

**BOROUGH OF NEWTOWN
NEWTOWN, CONNECTICUT**

Minutes of the special meeting of the property owners and/or electors of the Borough of Newtown on **Tuesday, May 14, 2019** in the Lower Meeting Room at Edmond Town Hall, Newtown, CT. Warden Maher called the meeting to order at 7:35 p.m.

Present: Warden Jay Maher, Second Senior Burgess Betsy Kenyon, Burgess Anthony Baiad, Burgess Bill Lucas, Burgess Chris Gardner, Burgess Bill Eder, Burgess James Gaston, Tax Collector Jodie Enriquez, Treasurer Paula Brinkman and Clerk Ann Scaia

Absent: Tree Warden Rob McCulloch

Also Present: Anna Wiederman, Registrar of Voters and 57 members of the public.

Warden Maher thanked everyone for attending the meeting and copies of the 2019-2020 proposed budget were distributed.

Burgess Gaston made a motion to approve the Borough's 2017-2018 budget, seconded by Burgess Baiad.

Revenues Anticipated from Prior Year are \$35,000.00; Building Revenues Anticipated are \$20,000.00; and Interest is \$1,000.00 making total revenues other than taxes equal to \$56,000.00. The Tax Collection Rate is 98.5%. The Proposed Mill Rate for 2019-2020 is 0.83% which is the lowest Mill Rate in seven years.

Burgess Gaston proceeded to outline and explain the reasoning for the line items that were increased. They are Audit, Data Processing, Sidewalks, Street Lights, Streets and Parks, and some stipends (Assessor, Clerk, Tax Collector, Treasurer, Building Official and Zoning Officer).

Once again, the Borough will be supporting Newtown Hook & Ladder with their Annual Firehouse Ride Fundraiser. There will be no monies required for the line item of Election since there will be no election next year.

Phil Clark, of 7 Currituck Road, asked how the current budget is currently running. Burgess Gaston stated the budget will probably close approximately \$30,000 ahead.

David Freedman, of 4 Laurel Road, requested clarification of how monies and line items cover expenses. Burgess Gaston and Warden Maher explained some line items in the budget act as a place holder for monies possibly needed for various expenses during the year.

Deborra Zukowski, of 4 Cornfield Ridge Road, requested clarity on remaining expenses for the 2018-2019 fiscal year. Burgess Gaston stated an anticipated amount of \$50,000 remains in expenses. He also stated a larger amount is being drawn from the reserve this year, \$35,000, which is being applied to the proposed 2019-2020 budget. Burgess Gaston also noted a potential \$100,000 maybe used for a planned sidewalk project in the coming 2019-2020 fiscal year.

Warden Maher further clarified any capital expenditures would proceed with first a Borough public hearing. Warden Maher also shared the recent increase in the fund is due to building fees incurred from Borough projects (i.e. Lexington Garden, Assisted Living Facility).

Lyndon Thomas, of 22 Juniper Road, asked why the Borough does not take advantage of a statute which allows for a municipal reserve account for capital non re-occurring expenses. Burgess Gaston stated the Borough does have a LOCIP reserve fund of approximately \$76,000 which is not a part of the budget. Burgess Warden went on to explain there is also a general fund of approximately \$600,000. Mr. Thomas asked the name of the reserve fund. Burgess Gaston believes it is titled, LOCIP type projects.

Kenneth Lerman, of 55 Main Street, stated if the residents vote against the budget, then they should be clear about what line items they have issue with. He also suggested mentioning the monies in the reserve fund in future budgets documents would be helpful.

Douglas Nelson, of 14 The Boulevard, confirmed the Borough would look to the residents for feedback before committing to any future capital expenditures. Burgess Gaston welcomes attendees to the monthly Borough meetings to share their ideas.

Bruce Walczak, of 12 Glover Avenue, commented that the Borough cannot bond monies, therefore they have to save a reserve for possible future capital expenditures which he believes is a prudent practice.

David Francis, of 25 Schoolhouse Road, questioned why funds added from the reserve is titled, "Revenue Anticipated From Prior Year" and why is it only \$35,000. Burgess Gaston stated it has been called this since at least 1994 but could certainly be changed. Burgess Gaston went onto explain the budget is for annual operating expenses not for long term capital expenses which would be drawn from the reserve fund. Mr. Francis when onto says monies from the reserve fund should be acknowledged on the budget.

Paul Fadus, of 5 Sunset Hill Road, agrees with the practice of setting aside monies in a reserve fund for future capital expenditures and for defense of lawsuits. However, he is concerned the residents have no power to control spending on legal fees and fears the Borough would drain the reserve fund. Burgess Gaston clarified the Borough would not institute a lawsuit but would defend its zoning commission as per the charter and that it is legally obligated to defend its Zoning Commissions and Historic District Commission. Municipalities are typically the defendant, not the plaintiff in lawsuits.

Jodie Enriquez, of 7 Hanover Road, asked if we would actively engage in a law suit if presented. Burgess Gaston stated we would be prudent about participating in law suits. However, with that said, if the Historic District or Zoning Commission is sued or needs legal assistance, it is essential to provide same.

Douglas Nelson, of 14 The Boulevard, confirmed when a budget is approved, the Borough lives within the parameters of the budget. However, if monies are needed beyond the budget the Borough would seek Borough resident input. Burgess Gaston agreed with the general statement.

Chris Fadus proposed an amendment to the 2019-2020 budget. The motion was ruled out of order and in violation of the Borough charter. Mr. Gaston stated the charter is set up for the Board of Burgesses to present the budget and the voters either approve/disapprove the budget. If the budget is voted down, then the Board of Burgesses creates a new budget and presents it again to the voters.

Karen Banks, of 43 West Street, made a motion to call to question to vote on the proposed Borough's 2019-2020 budget as presented. The motion was seconded by Reverend Dr. Jennifer Glaze Montgomery. The motion carried.

The motion to approve the recommended annual budget for 2019-2020 as presented by the Board of Burgesses failed 30 no votes, 26 votes yes.

The Board of Burgesses will reconvene and create a new budget and present at a to be announced future special meeting.

Warden Maher made a motion to adjourn the meeting at 8:36p.m., Burgess Gaston seconded and the motion carried.

Respectfully submitted,

Ann Scaia
Borough Clerk