely within the next two years).

The Board agreed to invite Edmond Town Hall as well as Al Miles with the IT Department to present and answer some questions regarding the upcoming proposed budget.

New Business

None

Voter Comments

None

Announcements

Ned Simpson shared the Finance Sub Committee of LC is going to review the Fund Balance Policy. The First Selectman shared that NUSAR is hosting a diving exercise at Lake Lillinonah on Sunday. John Madzula announced gratitude to Representative JP Sredzinski for his 17 years of service.

Adjournment

Sandy Roussas made a motion to adjourn. Ned Simpson seconded. All members were in favor and the meeting was adjourned at 8:29 pm.

Respectfully submitted,
Kiley Morrison Gottschalk, Clerk

Attachments

Communications
Correspondance with BOE Chair, Dr. Michelle Ku
BOF Budget 2021-2022 Budget Questions
Lake Lillinonah Budget
Lake Zoar Fiscal 2022 Budget
S&P Rating Report
Governor's Proposed FY22 State Budget: Impact on Newtown
Governor's Proposed FY22 State Budget: Impact on Towns and Cities
Fact Sheet ESSERII
CT Statewide ESSERII Priorities
Town Clerk

Newtown Board of Finance - Communications Report - 2021-02-18

From	Date	Subject
Deborra Zukowski (BOE Member)	2/12/2021	Technology information in the BOE Newsletter
Dan Rosenthal (First Selectman)	2/15/2021	State Budget Analysis
Michelle Ku (BOE-Chair)	2/16/2021	BOF Budget Meetings
Tanja Gouveia (BOE-Dir. Bus.)	2/18/2021	Covid Expenses
AJ, Sandy Hook	2/18/2021	Meeting decorum

To	Date	Subject
Bob Tait (Finance Director)	2/16/2021	Information request on potential Federal coronavirus package
Michelle Ku (BOE-Chair)	2/17/2021	Re: BOF Budget Meetings

From: Alexander, Keith <alexanderk.bof@gmail.com
Sent: Tuesday, February 16, 2021 2:50 AM
To: Ku, Michelle <kum_boe@newtown.k12.ct.us>
Cc: Lorrie Rodrigue <rodrigue@newtown.k12.ct.us>
Subject: BOF Budget Meetings

Dr. Ku,

Thank you for attending our meeting and bringing your Superintendent and Director of Business to allow the Board of Finance a chance to hear your presentation and ask questions about your proposed budget. I have already sent along some questions from Board Members and will continue to bring you any further inquiries.

I apologize for the lack of decorum at the meeting and note that I should have addressed it during the meeting when it happened. As the host of the meeting, I failed to ensure that our guests were treated with respect. In the future, I will take care to keep our meetings on an even keel, and I hope my fellow Board Members will recognize the importance of showing the proper courtesy to those we have invited in.

Respectfully,

Keith Alexander

Chair, Newtown Board of Finance

BCC: Board of Finance, First Selectman, BOE Director of Business

From: Ku, Michelle <kum_boe@newtown.k12.ct.us>
Sent: Tuesday, February 16, 2021 4:05 PM
To: Alexander, Keith <alexanderk.bof@gmail.com>
Cc: Lorrie Rodrigue <rodrigue@newtown.k12.ct.us>
Subject: BOF Budget Meetings

Keith,


The Board of Education appreciates the opportunity to share information with the Board of Finance. When we have the common objective of ensuring that your board's decisions are well-informed, conversations have been fruitful and have given us insight into the Board of Finance's thinking. Unfortunately, the decorum at last week's meeting undermines productive conversation. It also must be noted that this is not the first occurrence.

In the interest of providing your board with the information needed to make educated decisions, we are requesting that any remaining questions that your board has regarding the budget be submitted to us (up to three days prior to your meetings), and we will be happy to respond in writing.

Sincerely,

Michelle

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed, unless otherwise provided by law. Please notify the sender immediately if you have received this email by mistake and delete this email from your system. Note that any views or opinions presented in this email are solely those of the author and do not necessarily represent those of the Newtown Public Schools. Finally, the recipient should check this email and any attachments for the presence of viruses. The organization accepts no liability for any damage caused by any virus transmitted by this email.

 Lake Lillinonah Authority				
	2020-2021	2021-2022	Change	
Lake Lillinonah Authority: Approved Budget				
Administrative				
Advertising	1,000	-	(1,000)	
Secretarial & professional(includes legal)	3,500	3,000	(500)	
Telephone	500	500	-	
Accounting	2,500	2,500	-	
Auditor	4,000	4,100	100	
Supplies & postage website	600	600	-	
			-	
Water Quality			-	
Invasive Species	19,700	19,700	-	
Fish Stock	12,500	12,500	-	
Water Testing/ Research education	1,200	1,200	-	
			-	
Patrol			-	
Insurance	32,000	33,000	1,000	
Salaries & taxes	56,000	71,000	15,000	
Payroll Processing & tax filings	1,600	2,000	400	
Patrol telephone	200	250	50	
Seasonal dock installation/removal	4,200	4,400	200	
Fuel Tanks Rental	4,000	3,500	(500)	
Security System	500	500	-	
Boat storage and winterization	6,000	7,500	1,500	
Gas & oil	6,000	7,200	1,200	
Equipment & supplies/Uniforms	1,000	1,000	-	
Weapons/training	500	500	-	
Boat repair/ maintenance	3,000	3,000	-	
Dock Maintenance	1,000	1,000	-	
			-	
Capital Equipment			-	
Non-patrol	500	-	(500)	
Buoy Maintenance	1,000	1,000	-	
Buoy removal/ installation	4,000	3,200	(800)	
Sub-Total	167,000	183,150	16,150	
Water Chestnut removal grant (previous year)	(17,600)	(18,000)	(400)	
Trees Removal grant				
Total	149,400	165,150	15,750	
Town Contribution				
Brookfield	\$ 27,164	\$ 30,027		
New Milford	\$ 27,164	\$ 30,027		
Bridgewater	\$ 27,164	\$ 30,027		
Southbury	\$ 27,164	\$ 30,027		
Newtown	\$ 27,164	\$ 30,027		
Roxbury	\$ 13,582	\$ 15,014		
Total contributions	\$ 149,402	\$ 165,150		

To: Robert Tait

From: John Forlenzo – 2nd Vice Chairman LLA

Re: Budget Proposal July 2020 – June 2021

Hello Robert,

I am writing in response to your request regarding the proposed budget increase for the Lake Lillinonah Authority. 2020 was a unique year in many respects. With normal summer activities and vacations just not an option with the COVID-19 pandemic, people took to the water. The boating industry had one of their best sales years in a decade. New boat sales alone were 30% higher in May/ June 2020 than the previous May / June in 2019 (reference

<https://www.usatoday.com/story/news/nation/2020/08/29/coronavirus-boat-sales-making-waves-pandemic/5639610002/>

On Lake Lillinonah, our summer 2020 saw a significant increase in activity on the lake that required an increase in patrols. As you can see by the numbers below, the number of contacts by our marine patrol was up by 143%. Along with that was an increase in patrol hours and fuel. Patrol reports attached for your review.

Contacts 2019 = 129

Contacts 2020 = 314

Fuel 2019 = 1500 gallons

Fuel 2020 = 2600 gallons

Patrol Hours 2019 = 1372

Patrol Hours 2020 = 2067

Given the current state of the COVID-19 pandemic and a vaccine rollout that is already significantly behind initial year end projections for distribution, we are anticipating another year of very high activity on the lake and have budgeted for a similar demand. We clearly recognized the impact but we feel safety should continue to be a priority.

Please do not hesitate to reach out to the Lake Lillinonah Authority with any questions.

Best Regards,

John Forlenzo

2nd Vice Chairman Lake Lillinonah Authority

Updated 2021-02-18

Selectmen Budget

1) Police Contractual Services: (Page 125): Up \$9,125 Why?

Contractual service increased by \$9125.00 due to the Police Accountability bill passed this July, HB6004. Two of the multiple mandates placed on Police Departments are psychological testing performed in a 5-year cycle, with 20% of the department's officers undergoing this exam each year. (anticipated cost per exam - \$350.00, which includes contractual obligations). Secondly, there is an additional mandate for a comprehensive drug testing to include a steroid panel, this will be performed on officers whose certification is set to expire. Currently, our officers are on a three-year certification cycle; with a third of the department requiring the test annually, (anticipated cost per/exam 300.00, also including contractual obligations). There was a small increase in inoculation cost and OSHA testing for respirator wear, some COVID related. Lastly, one of the mandates of the Bill requires that departments obtain CALEA accreditation by the year 2025. There are some ancillary costs with obtaining that accreditation, and we are moving forward with that process. We are currently POSTC accredited but the mandate is much more restrictive. The ancillary cost will be attributed to contracting with CALEA to perform on-site assessments and membership to obtain the mandated accreditation, this number is a conservative estimate, (approximately 1200.00).

2) Police Dues, Travel, Education (Page 125): Up \$8,350 Why?

The educational account detail reflects an increase of 8350.00 over last year, as indicated there was no actual increase in the line items listed. Last year's educational account was offset by 8,350 from the special revenue account per the Board of Selectman. This off-set was not funded this year. This account breaks down the departments training which is mandated by state statute, there has been a minimal increase in these cost over the last 3 years, although this year's budget shows an increase of 8,350, it is not reflective of a true increase, last year's off-set was a one-time supplement to the budget.

3) Lake Zoar Authority Budget (Page 153) up 16 percent. Why?

There is more activity at the lakes there more security hours needed.

[See: [\(Q3\)lake_zoar.pdf](#)]

4) Lake Lillinonah Budget (Page 153) up 14 percent. Why?

There is more activity at the lakes there more security hours needed.

[See: [\(Q4\)2021_Budget_Inquiry_Newtown.pdf](#), [\(Q4\)LLA Approved Budget 2021-2022.pdf](#)]

5) What was the budget impact of COVID related changes to voting in the past 12 months?

Extra personnel, overtime and equipment were needed to process the unprecedented number of absentee ballots.

6) Will your budget accommodate continuation of the new voting opportunities e.g. expanded absentee/mail-in ballots, early voting?

Extra personnel will still be needed.

7) Would you expand the use of \$20,000 "Printing, Binding & Microfiching." Questions related to description on page 86:

Page 86 has been updated [See: [\(Q7\)TOWN CLERK PG 86.pdf](#)]

a) Web Hosting – Technology Department (pg 102) shows \$5,000 for CivicPlus which is the platform for newtown-ct.gov. Does this line include host other software such as eCode260 and Info Quick Solutions, Inc.? If so how much?

The \$5000 is for Civic hosting Newtown-ct and streaming to EarthChannel

b) Publication of codification of all ordinances and regulations – What does codification involve. What gets published on eCode360, newtown-ct.gov and both? What are the staff time and costs involved?

[See: [\(Q7b\)eCode supplement process.pdf](#)]

c) TOWN CLERK PORTAL – When was the upgrade made for printing land records? The link for TOWN CLERK PORTAL goes to <https://connecticut-townclerks-records.com/> But Newtown is not listed. Please explain.

February 2020.

d) PROPERTY CHECK – When was the update made. The link for PROPERTY CHECK goes to <http://cotthosting.com/ctnewtownPC> the system as above. Also note it is not a secure site. Please explain.

e) Town Annual Report

i) This was new to me. I searched newtown-ct.gov, Googled and did not find a Town Annual Report. Nor do I remember the BoF submitting an annual report last fall. Please explain. Are there funds in the line item for this?

ii) A number of town departments publish annual reports e.g. Police, Pension Bd, Booth Library, is the Town Clerk's office involved with production, publication and/or distribution of these? Are there funds in the line item for this?

8) How are the Town Clerk's property records and the Assessors Office property cards in Vision kept in synch? Are there material costs to this effort?

Assessors retrieve property transfer information through the town clerk portal.

9) The Charter has various references to "file" with Town Clerk and in some cases it goes further to say "make available." Given a bias to using the web as the vehicle for making information available. Especially during the COVID pandemic when in person visits to facilities such as the Municipal Center are discouraged by the CDC. What criteria is used for web posting by-laws, policy, procedures, regulations and resolutions? What are the cost considerations. The COA By-Laws might serve as an example.

What criteria...? Filed in the Town Clerk's office electronically.

10) Would like to better understand Newtown Youth and Family Services budget and assets, which appear to be significant. The Town of Newtown is their largest funder yet according to their report 40 percent of their clients live outside of Newtown.

a) How much do other towns contribute?

.

b) What are the other sources of the \$777,772 in grants that they received in FY ending June 30, 2020?

.

c) Fundraising appears to comprise only approximately 1 percent of their total expense budget. What is their board doing to increase revenues from fundraising?

.

d) How many people do they currently have on their waiting list for counseling?

.

e) What percentage do employees contribute to the town's group health insurance plan?

[For Q11-Q15 see: [\(Q11-15\)BOF questions 2-18-21.pdf](#)]

11) Transportation Services - When does the district begin to plan for a new transportation contract (since we are in the final year with All Star)? Has there been any recent effort to consolidate bus routes to eliminate a bus (es)?

12) Local Tuition Rate - How is this amount determined? Are the local boards at liberty to set this amount or is it set by the state? How many out of district students pay this rate?

13) Lead Teachers - What is the function of a lead teacher? What is their extra pay amount? Do they teach in a classroom or is their position administrative?

14) Ice Hockey - Why is the pay to play fee \$250 for ice hockey and \$160 for all other sports?

15) NHS Student Travel and Staff Mileage - Can you please provide a breakdown of this \$157,347 expense?

[For Q11-Q15 see: [\(Q11-15\)BOF questions 2-18-21.pdf](#)]

16) Can we get a 3 yr comparison of certified teachers, non-certified teachers, administrators vs enrollment for school years: 18/19, 17/18, 17/16

17) What % of students receive free lunch during a traditional school year? What is the revenue YTD for the lunch program?

18) How many days have the students been remote (full remote vs hybrid) YTD?

19) HS – why reduce college prep is are scores are near the top?

20) Curriculum page 149 – why the increase in contracted services +\$89k? Textbook increase if we are moving to a 1:1 laptop environment? +\$80k

21) General support services page 152 – why the increase in contracted services +\$43k?

22) Plant - new item \$320k? – I see the detail on page 164 but why did we take 2 years off prior? Decreased in gas and oil but prices are currently rising?

23) Bus – looks like 21/22 is the end of the bus contract, when will the bidding for the new contract start? ((duplicate of question 11))

24) Can we see last 3 fiscal year end transfers 18/19, 17/18, 17/16

25) If ECS went away overnight how could the BOE trim the current proposed budget not to put additional stressed on the town tax payers?

26) Enrollment, has BOE always used Peter Prowda 5 yr projection for enrollment numbers? Enrollment has been down YOY for 10 FY years, why the change to an increase?

27) PowerPoint slide 11 revenue sources show other grants at only \$23k, I thought the diversity compliance coordinator was grant funded?

a) Slide 16, competing budget impacts sights SPED enrollment but in the budget book the projection is a decrease of SPED enrollment. SPED enrollment has been fairly flat over the past 5 school years. Also transportation costs increase but we have remote/ virtual learning how is that an increase?

b) Slide 16 shows a budget impact being increase due to science, however staffing is being reduce in science in 2 buildings? There are no requests for new science teachers slides 27/28

c) Slide 34 can you please identify where each town in the DRG is in the budget process for FY 21/22

28) Highway -Why purchase a used hook truck? Are we getting it from a private sale or dealer?

In reverse order, we never buy from a private sale. All vehicles are purchased thru a public solicitation or off of a state or other governmental type bid. As outlined in the proposal a used truck is adequate for our needs because the majority of the trips are on site with only a single daily trip to Danbury..

a) What's the usable life of a used truck vs a new truck?

In this case there is no difference because of the type of usage and operational pressure on the vehicle.

b) Is this being bonded or from operating revenue?

This answer applies to question #34 (Transfer Station - what's the 65K capital item?). As noted in the budget proposal this item reduces operating costs under Contractual by approximately \$65K. Accordingly, we reduced the Contractual item by that amount but transferred that amount to Capital to cover the purchase over 2 years in the budget.

29) P&R -How did the purchase of the 3500 style pick up truck go for parks and rec vs the 5500 they wanted originally? Can we move more of the fleet towards small trucks?

The 3500 which was purchased is assigned to the Parks Operations Supervisor. While he still plows, it is in a clean up or assistance capacity so his truck is not seeing the same use as a maintainers. The substitution of a 3500 instead of a 5500 worked in that particular circumstance. In the past we have equipped the Park Operation Supervisor with a 550/5500 so it can act in a backup role for other heavier duty trucks when they are out of service. We can no longer make this substitution.

550 or 5500 1.5 ton trucks have consistently outlasted 3500 or 4500 vehicles in our experience. We have had 350 and 450 vehicles, as has public works, which are replaced at the 11-12 year mark due to reliability issues while we are consistently getting 15-16 years out of 550 type chassis.

When you look at it from a pure cost standpoint over the 11-12 year life of a 3500, or 15-16 year life of a 5500, the cost to the Town is very similar per year strictly from a purchase cost standpoint. When you look at it from a total cost of ownership, capacity and reliability standpoint, the larger more capable chassis is far more efficient and cost effective.

Every truck is going to break, wear out, and see reduced reliability at the end of its service life. With the heavier 550 chassis we experience fewer frame issues, fewer drivetrain issues, fewer spring issues, fewer plow issues (since we can mount heavier duty plows) as well as greater efficiency over the life of the truck since they can carry more material.

I would not recommend replacing more heavy duty trucks with lighter duty as our responsibilities have only grown. In the recent past we have added plowing responsibilities of the community center, the new Hook and Ladder Firehouse, additional parking at Treadwell park as well as others. Just in the past year we have added a much larger parking lot to plow at the new police station, and a new parking lot to

plow on the FFH campus, at the brewery. While we have to be financially prudent, we need more efficient equipment to handle additional responsibility as well.

30) **Police department – With the transition to the new building are we looking to add more officers in coming years?**

31) **Police vehicle replacement, I didn't see anything in the budget. If I recall they are replaced via the overtime program. Correct?**

32) **Highway – Street sign increase? Is this for replacing the part of the whole town or replacement of damaged signed?**

Both. This item hasn't been increased in years and is exhausted early each year.

33) **Gasoline was decreased by \$61k, fuel prices are increasing should we be reducing?**

We only adjust this type of fuel price based on an actual bid. This gasoline price was adjusted based on the received 12 month bid thru CROG. This was good news. When we receive and process the CROG bid for diesel we are expecting not such good news and we will make the appropriate adjustment at that time.

34) **Transfer station - What's the \$65k capital item?**

see #28 b..

35) **Purchasing agent – what are the volume of contracts that the purchase agent processed?**

a) **What was the savings?**

b) **How many contracts per department (ie BOS vs BOE)**

c) **How many more contacts can be identified to be negotiated by purchasing agent?**

Newtown Board of Finance - Communications Report - 2021-02-18

From	Date	Subject
Deborra Zukowski (BOE Member)	2/12/2021	Technology information in the BOE Newsletter
Dan Rosenthal (First Selectman)	2/15/2021	State Budget Analysis
Michelle Ku (BOE-Chair)	2/16/2021	BOF Budget Meetings
Tanja Gouveia (BOE-Dir. Bus.)	2/18/2021	Covid Expenses
AJ, Sandy Hook	2/18/2021	Meeting decorum

To	Date	Subject
Bob Tait (Finance Director)	2/16/2021	Information request on potential Federal coronavirus package
Michelle Ku (BOE-Chair)	2/17/2021	Re: BOF Budget Meetings

From: Alexander, Keith <alexanderk.bof@gmail.com
Sent: Tuesday, February 16, 2021 2:50 AM
To: Ku, Michelle <kum_boe@newtown.k12.ct.us>
Cc: Lorrie Rodrigue <rodrigue@newtown.k12.ct.us>
Subject: BOF Budget Meetings

Dr. Ku,

Thank you for attending our meeting and bringing your Superintendent and Director of Business to allow the Board of Finance a chance to hear your presentation and ask questions about your proposed budget. I have already sent along some questions from Board Members and will continue to bring you any further inquiries.

I apologize for the lack of decorum at the meeting and note that I should have addressed it during the meeting when it happened. As the host of the meeting, I failed to ensure that our guests were treated with respect. In the future, I will take care to keep our meetings on an even keel, and I hope my fellow Board Members will recognize the importance of showing the proper courtesy to those we have invited in.

Respectfully,

Keith Alexander

Chair, Newtown Board of Finance

BCC: Board of Finance, First Selectman, BOE Director of Business

From: Ku, Michelle <kum_boe@newtown.k12.ct.us>
Sent: Tuesday, February 16, 2021 4:05 PM
To: Alexander, Keith <alexanderk.bof@gmail.com>
Cc: Lorrie Rodrigue <rodrigue@newtown.k12.ct.us>
Subject: BOF Budget Meetings

Keith,


The Board of Education appreciates the opportunity to share information with the Board of Finance. When we have the common objective of ensuring that your board's decisions are well-informed, conversations have been fruitful and have given us insight into the Board of Finance's thinking. Unfortunately, the decorum at last week's meeting undermines productive conversation. It also must be noted that this is not the first occurrence.

In the interest of providing your board with the information needed to make educated decisions, we are requesting that any remaining questions that your board has regarding the budget be submitted to us (up to three days prior to your meetings), and we will be happy to respond in writing.

Sincerely,

Michelle

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed, unless otherwise provided by law. Please notify the sender immediately if you have received this email by mistake and delete this email from your system. Note that any views or opinions presented in this email are solely those of the author and do not necessarily represent those of the Newtown Public Schools. Finally, the recipient should check this email and any attachments for the presence of viruses. The organization accepts no liability for any damage caused by any virus transmitted by this email.

 Lake Lillinonah Authority				
	2020-2021	2021-2022	Change	
Lake Lillinonah Authority: Approved Budget				
Administrative				
Advertising	1,000	-	(1,000)	
Secretarial & professional(includes legal)	3,500	3,000	(500)	
Telephone	500	500	-	
Accounting	2,500	2,500	-	
Auditor	4,000	4,100	100	
Supplies & postage website	600	600	-	
			-	
Water Quality			-	
Invasive Species	19,700	19,700	-	
Fish Stock	12,500	12,500	-	
Water Testing/ Research education	1,200	1,200	-	
			-	
Patrol			-	
Insurance	32,000	33,000	1,000	
Salaries & taxes	56,000	71,000	15,000	
Payroll Processing & tax filings	1,600	2,000	400	
Patrol telephone	200	250	50	
Seasonal dock installation/removal	4,200	4,400	200	
Fuel Tanks Rental	4,000	3,500	(500)	
Security System	500	500	-	
Boat storage and winterization	6,000	7,500	1,500	
Gas & oil	6,000	7,200	1,200	
Equipment & supplies/Uniforms	1,000	1,000	-	
Weapons/training	500	500	-	
Boat repair/ maintenance	3,000	3,000	-	
Dock Maintenance	1,000	1,000	-	
			-	
Capital Equipment			-	
Non-patrol	500	-	(500)	
Buoy Maintenance	1,000	1,000	-	
Buoy removal/ installation	4,000	3,200	(800)	
Sub-Total	167,000	183,150	16,150	
Water Chestnut removal grant (previous year)	(17,600)	(18,000)	(400)	
Trees Removal grant				
Total	149,400	165,150	15,750	
Town Contribution				
Brookfield	\$ 27,164	\$ 30,027		
New Milford	\$ 27,164	\$ 30,027		
Bridgewater	\$ 27,164	\$ 30,027		
Southbury	\$ 27,164	\$ 30,027		
Newtown	\$ 27,164	\$ 30,027		
Roxbury	\$ 13,582	\$ 15,014		
Total contributions	\$ 149,402	\$ 165,150		

To: Robert Tait

From: John Forlenzo – 2nd Vice Chairman LLA

Re: Budget Proposal July 2020 – June 2021

Hello Robert,

I am writing in response to your request regarding the proposed budget increase for the Lake Lillinonah Authority. 2020 was a unique year in many respects. With normal summer activities and vacations just not an option with the COVID-19 pandemic, people took to the water. The boating industry had one of their best sales years in a decade. New boat sales alone were 30% higher in May/ June 2020 than the previous May / June in 2019 (reference

<https://www.usatoday.com/story/news/nation/2020/08/29/coronavirus-boat-sales-making-waves-pandemic/5639610002/>

On Lake Lillinonah, our summer 2020 saw a significant increase in activity on the lake that required an increase in patrols. As you can see by the numbers below, the number of contacts by our marine patrol was up by 143%. Along with that was an increase in patrol hours and fuel. Patrol reports attached for your review.

Contacts 2019 = 129

Contacts 2020 = 314

Fuel 2019 = 1500 gallons

Fuel 2020 = 2600 gallons

Patrol Hours 2019 = 1372

Patrol Hours 2020 = 2067

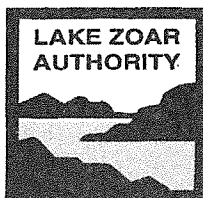
Given the current state of the COVID-19 pandemic and a vaccine rollout that is already significantly behind initial year end projections for distribution, we are anticipating another year of very high activity on the lake and have budgeted for a similar demand. We clearly recognized the impact but we feel safety should continue to be a priority.

Please do not hesitate to reach out to the Lake Lillinonah Authority with any questions.

Best Regards,

John Forlenzo

2nd Vice Chairman Lake Lillinonah Authority



LAKE ZOAR AUTHORITY
P.O. Box 931 Southbury, CT 06488

To: Member Town 1st Selectman and Board of Finance
From: Lake Zoar Authority
Subject: Budget for 7/1/21 – 6/30/22
Date: December 28, 2020

Attached is the budget for the Lake Zoar Authority fiscal 2022 budget of \$114,831.00
(worksheets attached)

The proposed budget results in a decrease from the fiscal 2021 budget. Actual spending in fiscal 2021 is consistent with the budget.

Weed treatment continues to be a challenge. Our goal of being more strategic and potentially adjusting the timing and volume of weed treatment needs to be flexible as we are learning about new invasive weeds that are becoming more common in Lake Zoar and we may need to pull in more funds from reserve-since this is unknown at this time and the reserve fund is in good shape, we are submitting a conservative budget.

In addition, corporate grants, at this time, have become difficult to secure.

First Light suspended the \$15,000 corporate grant that has become an important part of Lake Zoar funding. As such, we are not budgeting for this and have budgeted to use \$10,000 from reserves toward funding our budgeted weed treatment plan and of course we will pursue First Light and other sources for supportive funding/grants for FY21/22 and beyond.

The specific budget funding request to each town for fiscal 2022 is increased from \$19,783.00 to \$23,708.00.

Please review the attached and feel free to call me at 203-376-7999 with any questions or to discuss.

Respectfully submitted,

Bill May

Bill May
Treasurer
billmay2@live.com

EXPENSES

	Fiscal Year 19/20	Fiscal Year 2020/2021				Fiscal Year 21/22
	Actual	Budget	11/30/2020	Estimated	Estimated TOTAL	Budget
Payroll - employees (Harvester)	\$0	\$0	\$0	\$0		\$0
Payroll- employees (Safety)	\$9,135	\$10,600	\$7,120	\$3,750		\$11,000
Payroll taxes	\$972	\$1,012	\$680	\$399		\$1,171
Payroll Processing Fee	\$673	\$943	\$326	\$276		\$810
Total Payroll & Taxes	\$10,780	\$12,555	\$8,126	\$4,425	\$12,552	\$12,981
Salaries - Law Enforcement	\$27,431	\$26,500	\$19,694	\$8,500		\$29,000
Total	\$27,431	\$26,500	\$19,694	\$8,500	\$28,194	\$29,000
Insurance - workers comp	\$1,277	\$1,600	(\$33)	\$1,400		\$1,425
Insurance - Boats	\$6,899	\$7,000	\$7,080	\$0		\$7,100
Insurance - liability	\$6,963	\$6,900	\$7,428	\$0		\$7,500
Total Insurance	\$15,139	\$15,500	\$14,475	\$1,400	\$15,875	\$16,025
Repairs & Maint	\$7,411	\$2,250	\$128	\$2,000		\$2,250
Operating Supplies	\$0	\$0	\$0	\$0		\$0
Boat Slips	\$3,750	\$3,500	\$0	\$3,500		\$3,500
Trailer storage	\$0	\$375	\$0	\$375		\$375
Boat Storage	\$0	\$1,500	\$0	\$1,500		\$1,500
Boat Equipment	\$38	\$1,250	\$0	\$1,250		\$1,250
Total Boats & Motors	\$11,199	\$8,875	\$128	\$8,625	\$8,753	\$8,875
Professional fees	\$0	\$900	\$2,700	\$0		\$900
Communications	\$0	\$0	\$0	\$0		\$0
Website	\$200	\$500	\$0	\$500		\$500
Misc	\$194	\$100	\$26	\$50		\$100
Copies	\$0	\$50	\$53	\$25		\$50
Clerical Expense	\$0	\$0	\$0	\$0		\$0
Office expense	\$0	\$50	\$0	\$0		\$50
Rent - Office	\$0	\$0	\$0	\$0		\$0
Postage	\$151	\$100	\$55	\$50		\$100
Total Office Expenses	\$545	\$1,700	\$2,834	\$625	\$3,459	\$1,700
Harvester Fuel	\$0	\$0	\$0	\$0		\$0
Boat fuel	\$3,464	\$4,500	\$2,244	\$1,200		\$3,500
Total Fuel	\$3,464	\$4,500	\$2,244	\$1,200	\$3,444	\$3,500
Consulting-Environmental	\$5,520	\$6,000	\$5,120	\$0		\$5,250
Water testing	\$0	\$0	\$0	\$0		\$0
Weed treatment	\$42,119	\$32,000	\$11,248	\$25,000		\$35,000
Total Water Quality	\$47,639	\$38,000	\$16,368	\$25,000	\$41,368	\$40,250
Advertising/Education	\$0	\$0	\$0	\$0		\$0
Memberships	\$0	\$0	\$0	\$0		\$0
Non-recurring Expense Fund	\$0	\$0	\$0	\$0		\$0
Grant	\$0	\$0	\$0	\$0		\$0
Navigational Aids	\$2,325	\$2,500	\$1,100	\$1,350		\$2,500
Total	\$118,522	\$110,130	\$64,969	\$51,125	\$116,094	\$114,831
REVENUE/ALLOCATIONS						
Towns' Support	Actual	Orig. Request				Request
Newtown	\$19,867	25%			as of 11/30	25%
Monroe	\$19,867	\$19,783			\$19,783	\$23,708
Southbury	\$19,867	\$19,783			\$19,783	\$23,708
Oxford	\$19,867	\$19,783			\$19,783	\$23,708
Other	\$0	\$19,783			\$19,783	\$23,708
Transfer Reserve	\$0	\$0			\$1	\$0
Carry Over	\$18,109	\$0			\$22,906	\$10,000
Corporate Grant	\$10,000	\$6,000			\$4,055	\$0
Corporate Support (power company)	\$15,000	\$15,000			\$0	\$0
Grand Total	\$122,577	\$10,000			\$10,000	\$10,000
		\$110,132			\$116,094	\$114,831

LAKE ZOAR AUTHORITY

RESERVE FUND STATUS

Estimated balance end of FY 2016	<u>TOTAL</u> <u>\$95,107</u>
<u>Fiscal Year 2017</u>	
Carryover from FY16	\$0
Contribution in FY 2017	\$0
Use FY 2017	\$0
Interest FY17	<u>\$29</u>
Estimated balance end of FY 2017	<u>\$95,136</u>
<u>Fiscal Year 2018</u>	
Carryover from FY17	\$2,002
Estimated contribution in FY 2018	\$0
Use FY 2018	\$0
Interest FY18	<u>\$29</u>
Estimated balance end of FY 2018	<u>\$97,167</u>
<u>Fiscal Year 2019</u>	
Carryover from FY18 to Reserve	\$0
Contribution in FY 2019	\$0
Use FY 2019	\$0
Interest FY19	<u>\$28</u>
Balance end of FY 2019	<u>\$97,195</u>
<u>Fiscal Year 2020</u>	
Estimated Carryover from FY19 to Reserve	\$0
Estimated contribution in FY 2020	\$2,000
Estimated use FY 2020	\$0
Interest FY20	<u>\$32</u>
Estimated balance end of FY 2020	<u>\$99,227</u>
<u>Fiscal Year 2021</u>	
Estimated Carryover from FY20 to Reserve	\$0
Estimated contribution in FY 2021	\$0
Estimated use FY 2021	(\$22,906)
Interest FY21	<u>\$35</u>
Estimated balance end of FY 2021	<u>\$76,356</u>
<u>Fiscal Year 2022 (estimate)</u>	
Estimated Carryover from FY21 to Reserve	\$0
Estimated contribution in FY 2022	\$0
Estimated use FY 2022	(\$10,000)
Interest FY22	<u>\$0</u>
Estimated balance end of FY 2022	<u>\$66,356</u>

BUDGET ALLOCATION - FY 2022

	<u>Dollar</u> <u>Allocation</u>	<u>Percent</u>
Safety	\$70,381	61.3%
Weeds	\$40,250	35.1%
Other	\$4,200	3.7%
	<u>\$114,831</u>	<u>100.0%</u>

THIS TOTAL INCLUDES NON-RECURRING AND WEED CONTROL RESERVE

LZA CAPITAL FUND PLAN (Initiated in 2009)

Anticipated Capital Expenses

In-Service Year	Replacement Year	Item	Age @ Replacment	Estimated Amount	Next Replace Year
2005	2016	motor for boat 1	11	\$16,000	2028 w/hulls
2007	2016	motor for boat 2	9	\$16,000	2033 w/hulls
2005	2028	boat 1hull/motor	23B/12M	\$48,000	2053
2007	2033	boat 2 hull/motor	25B/17M	\$50,000	2058

2003 Harvester (not to be replaced)
8/2013 harvester sold for \$23,000

2016 both motors replaced - \$26388 reserve/\$5612 operating

2021 estimated use of \$22,906 reserve to cover expenses (loss of \$15,000 annual grant main reason)

Capital Fund Accumulation Schedule (excludes interest)

	Fiscal Year	Annual Contribution	Total Contributions	Withdrawals	Withdrawal Accumulation	Estimated Fund Balance
1	2009	\$40,391	\$40,391	\$0	\$0	\$40,391
2	2010	\$0	\$40,391	\$0	\$0	\$40,391
3	2011	\$6,888	\$47,279	\$0	\$0	\$47,279
4	2012	\$12,000	\$59,279	\$0	\$0	\$59,279
5	2013	\$3,500	\$62,779	\$0	\$0	\$62,779
6	2014	\$23,000	\$85,779	\$0	\$0	\$85,779
7	2015	\$0	\$85,779	\$0	\$0	\$85,779
8	2016	\$0	\$85,779	(\$26,388)	(\$26,388)	\$59,391
9	2017	\$0	\$85,779	\$0	(\$26,388)	\$59,391
10	2018	\$0	\$85,779	\$0	(\$26,388)	\$59,391
11	2019	\$0	\$85,779	\$0	(\$26,388)	\$59,391
12	2020	\$2,000	\$87,779	\$0	(\$26,388)	\$61,391
13	2021	\$0	\$87,779	(\$22,906)	(\$49,294)	\$38,485
14	2022	\$0	\$87,779	(\$10,000)	(\$59,294)	\$28,485
15	2023	\$5,000	\$92,779	\$0	(\$59,294)	\$33,485
16	2024	\$5,000	\$97,779	\$0	(\$59,294)	\$38,485
17	2025	\$5,000	\$102,779	\$0	(\$59,294)	\$43,485
18	2026	\$5,000	\$107,779	\$0	(\$59,294)	\$48,485
19	2027	\$5,000	\$112,779	\$0	(\$59,294)	\$53,485
20	2028	\$5,000	\$117,779	(\$48,000)	(\$107,294)	\$10,485
21	2029	\$6,000	\$123,779	\$0	(\$107,294)	\$16,485
22	2030	\$6,000	\$129,779	\$0	(\$107,294)	\$22,485
23	2031	\$6,000	\$135,779	\$0	(\$107,294)	\$28,485
24	2032	\$6,000	\$141,779	\$0	(\$107,294)	\$34,485
25	2033	\$6,000	\$147,779	(\$50,000)	(\$157,294)	(\$9,515)
26	2034	\$5,000	\$152,779	\$0	(\$157,294)	(\$4,515)
27	2035	\$5,000	\$157,779	\$0	(\$157,294)	\$485
28	2036	\$5,000	\$162,779	\$0	(\$157,294)	\$5,485
29	2037	\$5,000	\$167,779	\$0	(\$157,294)	\$10,485
30	2038	\$5,000	\$172,779	\$0	(\$157,294)	\$15,485
31	2039	\$5,000	\$177,779	\$0	(\$157,294)	\$20,485
32	2040	\$5,000	\$182,779	(\$25,000)	(\$182,294)	\$485
33	2041	\$5,000	\$187,779	\$0	(\$182,294)	\$5,485
34	2042	\$5,000	\$192,779	\$0	(\$182,294)	\$10,485
35	2043	\$5,000	\$197,779	\$0	(\$182,294)	\$15,485
36	2044	\$5,000	\$202,779	\$0	(\$182,294)	\$20,485
37	2045	\$5,000	\$207,779	(\$25,000)	(\$207,294)	\$485
38	2046	\$5,000	\$212,779	\$0	(\$207,294)	\$5,485
39	2047	\$5,000	\$217,779	\$0	(\$207,294)	\$10,485
40	2048	\$5,000	\$222,779	\$0	(\$207,294)	\$15,485

RatingsDirect®

Summary:

Newtown, Connecticut; General Obligation

Primary Credit Analyst:

Christian Richards, Boston + 1 (617) 530 8325; christian.richards@spglobal.com

Secondary Contact:

Charlene P Butterfield, New York + 1 (212) 438 2741; charlene.butterfield@spglobal.com

Table Of Contents

Rating Action

Stable Outlook

Credit Opinion

Related Research

Summary:

Newtown, Connecticut; General Obligation

Credit Profile

US\$8.725 mil GO bnds ser 2021 due 03/15/2041

<i>Long Term Rating</i>	AAA/Stable	New
Newtown GO		
<i>Long Term Rating</i>	AAA/Stable	Affirmed
Newtown GO rfdg		
<i>Long Term Rating</i>	AAA/Stable	Affirmed

Rating Action

S&P Global Ratings assigned its 'AAA' long-term rating to Newtown, Conn.'s 2021 general obligation (GO) bonds. At the same time, we affirmed our 'AAA' rating on the town's existing GO debt. The outlook is stable.

Newtown's full-faith-and-credit pledge and agreement to levy ad valorem property taxes, without limitation as to rate or amount, secure the bonds.

Officials intend to use 2021 bond proceeds to fund various capital and infrastructure projects in line with the town's capital improvement plan (CIP).

Credit overview

The rating and outlook reflect the town's consistent financial results, leading to maintenance of very strong reserve levels, which we expect to continue. A very strong management environment, strengthened by a very strong economic profile and low fixed costs, further supports the rating. While economic growth has been slow regionally, management's conservative budgeting practices have led to consistently strong financial performance and improving reserves over several years. Despite broad macroeconomic pressures, we believe management will continue to adjust the budget to remain balanced while seeking to expand the local property tax base through ongoing development initiatives.

We rate Newtown higher than the nation because we believe the town can maintain better credit characteristics than the nation in a stress scenario, based on its predominantly locally derived revenue base and our view that pledged revenue supporting debt service on the bonds is at limited risk of negative sovereign intervention. (For further information, please see our criteria, titled "Ratings Above The Sovereign: Corporate And Government Ratings—Methodology And Assumptions," published Nov. 19, 2013, on RatingsDirect.) In 2020, local property taxes generated 83% of general fund revenue on a generally accepted accounting principles (GAAP) basis, demonstrating a lack of dependence on central government funding.

The long-term rating further reflects our view of the following factors:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with operating results that we expect could improve in the near term relative to fiscal 2020, which closed with balanced operating results in the general fund and a slight operating surplus at the total governmental fund level in fiscal 2020;
- Strong budgetary flexibility, with an available fund balance in fiscal 2020 of 12.9% of operating expenditures;
- Very strong liquidity, with total government available cash at 17.7% of total governmental fund expenditures and 2.5x governmental debt service, and access to external liquidity we consider strong;
- Very strong debt and contingent liability position, with debt service carrying charges at 6.9% of expenditures and net direct debt that is 59.0% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value and rapid amortization, with 66.7% of debt scheduled to be retired in 10 years, but significant medium-term debt plans; and
- Strong institutional framework score.

Environmental, social, and governance factors

Our rating incorporates our view regarding the health and safety risks posed by the COVID-19 pandemic. Absent the implications of the pandemic, we consider the town's social risks in line with those of the sector. We analyzed Newtown's environmental and governance risks relative to the town's economy, management, financial measures, and debt and liability profile, and determined that all are in line with our view of the sector standard.

Stable Outlook

Downside scenario

If Newtown were to experience budgetary pressure, resulting in negative operations leading to a significant deterioration of available reserves, we could lower the rating.

Credit Opinion

Very strong economy

We consider Newtown's economy very strong. The town, with a population of 29,148, is in Fairfield County in the Bridgeport-Stamford-Norwalk MSA, which we consider to be broad and diverse. It has a projected per capita effective buying income of 146% of the national level and per capita market value of \$157,620. Overall, market value grew by 0.8% over the past year to \$4.6 billion in 2021. The county unemployment rate rose to 10.5% in July 2020, according to the Bureau of Labor Statistics, and remained above 10% for two months of the year. We do not expect the county-level unemployment rate, which was 7.3% in December 2020, to change our view of the town's economic profile.

Newtown residents have access to employment centers in the county and New York City. While the town is largely residential, management is working actively to expand the commercial base, particularly within the town's designated

business districts. Despite ongoing develop supported by management, we believe tax base growth will remain slow relative to peers outside the state. Nevertheless, management has been able to incorporate this into its budgeting and forecasts, and budgetary performance has been steady over many years.

We do not expect to revise our view of the town's economic profile as a result of the pandemic and recession. We believe its wealth and income metrics, as well as underlying tax base, remain stable, further supported by participation in a broad and diverse MSA. We believe incremental growth in the tax base is likely to continue.

Very strong management

We view the town's management as very strong, with strong financial policies and practices under our FMA methodology, indicating financial practices are strong, well embedded, and likely sustainable.

Highlights of the financial management environment include:

- The use of three years of historical data to inform revenue and expenditure assumptions;
- An annually updated budget forecasting tool, which projects out 10 years, to examine potential revenue or expenditure trend deviations;
- A CIP that identifies projects and funding for the next five years and is updated annually; and
- Monthly financial reporting, including reviewing revenue and expenditure performance and investment performance.

Newtown also has a formally adopted investment policy, which mirrors state law. Its debt management policy limits debt service to 9% of general fund expenditures, requires 50% amortization of outstanding GO debt within 10 years, and sets a refunding target of at least 2%. We believe the town incorporates long-term debt monitoring and planning into its long-term financial and capital planning. Finally, the reserve policy calls for an unassigned fund balance of 8%-12% of total general fund expenditures based on cash-flow needs. Historically, management has adhered to its debt-management and reserve policies.

Strong budgetary performance

Newtown's budgetary performance is strong, in our opinion. The town had balanced operating results in the general fund of 0.4% of expenditures, and slight surplus results across all governmental funds of 0.8% in fiscal 2020. Our assessment accounts for the fact that we expect budgetary results could improve from 2020 results in the near term. General fund operating results of the town have been stable over the last three years, with results of 0.6% in 2019 and 0.6% in 2018.

Our assessment accounts for the ongoing uncertainty from the pandemic and economic recovery. While Newtown has a long history of year-end operating surplus results due to its very strong financial management, we believe fiscal 2021 year-end results remain uncertain due to the pandemic and economic recovery. However, we also believe that the town is likely to outperform its budget, given current projections, likely resulting in continued strong budgetary performance.

Local property taxes consistently account for more than 80% of audited revenues, while intergovernmental is less than 15%. We believe this provides inherent predictability in the town's budgeting. Management reports that fiscal 2021

total revenues are coming in better than budget, with property taxes, conveyance fees, and state aid exceeding the budget, and outweighing interest income and certain departmental revenues that are below budget. Expenditures are also close to budget. The town has approximately \$1.3 million appropriated into the budget it could access for additional flexibility, but we would not expect it to draw down reserves on a GAAP basis that would result in a material negative general fund operating result. We also expect approximately balanced results across all governmental funds.

Strong budgetary flexibility

Newtown's budgetary flexibility is strong, in our view, with an available fund balance in fiscal 2020 of 12.9% of operating expenditures, or \$17.1 million.

The town consistently maintain strong available reserve levels. We do not expect any material change in reserves as a percentage of operating expenditures, given recent performance and our expectation that over the long term, the town will maintain at least balanced financial results.

Very strong liquidity

In our opinion, Newtown's liquidity is very strong, with total government available cash at 17.7% of total governmental fund expenditures and 2.5x governmental debt service in 2020. In our view, the town has strong access to external liquidity if necessary.

Newtown has consistently maintained very strong cash reserves, with its overall liquidity profile further supported by demonstrated strong access to external liquidity through frequent GO debt and note issuance. The town is not aggressive in its use of investments and it does not have any financial instruments that could strain its cash position.

Very strong debt and contingent liability profile

In our view, Newtown's debt and contingent liability profile is very strong. Total governmental fund debt service is 6.9% of total governmental fund expenditures, and net direct debt is 59.0% of total governmental fund revenue. Overall net debt is low at 1.9% of market value, and approximately 66.7% of the direct debt is scheduled to be repaid within 10 years, which are, in our view, positive credit factors. Negatively affecting our view of the town's debt profile are its significant medium-term debt plans.

Following this issuance, the town has approximately \$85.6 million in debt outstanding. According to its CIP, it expects to issue approximately \$21.7 million in new-money debt over the next two years, which we believe could have a material effect on debt ratios. However, given the rapid amortization and low debt-to-market values, along with limited retirement liability credit pressure, we do not expect to revise our view of the town's debt profile.

Pension and OPEB highlights

- We do not view pension and OPEB liabilities or costs as a source of credit pressure for Newtown despite our expectation that costs will increase.
- The town has made progress in adopting increasingly conservative assumptions, which we expect to continue.

Newtown participated in the following pension plan as of June 30, 2020:

- Newtown Employees' Pension Plan and Newtown Police Officers' Pension Plan, referred to collectively as "the town plan": 76% funded, \$15 million net pension liability.

Newtown's combined required pension and actual OPEB contributions totaled 2.0% of total governmental fund expenditures in 2020. The town made 100% of its annual required pension contribution in 2020. The pension plan is closed to new hires, who participate in a defined-contribution plan.

Newtown also offers OPEBs to some retirees in the form of a health-care plan. Eligible retirees receive benefits until Medicare age. The town contributes \$200,000 to its OPEB trust, as well as annual retiree medical costs. Newtown's net OPEB liability is \$5.2 million. Its liability is 37% funded. As the pension plan is relatively well funded with low annual costs, with management working to limit future liability growth and demonstrated funding of OPEB liabilities, we do not expect significant pressure from retirement liabilities or costs.

Strong institutional framework

The institutional framework score for Connecticut municipalities is strong.

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020
- Criteria Guidance: Assessing U.S. Public Finance Pension And Other Postemployment Obligations For GO Debt, Local Government GO Ratings, And State Ratings, Oct. 7, 2019
- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

February 10, 2021

Governor's Proposed FY 22 State Budget: Impact on Newtown

Grant:	Estimated FY 21	Gov. Prop. FY 22	Gov. FY 22 v. FY 21	
	(\$)	(\$)	(\$)	(%)
Adult Education	4,778	4,868	90	1.9%
ECS Grant	4,495,691	4,495,691	0	0.0%
LoCIP	207,543	207,543	0	0.0%
Pequot-Mohegan Grant	829,098	829,098	0	0.0%
PILOT: Colleges & Hospitals	0	0	0	
PILOT: State-Owned Property	456,363	456,363	0	0.0%
Town Aid Road	469,483	469,483	0	0.0%
Grants for Municipal Projects	235,371	235,371	0	0.0%
Motor Vehicle Reimbursement	0	0	0	
Municipal Revenue Sharing	0	0	0	
Municipal Stabilization Grant	267,960	267,960	0	0.0%
Federal ESSER II	0	312,766	312,766	
Additional Support: Distressed Municipalities	0	0	0	
Total	6,966,287	7,279,143	312,856	4.5%

February 15, 2021

Governor's Proposed FY 22 State Budget: Impact on Towns and Cities

Contents

Overview	1
Education Aid	1
Education Cost Sharing (ECS)	2
Alliance Districts	2
ESSER II	2
Charter Schools	2
Minimum Budget Requirement (MBR)	3
Non-Education Aid	4
PILOT: Colleges & Hospitals	4
Additional Support: Distressed Municipalities	5
Municipal Revenue Sharing Account (MRSA)	5
Additional Items	5
Bond Funding	5
Motor Vehicle Tax Cap	6
Municipal Spending Cap	6
Teachers' Retirement System (TRS)	6
Stormwater Authority	7
Local Conveyance Tax	7
Recreational Marijuana	7
Gaming	8
Broadband Expansion	8
Highway Use Tax	8
Transportation Climate Initiative Plan (TCI-P)	8
Elderly Renters' Tax Relief	8

Overview

On February 10, 2021, the Governor proposed his FY 22 state budget. The budget calls for combined expenditures of \$22.6 billion. This equates to an increase of \$442.2 million (2.0%) over FY 21 appropriations.

The proposal would increase municipal aid by \$317.7 million (9.9%) versus FY 21.

	Est. FY 21	Gov. Prop. FY 22	Gov. FY 22 v. FY 21 Change:	
			\$	%
Municipal Aid	3,218,879,130	3,536,609,386	317,730,256	9.9%

Education Aid

Below are changes to statewide totals for major education grant programs. The budget includes education grants totaling \$2.87 billion in FY 22. This represents an increase of \$220.6 million (8.3%) compared to FY 21.

	Est. FY 21	Gov. Prop. FY 22	Gov. FY 22 v. FY 21 Change:	
			\$	%
Adult Education	20,383,960	20,385,878	1,918	0.0%
After School Program	5,750,695	5,750,695	0	0.0%
Bilingual Education	1,916,130	1,916,130	0	0.0%
Education Cost Sharing	2,093,587,133	2,093,587,133	0	0.0%
Excess Cost - Student Based	140,619,782	140,619,782	0	0.0%
Extended School Hours	2,919,883	2,919,883	0	0.0%
Health Serv for Pupils Private Schools	3,438,415	3,438,415	0	0.0%
Interdistrict Cooperation	1,537,500	1,383,750	(153,750)	-10.0%
Magnet Schools	295,033,302	292,223,044	(2,810,258)	-1.0%
Open Choice Program	25,982,027	27,980,849	1,998,822	7.7%
Priority School Districts	30,818,778	30,818,778	0	0.0%
School Accountability	3,412,207	3,412,207	0	0.0%
School Breakfast Program	2,158,900	2,158,900	0	0.0%
Vocational Agriculture	15,124,200	15,124,200	0	0.0%
Youth Service Bureaus	2,626,772	2,626,772	0	0.0%
ESSER II (Federal)	0	221,591,906	221,591,906	--
Total Education Aid	2,645,309,684	2,865,938,322	220,628,638	8.3%

It is important to note that the significant increase in education funding is due to federal support. This is discussed in more detail below.

Education Cost Sharing (ECS)

The governor's plan retains the current ECS formula. His proposal, however, pauses for two years the phase-in of increases for towns that are underfunded according to the formula and decreases for towns that are overfunded. Towns would receive the same ECS amounts in FY 22 that they received in FY 21.

Alliance Districts

At this time, CCM has not seen anything in the proposal that indicates changes to the ECS breakdown for Alliance Districts. The municipal, or base, portion of the grant would continue to be the FY 12 ECS amount. The increase above the FY 12 amount is the Alliance District portion.

If we do identify any changes to the Alliance District program, we will update this document to reflect that.

ESSER II

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) was signed into law on December 27, 2020. It provides an additional \$54.3 billion for the Elementary and Secondary School Emergency Relief Fund (ESSER II).

Connecticut's share of the funding is \$492.4 million. Of that, \$443.2 million would be distributed to local education agencies (LEA) over two years, FY 22 and FY 23. According to the Office of Fiscal Analysis (OFA), however, federal guidelines indicate that this funding must be awarded to LEAs by January 2022.

The State Department of Education (SDE) will oversee the allocation of ESSER II consistent with the ESSER I distribution from 2020. The funding will be provided to districts based on their FY 20 Title I allocation. This funding is separate from ECS and should be considered board-of-education revenue.

Charter Schools

The governor is proposing an increase in the per-pupil grant for charter schools. The grant would go from \$11,250 to \$11,525, which is identical to the ECS foundation level.

Minimum Budget Requirement (MBR)

The governor is proposing an extension of the current MBR for FY 22. Here is the current MBR.

- There would be no MBR for school districts that have an “accountability index score” in the top 10 percent of all districts in the state. This allows those districts to reduce their education budget with no restrictions.
- Member towns of a newly formed regional school district would also be exempt during the first full fiscal year following its establishment.
- The MBR for Alliance Districts, or those formally designated as such, would equal the prior year’s budgeted appropriation.
- The MBR for all other districts would be the prior year’s budgeted appropriation plus any ECS increase.

Reductions would be allowed for non-Alliance Districts under the following conditions.

- If a district is set to receive a decrease in ECS funding in FY 21, it could reduce its MBR by the amount of the reduction.
- The district can reduce its MRB if it demonstrate savings through increased efficiencies or regional collaborations. The budget outlines examples of what is eligible.
- A district that does not maintain a high school and pays tuition to another school district and a student population attending high school as of the October 1 count two years prior that is less than the count for October 1 three years prior, may reduce its budgeted appropriation by such difference multiplied by the amount of tuition paid per student.
- A school is closed due to lower enrollment. Approval would be required from the SDE commissioner.

In calculating the MBR, an ECS grant increase or decrease is the difference between the FY 21 amount and the FY 20 amount (i.e., “base amount”).

Non-Education Aid

Below are changes to statewide totals for major non-education grant programs. The budget includes non-education grants totaling \$670.7 million in FY 22. This represents an increase of \$97.1 million (16.9%) compared to FY 21.

	Est. FY 21	Gov. Prop. FY 22	Gov. FY 22 v. FY 21 Change:	
			\$	%
Distressed Municipalities	1,500,000	1,500,000	0	0.0%
Housing/Homeless Services - Municipality	575,226	607,063	31,837	5.5%
Local Capital Improvement Program	30,000,000	30,000,000	0	0.0%
Local and District Departments of Health	4,210,499	4,210,499	0	0.0%
Grants for Municipal Projects	76,000,000	76,000,000	0	0.0%
Municipal Revenue Sharing	36,819,135	36,819,135	0	0.0%
Municipal Restructuring	63,614,629	61,977,710	(1,636,919)	-2.6%
Municipal Stabilization Grant	38,253,335	37,753,335	(500,000)	-1.3%
Motor Vehicle Reimbursement	32,331,732	32,331,732	0	0.0%
Pequot-Mohegan Fund	51,472,796	51,472,796	0	0.0%
PILOT: Colleges & Hospitals	109,889,434	108,998,308	(891,126)	-0.8%
PILOT: State-Owned Property	54,944,031	54,944,031	0	0.0%
Property Tax Relief Elderly Freeze Program	40,000	10,000	(30,000)	-75.0%
Property Tax Relief for Veterans	2,708,107	2,708,107	0	0.0%
Property Tax-Disability Exemption	364,713	364,713	0	0.0%
School Based Health Clinics	10,550,187	10,678,013	127,826	1.2%
Teen Pregnancy Prevention - Municipality	98,281	98,281	0	0.0%
Town Aid Road	60,000,000	60,000,000	0	0.0%
Venereal Disease Control	197,341	197,341	0	0.0%
Additional Support: Distressed Municipalities	0	100,000,000	100,000,000	--
Total Non-Education Aid	573,569,446	670,671,064	97,101,618	16.9%

PILOT: Colleges & Hospitals

The decrease in overall PILOT: Colleges & Hospitals is due to changes in exemption claims in a handful of towns. The FY 22 amounts for most towns receiving this grant are identical to the FY 21 amounts.

Additional Support: Distressed Municipalities

The additional support for distressed municipalities would be funded 50% from the Municipal Coronavirus Relief Fund (CRF) and 50% from new bonding. This means that use of half the funding would have to comply with CRF requirements. We don't yet know how the remaining half would have to be used, but given that it is bonded funding, it may have some restrictions.

Funding would be distributed based on population to the 25 municipalities designated as distressed in FY 20 by the Department of Economic and Community Development (DECD).

Municipal Revenue Sharing Account (MRSA)

The governor's budget delays the transfer of 0.5 percentage points of the sales tax into MRSA for two more years, until FY 24. The FY 22 revenue to towns and cities was projected to be \$377.2 million.

Additional Items

Below are additional items in the FY 22 budget that affect towns and cities.

Bond Funding

The following are some of the governor's recommended FY 22 bond authorizations that impact local government.

- Urban Act: \$50 million
- STEAP: None (\$45 million of authorized STEAP funding currently remains unallocated by the State Bond Commission)
- Police body and dashboard recording equipment: \$2 million
- Distressed municipalities: \$50 million in grants; \$7 million for capital projects
- School construction: \$550 million
- School Security Competitive Grant: \$5 million
- Clean Water Fund: \$75 million
- Bikeway, walkway, greenway grants: \$3 million
- Open space: \$5 million

- Grants for incinerator and landfill improvements: \$2.9 million
- Microgrid loans and grants: \$5 million
- Urban industrial site clean-up: \$10.5 million
- Brownfield remediation: \$30 million
- PFAS testing and remediation: \$1.15 million
- Crumbling Foundation Assistance Fund: \$10 million
- Grants and loans for housing projects and programs: \$155 million
- Grants and loans for deep water ports: \$50 million
- Local Transportation Capital Improvement Program: \$67 million
- Local Bridge Program: \$10 million
- Grants for facility improvements in low-performing schools: \$5 million

Motor Vehicle Tax Cap

The proposal does not address the motor vehicle mill rate (MVMR). That would mean the FY 22 cap would remain at 45 mills.

Municipal Spending Cap

The governor's proposal made no mention of changes to the municipal spending cap.

Under current law, the spending cap remains in place. OPM must still calculate the cap and determine if towns have exceeded it.

There is currently, however, no penalty for exceeding the cap. That is because there would be no MRSA funding again in FY 22, and that is from where the penalty would have been taken.

Teachers' Retirement System (TRS)

The budget fully funds the actuarially determined employer contribution (ADEC) for the TRS. It also fully funds the state portion of the TRS retiree health account.

Stormwater Authority

The governor's proposal allows towns and cities to create stormwater authorities, which would be able to assess fees based on the amount of impervious surface of any real property.

Each stormwater authority would present its annual budget to the legislative body of the municipality for approval. The budget would include a list of, and projected expenditures for, projects the authority would undertake during the year. It would also outline the fees the authority proposes to levy to pay for such expenditures.

Local Conveyance Tax

The proposal includes a local-option conveyance tax on real property.

- The tax would be up to 0.5% on the amount above \$150,000 for property valued below \$800,000;
- up to 1.0% on the value between \$800,000 and \$2.5 million; and
- up to 1.5% on the value above \$2.5 million.

The funds would be held in a separate account and could be used for the following:

- the purchase, preservation, or stewardship of open space or other interests in land, including, but not limited to, water resources, forest land, and farmland;
- funding of a Climate Change and Coastal Resiliency Reserve Fund, created by the municipality, or for other municipal climate resilience, mitigation, or adaptation strategies;
- matching of investments from state programs funded pursuant to section 4-66aa of the general statutes (community investment account);
- funding of other environmental projects, including, but not limited to, urban forestry and tree planting; and
- repayment of municipal bonds issued for any of the purposes described above.

Recreational Marijuana

The governor is proposing the legalization of recreational marijuana for adults beginning in May 2022. On top of the 6.35% sales tax, a state excise tax of 9.5% would be applied to cannabis products. Half of the excise tax revenue would be distributed to municipalities for PILOT grants beginning in FY 24.

There would also be a 3.0% local excise tax on cannabis products.

Gaming

The proposal includes the expansion of gaming. It allows the operation of sports betting, e-sports, and daily fantasy contests both on and off of tribal lands. It also allows the online expansion of casino gaming, Keno, and lottery games.

Broadband Expansion

The budget includes \$2.85 million to help facilitate the expansion of broadband service. The funding would be used by OPM, DEEP, PURA, and Consumer Counsel for planning and policy development around the issue.

Highway Use Tax

The proposed budget includes a new highway use tax.

- It would apply to tractor trailers and vehicles weighing 26,000 to 80,000 pounds.
- Trucks above 80,000 pounds would be charged an additional amount.
- Rates would increase by 2,000-pound increments from 2.5 cents per mile to 10 cents per mile.
- Trucks above 80,000 pounds would be charged 17.5 cents per mile.

The plan is projected to generate \$90 million annually.

Transportation Climate Initiative Plan (TCI-P)

Another proposal in the budget is to enact the Transportation Climate Initiative Plan (TCI-P). TCI-P aims to reduce carbon emissions by 26% by the year 2032 by enacting a regional cap-and-trade mechanism for carbon fuel-based emissions.

It would impose an excise tax on fuel wholesalers that could range from \$0.05 to \$0.09 per gallon of gasoline or diesel fuel. That revenue would be placed into the Special Transportation Fund and used for projects that would reduce carbon-based emissions, such as improvements to mass transit, traffic mitigation, and increased broadband connectivity.

Elderly Renters' Tax Relief

The proposal reduces funding for the Elderly Renters' Tax Relief program by \$2.7 million in FY 22. The reduction is due to anticipated reduction in caseloads.

###

If you have any questions, please contact George Rafael at grafael@ccm-ct.org or 203-498-3063.

FACT SHEET
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND II
CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT, 2021

This chart outlines the primary differences between the Elementary and Secondary School Emergency Relief (ESSER) Fund under the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted on March 27, 2020, and the ESSER II Fund under the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021, Public Law 116-260, enacted on December 27, 2020.

Topic	ESSER Fund (CARES Act)	ESSER II Fund (CRRSA Act)
Authorizing Legislation	Section 18003 of Division B of the Coronavirus Aid, Relief, and Economic Security (CARES) Act	Section 313 of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021
Period of Funds Availability	May be used for pre-award costs dating back to March 13, 2020, when the national emergency was declared. Available for obligation by State educational agencies (SEAs) and subrecipients through September 30, 2022.	Same as ESSER Fund (CARES Act): May be used for pre-award costs dating back to March 13, 2020, when the national emergency was declared. Available for obligation by SEAs and subrecipients through September 30, 2023.
SEA Deadline for Awarding Funds	SEA must award the funds within one year of receiving them, which will be April through June 2021, depending on an SEA's award date.	SEA must award the funds within one year of receiving them, which will be January 2022.
Definition of "Awarded"	For the 90 percent of funds for local educational agencies (LEAs), funds are generally considered "awarded" when the SEA subgrants the funds to an LEA. For the SEA reserve (see section 18003(e) of the CARES Act), funds are "awarded" when the SEA awards a contract or subgrant, or when it retains funds to provide direct services.	Same as ESSER Fund (CARES Act): For the 90 percent of funds for LEAs, funds are generally considered "awarded" when the SEA subgrants the funds to an LEA. For the SEA reserve (see section 313(e) of the CRRSA Act), funds are "awarded" when the SEA awards a contract or subgrant, or when it retains funds to provide direct services.
Uses of Funds	The CARES Act includes allowable uses of funds related to preventing, preparing for, and responding to COVID-19. Note that the "additional" LEA allowable uses of funds under the CRRSA Act already were permitted under the CARES Act.	Same as ESSER Fund (CARES Act): Note that the "additional" LEA allowable uses of funds under the CRRSA Act (addressing learning loss, preparing schools for reopening, and testing, repairing, and upgrading projects to improve air quality in school buildings) already are permitted under the CARES Act.
Equitable Services	An LEA that receives ESSER funds under the CARES Act (Section 18005) must provide equitable services to non-public school	The CRRSA Act includes a separate program of Emergency Assistance for Non-Public Schools for which eligible non-public

Topic	ESSER Fund (CARES Act)	ESSER II Fund (CRRSA Act)
	students and teachers in the same manner as provided under section 1117 of Title I, Part A of the ESEA.	schools may apply to an SEA to receive services or assistance. Consequently, LEAs are not required to provide equitable services under ESSER II.
Maintenance of Effort (MOE)	Under the CARES Act, a State that receives ESSER funds must maintain support for elementary and secondary education and State support for higher education in each of fiscal years (FY) 2020 and 2021 at least at the level of such support that is the average of the support for elementary and secondary education and higher education provided in the three fiscal years preceding the date of enactment of the CARES Act (FYs 2017, 2018, 2019).	Under the CRRSA Act, a State that receives ESSER II funds must maintain support for elementary and secondary education and higher education in FY 2022 based on the proportional share of the State's support for elementary and secondary education and higher education relative to the State's overall spending averaged over FYs 2017, 2018, and 2019.
Reporting	Under the CARES Act, each SEA that receives ESSER funds must meet the reporting requirements of section 15011 of the CARES Act, which are satisfied through the Federal Funding Accountability and Transparency Act (FFATA) reporting, and other reporting as the Secretary may require (Annual Reporting).	Under the CRRSA Act, each SEA that receives ESSER II funds must meet the CARES Act reporting requirements that apply to ESSER funds and submit a report to the Secretary within six months of award that contains a detailed accounting of the use of ESSER II funds, that includes how the State is using funds to measure and address learning loss among students disproportionately affected by the coronavirus and school closures, including: low-income students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and children and youth in foster care.
Tracking of Funds	ESSER funds must be tracked separately from ESSER II funds.	ESSER II funds must be tracked separately from ESSER funds.



Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021 **Elementary and Secondary School Emergency Relief Fund (ESSER II)**

January 28, 2021

The Connecticut State Department of Education (CSDE) is proud of how our Connecticut school communities continue to navigate the effects of the COVID-19 pandemic, and how students, families, and staff, have adapted to the changing and evolving approach to education during this time. In recognition of the ongoing need to support these efforts, the United States Department of Education (USED) has notified CSDE that pursuant to section 313 of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021 (Public Law 116-260), Connecticut will be receiving an additional \$492,426,458 in Elementary and Secondary School Emergency Relief Funds (ESSER II). This brings Connecticut's total ESSER funding to \$603,494,517.

Similar to the original ESSER appropriation the funds will be distributed as follows:

- CSDE may reserve up to 10% of the funds for state level activities, including up to 0.5% for state level administration costs.
- Not less than 90% of the funds must be allocated to Local Education Agencies (LEAs).
- The CSDE will allocate these funds to LEAs on the basis of their respective shares of funds received under Title I, Part A of the Elementary and Secondary Education Act of 1965 in fiscal year 2020.

During April of 2020, CSDE first highlighted the [Connecticut state-level priorities for education](#) that were deemed critical to meeting student need. This document updates and supplements those priorities given the new funding available and the evolving educational needs at the district and school level. It continues our commitment to provide equitable access to education for all students and focuses the use of resources on supporting our school communities.

To accomplish our common goals of educational recovery and learning acceleration for every student, we urge LEAs to take a comprehensive look at the federal, state, and local resources available to them in meeting the priorities outlined below. To assist in this process and in accessing the ESSER II funding, the CSDE is developing a new application which will be available in eGMS. The application will be designed to serve as a planning tool and will require: a needs assessment (how the LEA has identified the educational gaps created by the pandemic); an articulation of the steps that will be taken to mitigate the gaps; and a description of the intended alignment of the resources available under ESSER I and II to implement the plan over the summer and the 2021-22 school year. The CSDE's review of the applications will focus on how the plans and resource allocations align. The CSDE anticipates updates from LEAs that will be used to assess effective plan implementation.

The CSDE recognizes that the pandemic has exacerbated disparities that already existed and as we have previously communicated, it is our collective responsibility to address our challenges through an equity focused lens. The best results will be achieved as we leverage existing and/or advance new school-family-community partnership structures. The priorities outlined contemplate robust partnerships, which include the CSDE. We will be positioned to provide technical assistance and support.

State-Level Priorities:

- **Academic Supports, Learning Loss, Learning Acceleration and Recovery:** Equity and access in education for students in Connecticut remains a top priority. As we have worked to help close the digital divide through technology and connectivity, we must measure and plan to address learning loss. Our academic supports must be positioned to accelerate learning and facilitate recovery. It is particularly important that we measure learning loss and target resources for our students disproportionately affected by the pandemic. Access must be focused on our most vulnerable students, including students whose progress decreased, students with disabilities, English learners, students experiencing homelessness, disengaged youth, or those with barriers to remote learning. Targeted supports that should be implemented include but are not limited to additional classroom supports, high dosage small group tutoring programs including in school and after school, extended day programs and expanded access to summer school.
- **Family and Community Connections:** Direct engagement with families and the community, such as faith-based organizations, businesses, and social service providers, will provide added supports for our students while we continue this school year and adapt to the changing dynamics of this pandemic. Among other opportunities to increase initiatives that engage school, family and community connections, schools should engage “Family Academy” programs aimed at providing parents and guardians with the skills to support their children’s academic endeavors, including those skills necessary to support technology use in the home.
- **School Safety and Social-Emotional Well-being of the “Whole Student” and of our School Staff:** There is an unprecedented level of stress on both students and staff members which must be addressed, both through social and emotional support and also through continued emphasis on public health safety measures. One focus area should be on additional behavioral and mental health services delivered in-person or via remote/telehealth access and social and emotional support mechanisms, so that these supports are available even for individuals who may have limited in-person access. Resources should also continue to be allocated to support the physical health and safety of our students and staff, (e.g., to ensure adequate personal protective equipment (PPE), cleaning supplies, etc.).
- **Remote Learning, Staff Development, and the Digital Divide:** We have successfully worked to close the digital divide in Connecticut. Resources should be allocated to (1) maintain or upgrade access to technology and connectivity for the long term; (2) increase robust professional development for staff to hone their skills in providing remote learning; and (3) provide technical assistance and/or training for families, so that students, school staff, and families are all prepared to use remote platforms to effectively maximize student learning.

Authorized Uses of ESSER II Funds

(Newly eligible activities are outlined in green)

LEAs may use funds for any activity authorized under the major federal grant categories including the Elementary and Secondary Education Act (ESSA), the Individuals with Disabilities Education Act (IDEA), the Adult Education and Family Literacy Act (AEFLA), the Carl D. Perkins Career and Technical Education Act (Perkins), or the McKinney-Vento Homeless Education Assistance Act. The following more specifically describe the types of eligible activities under ESSERF:

- Coordination of preparedness and response efforts of local educational agencies with State, local, Tribal, and territorial public health departments, and other relevant agencies, to improve coordinated responses among such entities to prevent, prepare for, and respond to coronavirus.
- Addressing learning loss among students, including low-income students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and children and youth in foster care, of the local educational agency, including by: (A) Administering and using high-quality assessments that are valid and reliable, to accurately assess students' academic progress and assist educators in meeting students' academic needs, including through differentiating instruction; (B) Implementing evidence-based activities to meet the comprehensive needs of students; (C) Providing information and assistance to parents and families on how they can effectively support students, including in a distance learning environment; (D) Tracking student attendance and improving student engagement in distance education; (E) Tracking student academic progress with evaluating and comparing to pre-pandemic grades and progress to identify students that experienced learning loss.
- Providing principals and others school leaders with the resources necessary to address the needs of their individual schools.
- Activities to address the unique needs of low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth, including how outreach and service delivery will meet the needs of each population.
- Developing and implementing procedures and systems to improve the preparedness and response efforts of local educational agencies.
- Training and professional development for staff of the local educational agency on sanitation and minimizing the spread of infectious diseases.
- Purchasing supplies to sanitize and clean the facilities of a local educational agency, including buildings operated by such agency.
- Planning for, coordinating, and implementing activities during long-term closures, including providing meals to eligible students, providing technology for online learning to all students, providing guidance for carrying out requirements under the IDEA and ensuring other educational services can continue to be provided consistent with all Federal, State, and local requirements.
- Purchasing educational technology (including hardware, software, and connectivity) for students who are served by the local educational agency that aids in regular and substantive educational interaction between students and their classroom instructors, including low-income students and children with disabilities, which may include assistive technology or adaptive equipment.

- Providing mental health services and supports.
 - Planning and implementing activities related to summer learning and supplemental afterschool programs, including providing classroom instruction or online learning during the summer months and addressing the needs of low-income students, children with disabilities, English learners, migrant students, students experiencing homelessness, and children in foster care.
- School facility repairs and improvements to enable operation of schools to reduce risk of virus transmission and exposure to environmental health hazards, and to support student health needs.
 - Inspection, testing, maintenance, repair, replacement, and upgrade projects to improve the indoor air quality in school facilities, including mechanical and non-mechanical heating, ventilation, and air conditioning systems; filtering, purification and other air cleaning; fans, control systems, and window and door repair and replacement.
- Other activities that are necessary to maintain the operation of and continuity of services in local educational agencies and continuing to employ existing staff of the local educational agency.

DEPARTMENT: TOWN CLERK

Group Insurance; Social Security Contributions; Retirement Contributions: **Group Insurance** – This amount includes medical benefits, life insurance and long term disability. The medical benefit piece reflects the amount charged by the Medical Self Insurance Fund for the employer's share of employee medical benefit costs. See the Medical Self Insurance Fund section, starting on page 293, for a breakdown of medical benefit costs and the distribution of costs to the various departments. The life insurance piece reflects the cost of the life insurance benefit per union contract. The long term disability piece reflects the cost of the long term disability benefit per union contract. **Social Security Contributions** – this amount reflects the employer's share of the Social Security and Medicare federal retirement program (Federal Insurance Contributions Act). The employers share is 7.65% of payroll (including overtime). 6.2% is for Social Security and 1.45% is for Medicare. **Retirement Contributions** – this amount reflects a portion of the annual required contribution (ARC) that is need to properly fund the pension plan. The ARC is expressed as a percent of payroll. See the Pension Fund section starting on page 291 for a description of the pension plans and a breakdown of the ARC (by department). It also includes any contributions to a defined contribution plan (if the employee is not eligible for the pension plan).

Professional Services – Official/Administrative: In accordance with Sec. 7-76 of the Connecticut General Statutes fees due to other Towns for recording births, marriages and deaths are recorded in this account.

Printing & Binding: This account reflects monthly fees for microfilm creation, offsite storage for microfilm, web hosting, software license/support, audits, indexing supplies, publication of codification of all ordinances and regulations. The Town Clerk has been able to upgrade software to the most current technology available enabling the public to print land records and survey maps from their computers (TOWN CLERK PORTAL) <https://www.searchiqs.com/CTNEWT/Login.aspx> which generates additional monthly revenue.

Invoice based on time and materials. Many different departments actually work on supplementation.

The *Code Analysis* portion of your supplements (where most of the expense is) includes the actual work the editors complete.

Some of these important functions are listed below:

- Acknowledge receipt and adoption of all materials
- Update record of legislation received and update Disposition List
- Request any missing legislation or pages
- Determine proper placement within the code
- Create/modify chapter, article and/or section titles
- Add historical annotations
- Add any necessary cross references
- Correct any misspellings so that searchability in eCode is not compromised
- Impose standard style conventions consistent with the rest of the Code
- Confirm accuracy of internal references; correct and update as necessary
- Confirm accuracy of statutory references; correct and update as necessary
- Read and review for missing wording; internal conflicts
- Update Table of Contents and schemes of updated chapters
- Create an Instruction Page for Code holders to update books properly
- Notify client of any issues or concerns

The *Composition* portion includes word-processing, page layout, indexing and proofreading.

There will also be duplication, finishing and handling for the 4 sets of supplemental pages you receive to update your Code books.

BOE 2021-22 Budget Review

BOF Q&A #1

2/18/2021

11. Transportation Services

- a. **When does the district begin to plan for a new transportation contract (since we are in the final year with All Star)?**

The 2021-22 school year will be the last year of the transportation contract with AST. RFP's are typically assembled in February/March and published in the paper towards the end of March. The bids are typically due back in the office for review towards the later part of April. The new contract will not have a budgetary impact until the 2022-23 year.

- b. **Has there been any recent effort to consolidate bus routes to eliminate a bus (es)?**

When our district moved from a three tier to a 2-tier system due to the school start time change, this prompted consolidation of routes and raised the passenger load. We did not add buses that year as this was a no-cost solution. At the onset, the biggest complaint was that there were more students on buses than normal.

That being said, regardless of parents driving or some high school students driving, there must be a seat for every student. There are many times when parents use transportation, even when their students have not been on for a period of time. Things change and we have an obligation to provide transportation for all students. That being said, we review routes each year to see if consolidation can occur, but with a 2-tier system, our ride times increased as we cover the same ground (and now have both Reed and elementary students riding together).

Further, since last March, we needed additional space on our buses due to COVID. While we are currently all in-person (with 75% in), there are still uncertainties about the future of the virus and our ability to continue some proximity between students. However, this is yet another reason, even if we could (and we cannot) we did not consolidate.

12. Local Tuition Rate

- a. **How is this amount determined?**

Tuition is determined by the formula: Tuition = Operations & Debt divided by enrollment

- b. **Are the local boards at liberty to set this amount or is it set by the state?**

The Board sets the tuition annually based on the prior year's costs. Tuition is determined annually by the BOE as set forth in the policy.

- c. **How many out of district students pay this rate?**

There are 6 students anticipated to pay tuition in the 2021-22 school year. However, this estimate is based on the number of current students. This number varies as students move into the district and new students may enroll. Tuition for children of full-time non-resident staff members pay an annual rate of 25% of the regular yearly tuition. Staff enrolling more than one child in the district in a school year pay a reduced rate of 15% of the regular yearly tuition for each additional child.

13. Lead Teachers

a. What is the function of a lead teacher?

The lead teacher supports the principal in many of the basic student and staff management responsibilities. These lead teachers also support staff development and work with other staff specialists in this area. However, the lead teacher, unlike the assistant principal, is not in the administrative union and is paid with an additional stipend vs. the cost of an administrator. There was one last Assistant Principal at Sandy Hook (now principal of HOM). When he moved into the Principal role, we did not fill the AP position, pulled that from the Admin Contract, and put in a lead teacher to mirror this role at all 4 elementary schools. Although the push at one point was to move lead teachers to be Assistant Principals, we felt strongly that the teacher-leader role was more appropriate at each of our elementary schools.

b. What is their extra pay amount?

Elementary lead teachers (4) receive an additional 10% of their salary, as well as an additional \$110 for up to 10 teachers they evaluate. This is similar to the Dept. Chairs at the high school.

c. Do they teach in a classroom or is their position administrative

As mentioned above, lead teachers do not teach. While their role is similar to an administrator, they are not in that bargaining unit and do not receive the same level of pay. This is the only support the building principal receives regarding student management and staff oversight since elementary principals do not have assistant principals.

14. Ice Hockey

a. Why is the pay to play fee \$250 for ice hockey and \$160 for all other sports?

Ice hockey requires a significant financial and time investment from both the district and families of students. The higher costs for this sport are largely due to ice rental and additional transportation needs.

A little over two years ago, the Board of Education interrupted a plan to phase-out pay-to-play fees in high school sports. At that time, hockey players paid booster club fees (~\$1600-2000 per player), the majority of which covered facility rental. Because hockey booster club fees were far greater than the pay-to-play fee structure, athletes did not pay a pay-to-play fee to the district. At that time, the district provided funding for coach salaries, officials, security, and transportation typically covered for other high school sports. Over the following year, a district committee conducted a review of sports and fees. The committee's recommendation was to institute a flat \$160 pay-to-play fee for all sports with hockey being \$250. In addition to the previously covered costs, the district would also pay for ice rental and training staff.

15. NHS Student Travel and Staff Mileage

a. Can you please provide a breakdown of this \$157,347 expense?

\$106,847 - student athletics

\$1,000 - band graduation

\$3,500 - TAP field trips

\$2,000 - math team competitions (student travel)

\$1,400 - world language immersion days

\$500 - tech ed competition

\$700 - science trips

\$1,300 - sociology exchange

\$800 - administrative staff travel

\$30,100 - music & theater travel (marching band, concert, winter percussion, guard, chorus festivals, state festival, western region festival & auditions)

\$9,200 - staff travel for all departments, such as culinary, business dept, math, english, greenery, science, athletics