

BOARD OF FINANCE
MINUTES
REGULAR MEETING
3 Primrose Street – Council Chambers
Thursday, June 23, 2022 at 7:30 p.m.

These minutes are subject to approval by the Board of Finance

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

Absent: Geoffrey Dent

Also Present: First Selectman Dan Rosenthal and Finance Director, Bob Tait

Chair Madzula called the meeting to order at 7:39 p.m. Attendees saluted the American Flag.

Voter Comments

None

Communications

Chair Madzula shared a correspondence from Mahoney Sabol regarding auditing (see attached). There is a NUSAR event at 28 Riverside Road on Sunday, June 26th at 9am. Chair Madzula will be attending the BOE CIP Facilities meeting, which will be held the third Thursday of each month.

Minutes

Erica Goodridge moved to approve the minutes from June 13, 2022. Laura Miller seconded. All in favor and motion passes.

First Selectman's Report

The First Selectman reported the Sandy Hook Memorial project is close to completion. The second Saturday in November will likely be the formal opening ceremony. He also mentioned wanting to continue the Fairfield Hills historic tax credit conversation among the Boards.

Finance Director's Report

Finance Director, Bob Tait, reported on the Capital Project Report highlighting budgets, outstanding bonds, open purchase orders, grants and other pertinent information (see attached). These projects include (but are not limited to) NHS stadium Turf, Sandy Hook Memorial, Hawley HVAC, high school ventilation and HVAC, HS football field reconstruction, Emergency radio system, Glen Road cleanup, fire apparatus among others. Reminder 2021-22 was the last year bonding for roads.

New Business

Resolution

Steve Goodridge made a motion to accept the RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$400,000 FOR THE BRIDGE REPLACEMENT PROGRAM AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2022-23 TO 2026-27) AND AUTHORIZING THE ISSUANCE OF \$400,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE and waived the right to read the remainder of the resolution. Erica Sullivan seconded. All in favor and motion passes.

Resolution

Steve Goodridge made a motion to accept the RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$424,500 FOR THE PLANNING, DESIGN, ENGINEERING, CONSTRUCTION AND REPLACEMENT OF TWO EXISTING BOILERS AT HEAD O'MEADOW ELEMENTARY SCHOOL AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2022-23 TO 2026-27) AND AUTHORIZING THE ISSUANCE OF \$424,500 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE and waived the right to read the remainder of the resolution. Erica Sullivan seconded. All in favor and motion passes.

Tentative 2023-24 CIP calendar

Finance Director, Bob Tait, shared this schedule is normal process and Chair Madzula reminded members to plan accordingly.

Erica Sullivan made a motion to approve the Capital Improvement Plan Calendar CIP 2023-24 to 2027-28. Steve Goodridge seconded. All in favor and motion passes.

Unfinished Business

None

Voter Comments

None

Announcements

None

Adjournment

Erica Sullivan made a motion to adjourn. Laura Miller seconded. All members were in favor and the meeting was adjourned at 8:10pm.

Respectfully submitted,
Kiley Morrison Gottschalk, Clerk

Attachments

Communications
Capital Projects Document
CIP Calendar
Resolution

June 20, 2022

To the Board of Finance and management of the Town of Newtown, Connecticut:

Town of Newtown, Connecticut
3 Primrose Street
Newtown, CT 06470

We are pleased to confirm our understanding of the services we are to provide for the Town of Newtown, Connecticut (the Town) for the year ended June 30, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the Town as of and for the year ended June 30, 2022. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI) to supplement the Town's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Town's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budgetary schedules of revenues, expenditures and other financing sources (uses)
3. Supplementary information related to the Town's public employee retirement plans and other post-employment benefits program

We have also been engaged to report on supplementary information other than RSI that accompanies the Town's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in either a separate written report accompanying our auditor's report on the financial statements or in a report combined with our auditor's report on the financial statements.

1. Schedule of expenditures of federal awards
2. Schedule of expenditures of state financial assistance
3. Combining and individual fund statements and schedules

In connection with our audit of the basic financial statements, we will read the introductory, statistical, and trend information and consider whether a material inconsistency exists between this information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of this information exists, we are required to describe it in our report.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal and state of Connecticut statutes, regulations, and the terms and conditions of federal awards and state financial assistance that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Connecticut State Single Audit Act ("CT Single Audit Act").

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and the CT State Single Audit Act and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance and the CT Single Audit Act and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will communicate significant risks to those charged with governance upon completion of our audit planning.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance and the CT Single Audit Act, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance and the CT Single Audit Act.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, the Uniform Guidance and the CT Single Audit Act.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and CT Single Audit Act requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal and state statutes, regulations, and the terms and conditions of federal awards and state financial assistance applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and the Connecticut Office of Policy and Management *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Town's major programs. For federal and state programs that are included in the Compliance Supplements, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplements identify as being subject to audit. The purpose of these procedures will be to express an opinion on the Town's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance and the CT Single Audit Act.

Other Services

We will also perform the following nonaudit services:

- We will assist in preparing the financial statements, schedule of expenditures of federal awards, the schedule of expenditures of state financial assistance and related notes of the Town in conformity with U.S. generally accepted accounting principles, the Uniform Guidance, and the CT Single Audit Act based on information provided by you.
- We will assist in the conversion of the governmental funds financial statements to the government-wide financial statements based on information provided by you.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Education Financial System Agreed Upon Procedures (AUP) Package

We will perform procedures and issue an "agreed-upon procedures" report as a result of our work as required by the State of Connecticut Department of Education. The terms of the agreed-upon procedures engagement will be outlined in a separate engagement letter executed with the School District.

Federal Data Collection Form

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

Office of Policy and Management Questionnaire

We will complete the Municipal Audit Questionnaire as required by the State of Connecticut Office of Policy and Management.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards and state financial assistance, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal and state statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance and the CT Single Audit Act; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; schedule of expenditures of state financial assistance; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance and CT Single Audit Act, it is management's responsibility to evaluate and monitor noncompliance with federal and state statutes, regulations, and the terms and conditions of federal awards and state financial assistance; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards and state financial assistance received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards in conformity with the Uniform Guidance and the schedule of expenditures of state financial assistance in conformity with the CT Single Audit Act. You agree to include our report on the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards or the schedule of expenditures of state financial assistance. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards or the schedule of expenditures of state financial assistance that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance and the schedule of expenditures of state financial assistance in accordance with the CT Single Audit Act; (2) you believe the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance, including its form and content, is stated fairly in accordance with the Uniform Guidance and the CT Single Audit Act; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, the schedule of expenditures of state financial assistance, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, the schedule of expenditures of state financial assistance, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the State of Connecticut Office of Policy and Management; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Mahoney Sabol & Company, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to federal or state awarding agencies or their designees or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Mahoney Sabol & Company, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal or state awarding agencies. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

You agree that any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given to any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the County of Hartford in the State of Connecticut, by a mediator with American Arbitration Association membership, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to Connecticut law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceedings shall be shared equally by the participating parties.

Michael J. VanDeventer, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to them.

Timing

Our timing will be based on mutually agreed-upon dates and, unless unforeseeable problems are encountered, the engagement should be completed by the state statutory filing deadline.

We have reserved the start date on our schedule and we expect you to commit the necessary resources in order to be adequately prepared by that date. Accordingly, we would appreciate you notifying us as soon as possible if you believe you may not be ready. Because we have scheduled other client commitments after your work, we may lack some flexibility in rescheduling your start date. In addition, if the Town is unable to adhere to the agreed-upon date, or does not have the required records available at the scheduled time, we may not be able to issue our report at the anticipated time.

Fees

Our total fees for these services are \$74,900 and is comprised of the following:

Financial Statement Audit	\$	60,400
Federal Single Audit		5,000
State Single Audit		5,000
Education Financial System Agreed-Upon Procedures		4,500
	\$	<u>74,900</u>

The fee is contingent on the books and records being "audit ready." The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee before we incur the additional costs.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Billing

Our fees will be billed in three installments as work progresses and are payable upon presentation.

We reserve the right to suspend our engagement performance and/or not deliver the reports if the account is not paid in accordance with the terms of this letter or you fail to cooperate by providing us necessary information on a timely basis. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenses through the date of termination. In the event that the account is not paid in accordance with the terms of this letter, you will be responsible for reimbursing the firm for all of its costs incurred in collecting delinquent amounts, including our attorney's fees.

Reporting

We will issue written reports upon completion of our audit of the Town's financial statements and single audits. Our reports will be addressed to the Board of Finance of the Town. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The federal and state reports on internal control over compliance will state that the purpose of the reports on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and CT Single Audit Act. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to the Town and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

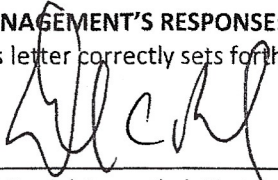
Very truly yours,

A handwritten signature in cursive script that reads "Mahoney Sabol & Company, LLP".

Mahoney Sabol & Company, LLP

MANAGEMENT'S RESPONSE:

This letter correctly sets forth the understanding of the Town of Newtown, Connecticut.



Mr. Daniel Rosenthal, First Selectman

June 20, 2022

Date

GOVERNANCE ACKNOWLEDGMENT:



Mr. John Madzula II, Board of Finance Chair

6/21/2022

Date

CC: Mr. Robert Tait, Finance Director
Dr. Lorrie Rodrigue, Superintendent of Schools
Ms. Tanja Gouveia, Director of Business of Schools
Members of the Board of Finance
Members of the Legislative Council

	155 - CAPITAL PROJECTS				
	<u>PROJECT</u>	<u>BUDGET</u>	<u>REV / EXP</u>	<u>OPEN PO's</u>	<u>BALANCE</u>
1	NHS STADIUM TURF				
	<i>Revenues</i>				
	BOND PROCEEDS	765,000	765,000	-	-
	<i>Expenditures</i>				
	CAPITAL OUTLAY	765,000	726,019	38,000	981
2	SANDY HOOK MEMORIAL				
	<i>Revenues</i>				
	OTHER STATE GRANTS	2,500,000	-	-	2,500,000
	BOND PROCEEDS	1,450,000	700,000	-	750,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	3,950,000	2,861,119	1,026,436	62,445
3	HAWLEY HVAC				
	<i>Revenues</i>				
	OTHER FEDERAL GRANTS	2,500,000	-	-	2,500,000
	BOND PROCEEDS	5,500,000	-	-	5,500,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	8,000,000	-	-	8,000,000
4	HIGH SCHOOL VENT & HVAC				
	<i>Revenues</i>				
	BOND PROCEEDS	850,000	-	-	850,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	850,000	-	824,894	25,106
5	BOILER/LED LIGHTING REED				
	<i>Revenues</i>				
	BOND PROCEEDS	1,539,894	705,000	-	834,894
	<i>Expenditures</i>				
	CAPITAL OUTLAY	1,539,894	688,180	-	851,714
6	HS FOOTBALL FIELD RECONST				
	<i>Revenues</i>				
	MISC REVENUE	221,000	195,000	-	26,000
	BOND PROCEEDS	460,000	-	-	460,000
	TRANSFER IN	100,000	100,000	-	-

	<u>PROJECT</u>	<u>BUDGET</u>	<u>REV / EXP</u>	<u>OPEN PO's</u>	<u>BALANCE</u>
	<i>Expenditures</i>				
	CAPITAL OUTLAY	781,000	-	718,713	62,288
7	EMERG RADIO SYSTEM				
	<i>Revenues</i>				
	BOND PROCEEDS	7,541,933	7,200,000	-	341,933
	<i>Expenditures</i>				
	CAPITAL OUTLAY	7,541,933	2,321,107	3,430,345	1,790,481
8	GLEN RD CLEAN UP				
	<i>Revenues</i>				
	BOND PROCEEDS	850,000	-	-	850,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	850,000	-	-	850,000
9	TODDY HILL ROAD				
	<i>Revenues</i>				
	OTHER STATE GRANTS	2,596,000	1,860,712	-	735,288
	<i>Expenditures</i>				
	CAPITAL OUTLAY	2,596,000	1,860,712	-	735,288
10	ETH EXT IMPROVEMENTS				
	<i>Revenues</i>				
	BOND PROCEEDS	268,000	268,000	-	-
	<i>Expenditures</i>				
	CAPITAL OUTLAY	268,000	239	267,761	-
11	BRIDGE PROGRAM				
	<i>Revenues</i>				
	BOND PROCEEDS	1,765,000	1,429,000	-	336,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	1,765,000	972,652	750,269	42,079
12	TOWN ROAD PROGRAM				
	<i>Revenues</i>				
	BOND PROCEEDS	500,000	500,000	-	-
	<i>Expenditures</i>				
	CAPITAL OUTLAY	500,000	500,000	-	-

	<u>PROJECT</u>	<u>BUDGET</u>	<u>REV / EXP</u>	<u>OPEN PO's</u>	<u>BALANCE</u>
13	NH&L FIRE APPARATUS				
	<i>Revenues</i>				
	BOND PROCEEDS	575,000	560,000	-	15,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	575,000	557,354	-	17,646
14	FIRE APPARATUS 22 23				
	<i>Revenues</i>				
	BOND PROCEEDS	500,000	-	-	500,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	500,000	-	-	500,000
15	SOUTH MAIN SIDEWALK				
	<i>Revenues</i>				
	OTHER STATE GRANTS	940,480	107,199	-	833,281
	BOND PROCEEDS	150,000	150,000	-	-
	TRANSFER IN	85,120	41,175	-	43,945
	<i>Expenditures</i>				
	CAPITAL OUTLAY	1,175,600	1,131,654	-	43,946
16	LIBRARY IMPR 2018				
	<i>Revenues</i>				
	BOND PROCEEDS	273,000	273,000	-	-
	<i>Expenditures</i>				
	CAPITAL OUTLAY	273,000	214,889	-	58,111
17	ETH PARKING IMPR				
	<i>Revenues</i>				
	BOND PROCEEDS	600,000	-	-	600,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	600,000	-	-	600,000
18	LIBRARY IMPR 2019				
	<i>Revenues</i>				
	BOND PROCEEDS	300,000	300,000	-	-
	<i>Expenditures</i>				
	CAPITAL OUTLAY	300,000	56,782	-	243,218

	<u>PROJECT</u>	<u>BUDGET</u>	<u>REV / EXP</u>	<u>OPEN PO's</u>	<u>BALANCE</u>
19	LIBRARY IMPR 2022				
	<i>Revenues</i>				
	BOND PROCEEDS	200,000	-	-	200,000
	<i>Expenditures</i>				
	CAPITAL OUTLAY	200,000	-	-	200,000

Town of Newtown
Board of Finance - Capital Improvement Plan Calendar
CIP 2023-24 through 2027-28

June/July/August, 2022	Departments work on 2023-24 / 2027-28 CIP.
September, 2022	First Selectman with Finance Direct review department submittals.
September 6, 2022	Board of Selectmen Reviews First Selectman proposed 2023-24 / 2027-28 Capital Improvement Plan (9/6; 9/19; 10/3 meetings) Note: the BOE has their own approval process.
October 3, 2022	Board of Selectmen approves proposed 2023-24 / 2027-28 Capital Improvement Plan (CIP)
September 22, 2022	Board of Education presents 2023-24 / 2027-28 Capital Improvement Plan (CIP)
October 11, 2022	Board of Selectmen presents 2023-24 / 2027-28 Capital Improvement Plan (CIP)
Oct thru Nov, 2022	Board of Finance Reviews 2023-24 / 2027-28 Capital Improvement Plan (10/27 meeting; 11/14 meeting; special meetings if needed)
November 14, 2022	Board of Finance completes recommended Capital Improvement Plan (CIP)
November 16, 2022	Board of Finance recommended CIP presented to the Legislative Council. (Due by November 30).
January 18, 2023	Legislative Council approves the Capital Improvement Plan

Newtown Municipal Center
3 Primrose St., Newtown, CT 06470
Tel. 203-270-4201
Fax 203-270-4205



Daniel C. Rosenthal
First Selectman
Tel. 203-270-4202
dan.rosenthal@newtown-ct.gov

TOWN OF NEWTOWN

OFFICE OF THE FIRST SELECTMAN

May 16, 2022

Board of Selectmen
3 Primrose Street
Newtown, CT 06470

Dear Board of Selectmen:

I am requesting a special appropriation in the amount of \$424,500 be financed by bonds for the following project as authorized in the capital improvement plan (CIP) 2022-2023 to 2026-2027.

- A special appropriation in the amount of \$424,500 for the planning, design, engineering, construction and replacement of two existing boilers at Head O' Meadow Elementary School.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "DCR", is written over the printed name of Daniel C. Rosenthal.

Daniel C. Rosenthal
First Selectman

DCR/sm

Newtown Municipal Center
3 Primrose St., Newtown, CT 06470
Tel. 203-270-4201
Fax 203-270-4205



Daniel C. Rosenthal
First Selectman
Tel. 203-270-4202
dan.rosenthal@newtown-ct.gov

TOWN OF NEWTOWN

OFFICE OF THE FIRST SELECTMAN

May 16, 2022

Board of Selectmen
3 Primrose Street
Newtown, CT 06470

Dear Board of Selectmen:

I am requesting a special appropriation in the amount of \$400,000 be financed by bonds for the following project as authorized in the capital improvement plan (CIP) 2022-2023 to 2026-2027.

- A special appropriation in the amount of \$400,000 for the bridge replacement program.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'DCR', is written over the printed name.

Daniel C. Rosenthal
First Selectman

DCR/sm

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$400,000 FOR THE BRIDGE REPLACEMENT PROGRAM AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2022-23 TO 2026-27) AND AUTHORIZING THE ISSUANCE OF \$400,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$400,000 is a special appropriation made pursuant to Chapter 6, Section 6-35 of the Town Charter of the Town of Newtown (the "Town") for the planning, design, engineering, construction and replacement of bridges in the Town, pursuant to the Town's Bridge Replacement Program, all as authorized in the Capital Improvement Plan (2022-23 to 2026-27), and for administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State, Federal or other grants-in-aid thereof.

Section 2. To meet said appropriation, \$400,000 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Financial Director, and the amount of bonds of each series to be issued shall be fixed by the Financial Director, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of State and Federal or other grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of the bonds outstanding at the time of the issuance thereof, and to pay for the costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Financial Director, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, certifying, registrar and transfer agent and paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest shall be determined by the First Selectman and the Financial Director, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman and the Financial Director in a competitive offering and the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. To the extent required by the Charter of the Town of Newtown, bids shall be solicited from at least three lending institutions. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds.

Section 4. The First Selectman and the Financial Director are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the First Selectman and the Financial Director, have the seal of the Town affixed, be payable at a bank or trust company designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. The notes shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The First Selectman or his designee is hereby authorized, in the name and on behalf of the Town, to apply for and accept any and all Federal and State loans and/or any grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith, to contract in the name of the Town with engineers, contractors and others.

Section 6. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount of the Project with the proceeds of bonds or bond anticipation notes or other obligations ("Tax-Exempt Obligations") authorized to be issued by the Town. The Tax-Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Financial Director or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax-Exempt Obligations, and to amend this declaration.

Section 7. The First Selectman and the Financial Director are hereby authorized, in the name and on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 8. The First Selectman is hereby authorized, in the name and on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

Section 9. This resolution shall become effective upon its approval by the Legislative Council of the Town in accordance with Chapter 6, Section 6-35 of the Town Charter.

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$424,500 FOR THE PLANNING, DESIGN, ENGINEERING, CONSTRUCTION AND REPLACEMENT OF TWO EXISTING BOILERS AT HEAD O'MEADOW ELEMENTARY SCHOOL AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2022-23 TO 2026-27) AND AUTHORIZING THE ISSUANCE OF \$424,500 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$424,500 is a special appropriation made pursuant to Chapter 6, Section 6-35 of the Town Charter of the Town of Newtown (the "Town") for the planning, design, engineering, construction and replacement of two existing boilers at Head O'Meadow Elementary School, including, but not limited to, the replacement of four heating pumps, variable frequency drives, piping modifications, and flue modifications, all as authorized in the Capital Improvement Plan (2022-23 to 2026-27) and for architectural and engineer's fees, administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State, Federal or other grants-in-aid thereof.

Section 2. To meet said appropriation, \$424,500 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Financial Director, and the amount of bonds of each series to be issued shall be fixed by the Financial Director, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of State and Federal or other grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of the bonds outstanding at the time of the issuance thereof, and to pay for the costs of issuance of such bonds. The bonds shall be in the denomination of \$5,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Financial Director, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest shall be determined by the First Selectman and the Financial Director, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman and the Financial Director in a competitive offering and the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. To the extent required by the Charter of the Town of Newtown, bids shall be solicited from at least three lending institutions. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days

in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds.

Section 4. The First Selectman and the Financial Director are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the First Selectman and the Financial Director, have the seal of the Town affixed, be payable at a bank or trust company designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, of Hartford, Connecticut, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. The notes shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The First Selectman or his designee is hereby authorized, in the name and on behalf of the Town, to apply for and accept any and all Federal and State loans and/or any grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith, to contract in the name of the Town with engineers, contractors and others.

Section 6. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount of the Project with the proceeds of bonds or bond anticipation notes or other obligations ("Tax-Exempt Obligations") authorized to be issued by the Town. The Tax-Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Financial Director or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax-Exempt Obligations, and to amend this declaration.

Section 7. The First Selectman and the Financial Director are hereby authorized, in the name and on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 8. The First Selectman is hereby authorized, in the name and on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

Section 9. This resolution shall become effective upon its approval by the Legislative Council of the Town in accordance with Chapter 6, Section 6-35 of the Town Charter.

Excerpt for Minutes of Board of Finance Meeting
to be held June 23, 2022

A meeting of the Board of Finance of the Town of Newtown was held in the Council Chambers, on June 23, 2022, at 7:30 PM. (E.T.).

* * *

Members present and absent were as follows:

<u>Present</u>	<u>Absent</u>
John Madzula	Geoffrey Dent
Steven Goodridge	
Laura Miller	
Erica Sullivan	
Chandravir Ahuja	

* * *

Steve Goodridge introduced and read the following resolution:

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$400,000 FOR THE BRIDGE REPLACEMENT PROGRAM AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2022-23 TO 2026-27) AND AUTHORIZING THE ISSUANCE OF \$400,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$400,000 is a special appropriation made pursuant to Chapter 6, Section 6-35 of the Town Charter of the Town of Newtown (the "Town") for the planning, design, engineering, construction and replacement of bridges in the Town, pursuant to the Town's Bridge Replacement Program, all as authorized in the Capital Improvement Plan (2022-23 to 2026-27), and for administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State, Federal or other grants-in-aid thereof.

Section 2. To meet said appropriation, \$400,000 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Financial Director, and the amount of bonds of each series to be issued shall be fixed by the Financial Director, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of State and Federal or other grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less

than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of the bonds outstanding at the time of the issuance thereof, and to pay for the costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Financial Director, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, certifying, registrar and transfer agent and paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest shall be determined by the First Selectman and the Financial Director, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman and the Financial Director in a competitive offering and the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. To the extent required by the Charter of the Town of Newtown, bids shall be solicited from at least three lending institutions. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds.

Section 4. The First Selectman and the Financial Director are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the First Selectman and the Financial Director, have the seal of the Town affixed, be payable at a bank or trust company designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. The notes shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The First Selectman or his designee is hereby authorized, in the name and on behalf of the Town, to apply for and accept any and all Federal and State loans and/or any grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith, to contract in the name of the Town with engineers, contractors and others.

Section 6. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the “Regulations”), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount of the Project with the proceeds of bonds or bond anticipation notes or other obligations (“Tax-Exempt Obligations”) authorized to be issued by the Town. The Tax-Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Financial Director or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax-Exempt Obligations, and to amend this declaration.

Section 7. The First Selectman and the Financial Director are hereby authorized, in the name and on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the “MSRB”) and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 8. The First Selectman is hereby authorized, in the name and on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

Section 9. This resolution shall become effective upon its approval by the Legislative Council of the Town in accordance with Chapter 6, Section 6-35 of the Town Charter.

RESOLVED: That the resolution entitled “Resolution Providing For A Special Appropriation In The Amount Of \$400,000 For The Bridge Replacement Program As Authorized In The Capital Improvement Plan (2022-23 To 2026-27) And Authorizing The Issuance Of \$400,000 Bonds Of The Town To Meet Said Special Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose”, a copy of which is attached hereto, is hereby adopted and recommended to the Legislative Council for consideration and action, said special appropriation was initiated by the First Selectman in a letter dated June 16, 2022, a copy of which is attached hereto, in accordance with Chapter 6, Section 6-35 of the Town Charter.

Mr. Goodridge moved that said resolution be adopted as introduced and read and the motion was seconded by Erica Sullivan. Upon roll call vote the ayes and nays were as follows:

AYES

John Madzula
Steven Goodridge
Laura Miller
Erica Sullivan
Chandravir Ahuja

NAYS

Chair John Madzula thereupon declared the motion carried and the resolution adopted.

* * *

Steve Goodridge introduced and read the following resolution:

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$424,500 FOR THE PLANNING, DESIGN, ENGINEERING, CONSTRUCTION AND REPLACEMENT OF TWO EXISTING BOILERS AT HEAD O'MEADOW ELEMENTARY SCHOOL AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PLAN (2022-23 TO 2026-27) AND AUTHORIZING THE ISSUANCE OF \$424,500 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$424,500 is a special appropriation made pursuant to Chapter 6, Section 6-35 of the Town Charter of the Town of Newtown (the "Town") for the planning, design, engineering, construction and replacement of two existing boilers at Head O'Meadow Elementary School, including, but not limited to, the replacement of four heating pumps, variable frequency drives, piping modifications, and flue modifications, all as authorized in the Capital Improvement Plan (2022-23 to 2026-27) and for architectural and engineer's fees, administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State, Federal or other grants-in-aid thereof.

Section 2. To meet said appropriation, \$424,500 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Financial Director, and the amount of bonds of each series to be issued shall be fixed by the Financial Director, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of State and Federal or other grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of the bonds outstanding at the time of the issuance thereof, and to pay for the costs of issuance of such bonds. The bonds shall be in the denomination of \$5,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Financial Director, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal

thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest shall be determined by the First Selectman and the Financial Director, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman and the Financial Director in a competitive offering and the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. To the extent required by the Charter of the Town of Newtown, bids shall be solicited from at least three lending institutions. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds.

Section 4. The First Selectman and the Financial Director are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the First Selectman and the Financial Director, have the seal of the Town affixed, be payable at a bank or trust company designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, of Hartford, Connecticut, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. The notes shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the Project. Upon the sale of the bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The First Selectman or his designee is hereby authorized, in the name and on behalf of the Town, to apply for and accept any and all Federal and State loans and/or any grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith, to contract in the name of the Town with engineers, contractors and others.

Section 6. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount of the Project with the proceeds of bonds or bond anticipation notes or other obligations ("Tax-Exempt Obligations") authorized to be issued by the Town. The Tax-Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Financial Director or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax-Exempt Obligations, and to amend this declaration.

Section 7. The First Selectman and the Financial Director are hereby authorized, in

the name and on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the “MSRB”) and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 8. The First Selectman is hereby authorized, in the name and on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

Section 9. This resolution shall become effective upon its approval by the Legislative Council of the Town in accordance with Chapter 6, Section 6-35 of the Town Charter.

RESOLVED: That the resolution entitled “Resolution Providing For A Special Appropriation In The Amount Of \$424,500 For The Planning, Design, Engineering, Construction And Replacement Of Two Existing Boilers At Head O’Meadow Elementary School As Authorized In The Capital Improvement Plan (2022-23 To 2026-27) And Authorizing The Issuance Of \$424,500 Bonds Of The Town To Meet Said Special Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose”, a copy of which is attached hereto, is hereby adopted and recommended to the Legislative Council for consideration and action, said special appropriation was initiated by the First Selectman in a letter dated June 16, 2022, a copy of which is attached hereto, in accordance with Chapter 6, Section 6-35 of the Town Charter.

Mr. Goodridge moved that said resolution be adopted as introduced and read and the motion was seconded by Erica Sullivan. Upon roll call vote the ayes and nays were as follows:

AYES

John Madzula
Steven Goodridge
Laura Miller
Erica Sullivan
Chandravir Ahuja

NAYS

Chair John Madzula thereupon declared the motion carried and the resolution adopted.

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