

**BOARD OF FINANCE, REGULAR MEETING**  
Council Chamber  
Newtown Municipal Center 3 Primrose Street, Newtown, CT  
Monday, March 11, 2024 at 7:30 p.m.

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

**PRESENT:** Steve Goodridge, James Gaston, John Fletcher, Barney Molloy, Bryce Chinault, Janette Lamoureux  
**ALSO PRESENT:** First Selectman Jeff Capeci, Finance Director Bob Tait

Chair James Gaston called the meeting to order at 7:33 p.m. Attendees saluted the American Flag.

**Voter Comments:** None

**Communications:** None

**Minutes:** B. Molloy moved to approve the minutes of the 2/26/24 meeting. J. Lamoureux seconded, all in favor.

**First Selectman's Report:** First Selectman Capeci reported that the new Finance Director will start 4/1/24. He received a new proposal from Capital Tax Recover which has gone up from 40% to 45%. They received appraisals on 3 Main and 6 Commerce Drive. There is a lot of interest in 3 Main and he is in negotiations with 6 Commerce. The ARP funding committee met and discussed a couple of transfers that will be coming to the BOF \$35,000 for two 40 yard cans at the Transfer Station, \$39,000 for Parks & Rec apparatus. The LC asked the ARP committee to consider funding the transfer for fire apparatus that was approved by the BOF. The committee decided not to act on that because some of those funds might be reimbursable and there's a timeframe in which we need to spend the ARP funds.

**Finance Director's Report:** Bob Tait reported that on 3/19/24 S&P will be selling bonds. He also provided the S&P General Obligation for the Town of Newtown (att).

**New Business**

*Adoption of Newtown Savings Bank Resolution regarding overdraft protection* – Bob Tait explained that this is just an overdraft policy. There was an issue just before Christmas where direct deposit didn't go through and this policy would protect that from happening in the future. J. Fletcher moved the adoption of Newtown Savings Bank Resolution 1) The Town of Newtown is hereby authorized to borrow, in the case of a payroll direct deposit overdraft, \$500,000 in the event of a Town payroll overdraft and \$3,500,000 in the event of a BOE payroll overdraft (essentially overdraft protection) from Newtown Savings Bank.

2) Further resolved, that The First Selectman, Jeff Capeci Town of Newtown be and it hereby is authorized to execute and deliver all documents and agreements as Newtown Savings Bank shall reasonably require in order to enable them to make said Loan. B. Molloy seconded, all in favor.

*Connecticut State Library Historic Preservation Grant acceptance* – First Selectman explained that this is an annual grant for the Town Clerk. B. Molloy moved to accept the Connecticut State Library Historic Preservation grant (att). Steve Goodridge seconded, all in favor.

**Voter Comments:** None

**Announcements:** On Wednesday Steve Goodridge and Jim Gaston will be presenting the BOF approved budget to the LC.

**Adjournment:** Having no further business, the meeting was adjourned at 7:48p.m.

Respectfully submitted,  
Arlene Miles, Clerk

**Summary:**

**Newtown, Connecticut; General  
Obligation**

**Primary Credit Analyst:**

Victor M Medeiros, Boston + 1 (617) 530 8305; victor.medeiros@spglobal.com

**Secondary Contact:**

Dylan Lindow, Boston +1 6175308033; dylan.lindow@spglobal.com

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Outlook

Rating Above The Sovereign

Related Research

Summary:

Newtown, Connecticut; General Obligation

Credit Profile

US\$9.2 mil GO bnds ser 2024 due 04/01/2044		
Long Term Rating	AAA/Stable	New
US\$6.92 mil GO rfdg bnds ser 2024B due 09/01/2037		
Long Term Rating	AAA/Stable	New
Newtown GO		
Long Term Rating	AAA/Stable	Affirmed
Newtown GO rfdg bnds ser 2023B dtd 08/02/2023 due 08/15/2036		
Long Term Rating	AAA/Stable	Affirmed

Credit Highlights

- S&P Global Ratings assigned its 'AAA' rating to Newtown, Conn.'s \$9.2 million series 2024 general obligation (GO) bonds.
- We also assigned our 'AAA' rating to the town's \$6.92 million series B GO refunding bonds.
- At the same time, we affirmed our 'AAA' rating on the town's existing GO debt.
- The outlook is stable.

Security

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. Management intends to use the proceeds for various capital improvements. The series B bonds will refund several bond maturities for interest savings.

Credit overview

Newtown is a predominantly residential town whose residents have access to employment centers in the county and throughout the New York City metropolitan area. Per capita market values along with incomes are very strong and in line with 'AAA' rating medians in the state and nationally. The local economy is stable and growing with several new mixed-use developments in the pipeline. In 2023, more than 2,300 building permits were issued, the majority for a myriad of improvements across the town. Roughly 7% of the tax base is commercial, and the town reports most of the community's retail spaces are full or near capacity with new business poised to open in the coming weeks.

Our view of Newtown's management environment remains very strong, and the town continues to adhere to its well-embedded financial policies and practices. We note that the institutional framework for Connecticut municipalities remains strong and stable as well.

Newtown's audited 2023 operating results were positive, reflecting favorable revenue and expenditure variances like in previous years. Management is estimating to end with another positive operating result in fiscal 2024 based again on

its strong budgeting practices. The town consistently maintains strong available reserves, which it targets to keep at 12% of expenditures in accordance with its fund balance policy. Any amounts above those thresholds are then allocated to support its capital improvement plan. The 2025 budget is currently in development; however, we do not expect any material change in performance or reserves given the stable operating environment and the revenue structure. The town estimates it will increase the tax levy by 4.6% and maintain its conservative budgeting posture. Local property taxes account for more than 80% of audited revenues, while intergovernmental is less than 15%.

Following this issuance, Newtown will have approximately \$82.9 million in direct debt. Management expects to issue \$8.7 million in fiscal 2026 for various capital purposes and potentially as much as \$19.3 million in fiscal 2027, predominantly to fund HVAC improvements to the middle school. We do not view pension and other postemployment benefit (OPEB) liabilities as a source of credit pressure given the relatively low unfunded liabilities and annual costs. The town has made progress in adopting conservative assumptions, and its pension plan is closed to new hires, who participate in a defined-contribution plan. It has also been proactive in its funding of OPEBs. Newtown's net OPEB liability is \$5.5 million. The OPEB plan is 44% funded.

Given the town's rapid amortization and low debt-to-market values, along with its limited retirement liability credit pressure, we consider the debt profile very strong and unlikely to materially change.

The 'AAA' rating reflects our view of Newtown's:

- Affluence and stability, with access to robust employment opportunities and recent grand list (assessed value) growth due to revaluation after the pandemic;
- Strong budgetary performance and reserve levels due to strict adherence to conservative management practices and policies;
- Well-embedded management policies and practices, including budget monitoring, long-term planning, and comprehensive financial policies across several key areas; and
- Very strong debt and liability profile, with low fixed costs and proactive management of limited long-term liabilities.

### **Environmental, social, and governance**

We analyzed Newtown's environmental, social, and governance risks relative to the town's economy, management, financial measures, and debt and liability profile, and determined that all are neutral in our credit rating analysis.

## **Outlook**

The stable outlook reflects our expectation that Newtown will continue to produce at least break-even operating results and adhere to its well-embedded financial management practices.

### **Downside scenario**

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

## Rating Above The Sovereign

Newtown's GO bonds are eligible to be rated above the sovereign because we believe the town can maintain better credit characteristics than the U.S. in a stress scenario. The town has a predominately locally derived revenue source, with upward of 80% of audited governmental activity revenue derived from property taxes, as well as independent taxing authority and independent treasury management from the federal government.

### Newtown, CT -- Key credit metrics

	Most recent	Historical information		
		2023	2022	2021
<b>Very strong economy</b>				
Projected per capita EBI % of U.S.	158			
Market value per capita (\$)	217,346			
Population		29,730	29,118	
County unemployment rate(%)		4.1		
Market value (\$000)	6,461,706	4,828,710	4,669,710	4,616,265
Ten largest taxpayers % of taxable value	3.1			
<b>Strong budgetary performance</b>				
Operating fund result % of expenditures		0.2	0.6	(0.2)
Total governmental fund result % of expenditures		2.5	1.8	0.9
<b>Strong budgetary flexibility</b>				
Available reserves % of operating expenditures		12.9	13.1	12.6
Total available reserves (\$000)		18,161	17,592	16,887
<b>Very strong liquidity</b>				
Total government cash % of governmental fund expenditures		20	26	23
Total government cash % of governmental fund debt service		309	373	331
<b>Very strong management</b>				
Financial Management Assessment	Strong			
<b>Very strong debt &amp; long-term liabilities</b>				
Debt service % of governmental fund expenditures		6.6	6.9	6.8
Net direct debt % of governmental fund revenue	51			
Overall net debt % of market value	1.3			
Direct debt 10-year amortization (%)	66			
Required pension contribution % of governmental fund expenditures		1.4		
OPEB actual contribution % of governmental fund expenditures		0.1		
<b>Strong institutional framework</b>				

EBI--Effective buying income. OPEB--Other postemployment benefits.

## **Related Research**

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

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.spglobal.com/ratings](http://www.spglobal.com/ratings) for further information. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

**APPLICATION**  
**TARGETED GRANT FY 2025**  
Historic Documents Preservation Program  
Connecticut Municipalities  
GP-001 (rev. 1/2024)



STATE OF CONNECTICUT  
Connecticut State Library  
PUBLIC RECORDS ADMINISTRATOR  
231 Capitol Ave., Hartford, CT 06106

This form may be completed and printed for submission at <https://cistatelibrary.org/publicrecords/hdpp>

Name of Municipality:  
Use full municipality name, ie  
'Town of' or 'City of'

**TOWN of NEWTOWN**

Name of Municipal CEO: **A.JEFFREY CAPECI**

Title: **FIRST SELECTMAN**

Phone with Area Code: 203-270-4201

Email: **FIRST.SELECTMAN@NEWTOWN-CT.GOV**

Name of Town Clerk: **DEBBIE AURELIA HALSTEAD**

Title: **TOWN CLERK**

Phone with Area Code: 203-270-4214

Email: **DEBBIE.HALSTEAD@NEWTOWN-CT.GOV**

Check if Designated Applicant: ☐

TC Mailing Address: **NEWTOWN MUNICIPAL CENTER, 3 PRIMROSE STREET, NEWTOWN 06470**

MCEO Address if Different:

Grant Application Deadline: ☒ Cycle 1: April 30, 2024

☐ Cycle 2: September 30, 2024

Grant Contract Period: The contract period begins after July 1, 2024 AND receipt of the fully executed contract. Grant projects must be completed and funds expended by June 30, 2025.

Maximum Grant Allowed: \$5,500 Small Municipality Population less than 20,000  
\$7,500 Medium Municipality Population between 20,000 and 69,999  
\$10,500 Large Municipality Population of 70,000 or greater

Amount Requested: **\$ 7,500**

Grant Category(ies): ☐ Inventory and Planning  
☐ Program Development  
☐ Preservation/Conservation

☒ Organization and Indexing  
☐ Storage and Facilities

See Page 6 of the Guidelines for Category descriptions.

Budget Summary	Grant Funds (A)	Local Funds (B)	Total Funds (A+B)
1. Consultants/Vendors (Total cost for all consultants and vendors)	\$ 7,500	\$ 11,500	\$ 19,000
2. Equipment (Total cost for eligible items, i.e. shelving)	\$	\$	\$
3. Supplies (Total cost for eligible items, i.e. archival supplies)	\$	\$	\$
4. Town Personnel Costs (Total cost for all town personnel)	<sup>1</sup> \$	<sup>2</sup> \$	\$
5. Other (Please specify on a separate sheet: rarely used)	\$	\$	\$
6. TOTAL	\$ 7,500	\$ 11,500	\$ 19,000

<sup>1</sup> Base pay only for personnel hired directly by the municipality for the grant project. Consultant/vendor costs should be listed on Line 1.

<sup>2</sup> Personnel taxes, benefits and any overtime must be paid by the municipality.

## Narrative Page & Supporting Documents

Answer on an attached page. **Number each question and answer.** If applying for more than one project, questions 1 through 3 must address each project **separately** and be numbered separately, i.e., 1a and 1b, 2a and 2b, 3a and 3b.

Answers should be provided in the applicant's own words, not by referencing the vendor's proposal.

1. **Describe the project.** State what will be done and why. In addition, for **records projects**, identify the specific records, including date ranges. For **conservation projects**, also address microfilming – see Guidelines booklet for instructions under Preservation/Conservation on **Page 9**.
2. **Provide vendor/personnel info & timeframe.** For **vendors**, identify the company and the timeframe for completing the work within the grant period. For **town personnel** – see Guidelines booklet for instructions under Town Personnel Costs on **Page 12**.
3. **State what will be accomplished.** Explain how the project will impact the records, the office and/or the municipality.
4. **Provide a detailed budget.** If applying for only **one** project with one vendor – **omit** this question. If applying for more than one project – show the **detail** for each line item listed on page 1 of the Application (Consultants/Vendors, Equipment, Supplies, and Town Personnel Costs) and the **split** between grant and local funds for each line item (if any).
5. **Attach supporting documents.** For **vendors**: provide a copy of the proposal or quote. For **direct purchases** of equipment or supplies: provide a copy of the product information/pricing from the website or catalog.

## Designation of Town Clerk as Applicant

This section to be completed **only** if the MCEO wishes to designate the Town Clerk to make the application for the grant.

I hereby designate, DEBBIE AURELIA HALSTEAD, the Town Clerk, as the agent for making the above application.

\_\_\_\_\_  
Signature of MCEO

\_\_\_\_\_  
Date

A JEFFREY CAPECI, FIRST SELECTMAN  
Name and Title of MCEO

## Certification of the Application

This section **must** be signed by the **applicant**.

If the Town Clerk is designated above, the Town Clerk must sign. If the Town Clerk is not designated, the MCEO must sign.

I hereby certify that the statements contained in this application are true and that all eligibility requirements as outlined in the *FY 2025 Targeted Grant Guidelines* have been met.

\_\_\_\_\_  
Signature of Applicant (MCEO or Town Clerk if Designated)

\_\_\_\_\_  
Date (*must be same as or later than above date*)

DEBBIE AURELIA HALSTEAD, TOWN CLERK  
Name and Title of Applicant

### For State Library Use Only

Grant Disposition: ☐ Approved ☐ Denied

Grant Award: \$ \_\_\_\_\_

Grant Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

\_\_\_\_\_  
Signature of Public Records Administrator

\_\_\_\_\_  
Date



Narrative  
Targeted Grant FY25

1. **Describe the project.** Currently our Grantor/Grantee indexes goes back to 1900. There are 20 volumes that will be scanned which will incorporate the remaining 190 years of land record transfers that will be available to online users 24/7.
2. **Provide vendor/personnel info & timeframe.** I will be working our land recording vendor, Info Quick Solutions, Inc. The project is estimated to take 8-12 weeks.
3. **State what will be accomplished.** Scanning this information will make it possible to search property owners all the way back to the 1700's. Volume and page numbers are listed on the Grantor/Grantee indexes which will save those interested a lot of time.
4. **Provide a detailed budget.** Attached is the vendor proposal.



## **Proposal to Image/Convert Manual Indices to Infodex**

Submitted By: Matt Abert

Submitted To: Newtown Town Clerk, Debbie Aurelia Halstead, MMC, MCTC

Proposal Date: 2/26/24

### *Description*

IQS will digitize, automate, and load to the Town Clerk's Infodex system.

### *Project Scope*

- Image, convert, and load Grantor/Grantee 1700-1948 to be searchable in Infodex.

### *Plan of Work*

- IQS will digitize the index books directly from the original books.
- IQS will program all key tables to be searchable by name.
- IQS will load the new digital index books to Infodex, both PC and online versions.

### *Pricing*

Est. Units	Unit Price	Est Total
20	\$950.00	\$19,000.00
1 Transportation Fee	Waived	\$0

*(\$7500 of this project will be funded by the state target grant program, the remaining \$11,500 will be paid using town funds).*

***The pricing is good for FY 2025 Grant Cycle only. Total active work time for this project is estimated at 8-12 weeks. IQS will transport the index books at no extra charge, books will be returned within 15-20 business days.***

( 001 009 001 R Entry Sheet Identification No. )

AP CODES H-HUSBAND W-WIFE O-OTHER

CITY PHONE BOOK DIRECTORY  
MADE BY THE CITY INDEX COMPANY, COLUMBUS  
CITY DATA PROCESSING INDEXES

GRANIOR INDEX TO LAND RECORDS - Newtown, Ct.

FILE NUMBER	SURNAME	GRANTORS		AP	GRANTEES	AP	RECORD		NATURE OF INSTRUMENT	DATE OF FILING		LOCATION OF PROPERTY	
		GIVEN NAMES A-K	GIVEN NAMES L-Z				Vol.	Page		Mo.	Day		Year
ADAMS	ADAMS	EPHRAIM			ASA CHAMBERS		13	421	WAR			1786	
ADAMS	ADAMS	EPHRAIM EST			ELIJAH HULL		20	94	WAR			1799	3 ACRES GELDING HILL
ADAMS	ADAMS	ESTHER R			THOMAS F BAILEY		87	407	MTG	4	20	1939	3 TRACTS BLDGS 1-48-2-36-41 3-82-3
ADAMS	ADAMS	ESTHER R			THOMAS F BAILEY		87	407	MTG	4	20	1939	3 TRACTS BLDGS 1 48-2 36-41
ADAMS	ADAMS	ESTHER R			KATHEYN B MILLER		89	115	WARR	12	31	1940	3 TRACTS BLDGS 1 48-2 36-41 ACRES 3 22-5
ADAMS	ADAMS	FABRIQUE			MOSES JOHNSON		3	54	WAR			1730	
ADAMS	ADAMS	FABRIQUE			JAMES BRISCO		-4	3	WAR			1730	
ADAMS	ADAMS	FABRIQUE			THOMAS LEAVENWORTH		-4	3	WAR			1734	
ADAMS	ADAMS	FABRIQUE			JOHN ADAMS		-4	3	WAR			1739	
ADAMS	ADAMS	FREEGRACE			ELEAZER MORRIS		-4	2	WAR			1713	
ADAMS	ADAMS	FREEGRACE			JOSEPH PECK		2	115	WAR			1714	
ADAMS	ADAMS	FREEGRACE			EBENEZER BOOTH		2	168	WAR			1714	
ADAMS	ADAMS	FREEGRACE			SAMUEL BRISCO		2	305	WAR			1716	
ADAMS	ADAMS	FREEGRACE			ADONIJAH MORRIS		2	52	WAR			1717	
ADAMS	ADAMS	FREEGRACE			THOMAS CANFIELD		2	308	WAR			1717	
ADAMS	ADAMS	FREEGRACE			BENJAMIN NORTHRUP		2	357	WAR			1722	
ADAMS	ADAMS	FREEGRACE			JONATHAN HUBBELL		1	34	WAR			1723	TR IN BACK OF BOOK
ADAMS	ADAMS	FREEGRACE			JOSEPH MURRAY		-2	3	WAR			1726	T R
ADAMS	ADAMS	FREEGRACE			JONATHAN BOOTH		3	181	---			1727	T R
ADAMS	ADAMS	FREEGRACE			JOHN GLOVER		2	65	EXCHANGE			1728	

Sample of information on the indexes