

THESE MINUTES ARE SUBJECT TO APPROVAL BY THE BOARD OF FINANCE

The Board of Finance held a regular on Monday, March 14, 2016 in the Council Chambers at the Municipal Center, 3 Primrose Street, Newtown, CT. Chairman James Gaston called the meeting to order at 7:30pm.

Present: James Gaston, John Godin, Kelley Johnson, Mark Boland, Aaron Carlson

Absent: Sandy Roussas

Also Present: Finance Director Robert Tait, Betsy Paynter, Rob Sibley, Wes Thompson, One member of the public.

VOTER COMMENT – None

COMMUNICATIONS – None

MINUTES – Mr. Godin moved to approve the minutes from the 3/1/16 special meeting. Ms. Johnson seconded, motion unanimously approved.

Mr. Godin moved to approve the minutes from the 3/3/16 special meeting. Ms. Johnson seconded, motion unanimously approved.

FIRST SELECTMAN REPORT – Not present

FINANCE DIRECTORS REPORT – Bob Tait reported that the Fiduciary Investment Advisors presented (Attachment A) to the Board of Selectman which the Pension Board joined. The current pension investments are performing behind benchmark. They decided to hire a pension advisor to look into it and make recommendations. The recommendation is to move ahead and change to the fund managers that are proposed. The Pension Board was in full support. They need to draw up an investment policy before moving forward.

NEW BUSINESS

1. Tax Incentive, Tractor Supply, Co – Betsy Paynter and Wes Thompson presented (Attachment B). The property is located at 116 South Main Street. They explained the need to stay competitive with surrounding towns. They qualify for a 3 year abatement of 54%. Currently the tax on the property is \$7,000. With the investment to the land and building, the estimated tax for the next three years would be \$55,000 and the four year \$111,000. It would also generate about 14 jobs. Anything that goes over \$3 million goes up to 54%. Legally by state statue they can go 100% for 7 years. Newtown is conservative and in line. Newtown is attractive because of the radius from their other stores and there is a large equestrian population in town.

Ms. Johnson questioned if Tractor Supply is good for Newtown. It brings traffic and she does not like traffic and is not a fan of corporate welfare. Mr. Thompson replied that it could be considered corporate welfare but in sales and marketing, it is the cost of doing business.

Mr. Godin moved to approve the Tax Incentive as outline in Attachment B. Mr. Carlson seconded, motions passes 4 YES (Boland, Gaston, Godin, Carlson) to 1 No (Johnson).

2. Resolution to accept the Neglected Cemetery Account Grant Program (Attachment C)– The majorities of the cemeteries in town have town oversight. By state statue, municipalities are responsible to take care of cemeteries that are defunct. Mr. Godin moved to accept the Neglected Cemetery Account Grant Program. Ms. Johnson seconded, motion unanimously approved by roll call vote.

3. Mr. Godin moved the resolution for a special appropriation totaling \$1,380 for the cleanup of Bradley Cemetery. This special appropriation is to be financed by a grant award for Neglected Cemeteries from Connecticut’s Office of Policy Management for \$1,380 and waved the reading of the full resolution. Ms. Johnsons seconded, motion unanimously approved by roll call vote.

4. Resolution to accept STEAP grant for infrastructure and streetscape at Fairfield Hills Campus - Mr. Godin moved the Resolution to accept STEAP grant for infrastructure and streetscape at Fairfield Hills Campus. Mr. Boland seconded (Attachment D). Rob Sibley explained that this includes the entranceway, lighting, sidewalk and paving at FFH. They will be creating a better sidewalk system heading to the corridor of FFH through to the quad where Shelton House and Woodbury Hall are. They will go until funding ends. Ms. Johnson asked if this is a general purpose or bleeding into economic development preparation. Coming through the entrance way is fine but going up through buildings that are not in use is not. Mr. Sibley responded that the sidewalks that are there are in disrepair and the lighting was requested by the PD and part of the master plan. Motion was unanimously approved by roll call vote.

5. Mr. Godin moved the Resolution for a special appropriation totaling \$500,000 for the design and construction of the Fairfield Hills Streetscape project. This special appropriation is to be financed by a STEAP grant award of \$500,000 from Connecticut’s Office of Policy Management and waved the reading of the full resolution. Mr. Godin amended his motion, the grant is from Connecticut Department of Economic and Community Development. Mr. Boland seconded motion unanimously approved by roll call vote.

6. Mr. Godin moved to accept a CT Transportation Enhancement Program Grant, Mr. Boland seconded (Attachment E). Rob Sibley explained that we were the second runner up for this grant. Bridgewater was awarded it but was unable to come up with the matching portion of it and stepped back. Newtown was the second in line so we were awarded the grant and had the funds in the CIP. Motion unanimously approved by roll call vote.

7. Mr. Godin moved the RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$904,000 FOR THE PLANNING, DESIGN, ENGINEERING, AND CONSTRUCTION OF PEDESTRIAN SIDEWALK IMPROVEMENTS PROJECT AND AUTHORIZING THE ISSUANCE OF \$150,000 BONDS (CALCULATED AS \$904,000 MINUS \$723,200 IN STATE AND FEDERAL GRANTS MINUS \$30,800 IN LOCAL SOURCES) OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH

PURPOSE and waved the reading of the full resolution. Mr. Boland seconded. Motion unanimously approved by roll call vote.

8. Mr. Godin moved A RESOLUTION AMENDING A RESOLUTION PROVIDING FOR SPECIAL APPROPRIATION IN THE AMOUNT OF \$300,000 FOR THE PLANNING, DESIGN, AND CONSTRUCTION OF IMPROVEMENTS TO THE EDMOND TOWN HALL BUILDING AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2015-16 TO 2019-2020) AND AUTHORIZING THE ISSUANCE OF \$300,000 BONDS OF THE TOWN TO MEET SAID SPECIAL APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE and waved the reading of the full resolution. Mr. Carlson seconded (Attachment F). Bob Tait explained that this is in 15-16 CIP for \$300,000. The chairman at the time of the Edmond Town Hall Board of Managers has expertise in this area but didn't take into account that it had to go out to bid. The lowest bid was \$391,000 and that was to do the actual work and there is still remediation. Kaestle Boos Associates, Inc. is managing the job. It does not change the CIP forecast. There is nothing allocated for open space for this fiscal year so the funds from the CIP will be used for the boiler. Ms. Johnson questioned the funding. Mr. Tait replied that the old process was to put in an amount for open space when there was a property to purchase. Now they put it in each year but this year there isn't anything allocated. Mr. Gaston articulated that he does not think that open space has been compromised. Ms. Johnson supports Edmond Town Hall but doesn't agree with the funding. Motion passes by roll call vote 4 Yes (Gaston, Godin, Boland, Carlson) to 1 (NO Johnson)

9. Mr. Godin moved the transfer of \$5,895 from Contingency to Advertising, Mr. Boland seconded. Mr. Tait explained that this account is for bids, budget advertising, and notice for changes in the charter. Motion unanimously approved (Attachment G)

VOTER COMMENT –

ANNOUNCEMENTS – NONE

Having no further business, the meeting was adjourned at 9:00pm

Respectfully Submitted,
Arlene Miles, Clerk

Attachment A

Town of Newtown Plan Diagnostic

March 2016



FIDUCIARY
INVESTMENT ADVISORS

Strategic thinking. Customized solutions.

EXCERPT

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Timeline of Events



Past and Planned Correspondence with Newtown

- July 2015: First presentation of FIA capabilities to First Selectman and Finance Director
- September 2015: Presentation of FIA capabilities to the Board of Selectmen
- October 1, 2015: Official Start date of FIA and Newtown relationship
- October 2015: Presentation of FIA approach to the Pension Board
- December 2015: Presentation of findings regarding current portfolio performance to First Selectman and Finance Director
- January 2016: Presentation of findings to the Board of Selectmen
- February 2016: Presentation of findings to the Pension Board
- March 2016: Proposed new portfolio and custodial search information. Discussion of next steps moving forward in Newtown's transition

Tab 1 Diagnostic Process and Plan Overview

Diagnostic Process



In preparing for the diagnostic review, FIA:

- **Worked with Westport Resources in order to obtain information to review the current portfolios;**
- **Conducted an asset allocation study;**
- **Constructed a proposed new portfolio;**
- **Conducted a fee analysis for both the current portfolio and proposed new portfolio;**
- **Worked with three potential custodians to obtain bids for custody services;**
- **Prepared a draft Investment Policy Statement.**

Tab 2 Current Plan Allocations and Observations

Portfolio Observations



- The fixed income portfolio lacks diversification. Over 98% of the bonds held in these accounts are corporate credit. Greater exposure to other types of fixed income instruments would help increase diversification.
- The domestic equity portfolio is over-diversified, with a large number of investments tasked with the same mandate.
 - Such a large number of investments dilutes manager performance and reduces the effectiveness of each investment.
 - Performing effective due diligence on so many managers is challenging.
 - The majority of investments in the large cap equity space, which is relatively efficient are active strategies. Passive strategies can provide board market exposure at a very low cost.
- Within the equity portfolio, over 90% of assets are invested domestically, with only approximately 9% invested internationally. This stance is not representative of the global opportunity set.
- Within the international equity portfolio, there is essentially zero exposure to emerging markets.

Current Pension Investment Portfolio



Strategic thinking. Customized solutions.

Fund/Manager	Market Value	% of Portfolio	Expense Ratio
Cash & Equivalents			
Cash & Equivalents in Fixed Income Account	\$65,615	0.2%	-
Cash & Equivalents in Mutual Fund Account	\$77,892	0.2%	-
Cash & Equivalents Subtotal	\$143,507	0.4%	
Fixed Income			
U.S. Government Bonds	\$116,210	0.3%	-
Municipal Bonds	\$120,272	0.3%	-
Asset Backed Securities	\$450,536	1.3%	-
Corporate Bonds	\$11,279,154	32.2%	-
Fixed Income Subtotal	\$11,966,172	34.1%	
Domestic Equity			
Vanguard S&P 500 ETF	\$1,289,817	3.7%	0.05%
Doubleline Shiller Enhanced Cape Fund	\$1,986,929	5.7%	0.62%
Matthew 25 Fund	\$719,695	2.1%	1.06%
Skybridge Dividend Value I	\$2,997,264	8.5%	1.00%
Nuveen Concentrated Core I	\$1,227,099	3.5%	0.96%
Lazard US Equity Concentrated Open	\$3,054,603	8.7%	1.25%
Eaton Vance Focused Growth Opps I	\$1,731,641	4.9%	0.84%
PowerShares QQQ ETF	\$704,718	2.0%	0.20%
Smith Group Large Cap Core Growth	\$939,219	2.7%	0.79%
Prudential Jennison Global Opps Z	\$1,303,566	3.7%	1.15%
Vanguard Mid-Cap ETF	\$708,649	2.0%	0.09%
Principal Mid Cap Fund I	\$1,158,330	3.3%	0.67%
Eagle Mid Cap Growth Fund Class I	\$1,398,349	4.0%	0.82%
Vanguard Small-Cap ETF	\$362,346	1.0%	0.09%
Hartford Small Cap Growth I	\$819,256	2.3%	1.36%
Domestic Equity Subtotal	\$20,401,482	58.2%	
International Equity			
Federated International Leaders Fund I	\$1,893,623	5.4%	0.99%
Vanguard FTSE Developed Markets	\$91,800	0.3%	0.09%
International Equity Subtotal	\$1,985,423	5.7%	
Other Assets			
Vanguard REIT ETF	\$117,602	0.3%	0.12%
Vanguard Health Care ETF	\$465,744	1.3%	0.09%
Other Assets Subtotal	\$583,346	1.7%	
Total Pension Portfolio	\$35,079,930	100.0%	0.54%

Source of Expense Ratios: Morningstar

- The fixed income portfolio is entirely composed of individual bonds.
- 98% of the individual bonds are corporate credit.
- The domestic equity portfolio is overly diversified with 15 mutual funds/ETFs across \$20.4 Million.
- The large cap sector of the domestic equity portfolio has ten different funds.
- The majority of the large cap investments are active strategies, whereas passive strategies could provide broad market exposure at a very low cost.
- There are five different investments in the small and mid cap space ranging from \$380,000 to \$1.4 million in assets.
- The international equity portfolio comprises only 5.7% of the total portfolio, and 8.6% of the equity portfolio.
- There is no emerging markets exposure in the international equity portfolio.
- There are two ETFs in the portfolio focused on specific sectors of the equity markets (one REIT and one health care ETF).

Tab 3 Proposed Portfolio and Rationale

Rationale for Intended Portfolios



- The portfolios being recommended to the Town have been reviewed and approved by FIA's Investment Committee, providing the assurance that it represents our best thinking.
- Mandate and entity diversification is achieved via the broad array of specialty institutional investment firms.
- Diversified and flexible fixed income exposure via institutional managers with expertise and focus on the fixed income markets.
 - The proposed fixed income portfolio represents the best thinking of some of the most experienced managers available.
 - Each fund in the portfolio will be well diversified across different sectors of the fixed income space.
 - The intended fixed income portfolio includes managers with flexible mandates, to accommodate what is likely to be a challenging fixed income environment.
- Allocation to a passive strategy in the domestic large cap equity area provides broad market exposure at a very low cost.

Rationale for Intended Portfolios



- The equity portfolio is more evenly split between domestic and international equities and includes exposure to emerging markets, in keeping with the global opportunity set.
- Allocation to direct real estate allows for diversification, and offers a lower correlation to traditional asset classes and a steady income stream.
- A small allocation to a natural resources equity fund adds further diversification.
- The intended OPEB Portfolio is composed of four passive mutual funds to track the broad fixed income, domestic equity, international equity and real estate markets at a very low cost.

Proposed Pension Portfolio



Fund/Manager	Asset Class	Target	Expense Ratio
Prudential Total Return Q	Core Fixed Income	10.0%	0.46%
Western Asset Core Plus IS	Core Fixed Income	10.0%	0.43%
BlackRock Strategic Income Opportunities I	Nontraditional Fixed Income	7.5%	0.64%
Legg Mason BW Global Opps IS	Global Fixed Income	<u>5.0%</u>	0.58%
	Fixed Income Subtotal	32.5%	
Vanguard Institutional Index I (S&P 500)	Large Cap Blend	22.0%	0.04%
Vanguard Mid Cap Index Adm	Mid Cap Blend	5.0%	0.09%
Boston Partners Small Cap Value II I	Small Cap Value	2.5%	1.10%
Nationwide Geneva Small Cap Growth InSvc	Small Cap Growth	<u>2.5%</u>	1.16%
	Domestic Equity Subtotal	32.0%	
Causeway International Value I	International Large Cap Value	12.0%	0.90%
Oppenheimer International Growth I	International Large Cap Growth	12.0%	0.70%
Harding Loevner Inst Emerging Markets I	Emerging Markets	<u>4.0%</u>	1.30%
	International Equity Subtotal	28.0%	
Cornerstone Patriot Fund	Direct Real Estate	<u>5.0%</u>	1.05%
	Real Estate Subtotal	5.0%	
Van Eck Global Hard Assets I	Natural Resources	2.5%	1.00%
	Natural Resources Subtotal	2.5%	
TOTAL PORTFOLIO		100.0%	0.56%

Source of expense ratios: Morningstar.

*The proposed portfolio lineup is subject to adjustments based on fund and share class availability at the chosen custodian.

- These managers are well diversified across the fixed income space.
- Large cap domestic equity exposure is achieved via a low cost passive approach.
- Active management is utilized in the less efficient small cap space.
- The international equity portfolio is well diversified across developed and emerging markets.
- The Cornerstone Patriot fund is a private real estate fund with low correlation to traditional assets classes.
- A modest allocation to natural resources equities provides additional diversification.

Tab 4 Custody Search and Fee Analysis

Custody/Trust Services - Fee Matrix

	People's Bank	Webster Bank	Wells Fargo
Asset Based Fee Schedule	0.03% on all Assets	First \$5 MM: 0.13% Next \$5 MM: 0.10% Next \$15 MM: 0.08% Next 25MM+: 0.06%	0.02% on all assets
\$ Equivalent (Based on \$37MM portfolio)	\$11,100 (Minimum Annual Fee Applies)	\$30,700	\$7,400
Min. Annual Fee**	\$12,000	\$10,000	\$10,000
Account Related Fees	Does not apply	Does not apply	Statement Accounting & Reporting: \$1,500 (750 per account)
Estimated Monthly Pension Payment Costs	\$3.00 per pension payment, approximately 130 payments per month	\$2.75 per pension payment, approximately 130 payments per month	\$2.49 per pension payment, approximately 130 payments per month
Total Annual Custodial Fee (estimated)	\$4,680 per year \$16,680	\$4,290 per year \$22,710*	\$3,884 per year \$12,784
Other Fees	Mutual Fund Trades: \$15 each Lump sum Distributions: \$25 per payment	Mutual Fund Trades: No Charge Lump sum distributions: \$30 Wire Transfers: No charge if infrequent	Lump Sum Distributions: \$10 per payment Mutual Fund Settlements: \$15 each Outgoing Wires: \$10 each

*Webster Bank lowers their asset based fee by 40% (does not include pension payment costs).

**The \$12,000 minimum annual fee for People's Bank is based only on the asset based fee of \$11,100 and therefore applies. However, the \$10,000 minimum annual fee for Wells Fargo is based on the total estimated annual fee and therefore does not apply.

Assumptions: Two plans; \$37 million total; 130 monthly benefit payments

Fee Analysis of Total Plan



Current Plan

Combined Pension & OPEB Fee Analysis			
	Market Value	Expense Ratio	Fee Amount
Westport Resources Managerial Fee*:	First \$8,000,000	0.60% per annum	\$48,000
	Remaining Balance: \$28,732,196	0.50% per annum	\$143,661
Westport Resources Weighted Avg. Expense Ratio/ Total Fee Amount		0.52%	\$191,661
Fiduciary Investment Advisors Fee¹		0.10%	\$35,000
Newtown Pension: Underlying Investment Manager Fees			
	\$35,079,930	0.54%	\$189,617
Newtown OPEB: Underlying Investment Manager Fees			
	\$1,652,265	0.55%	\$9,127
Underlying Investment Managers Weighted Avg. Expense Ratio/ Total Fee Amount		0.54%	\$198,744
Total Estimated Pension & OPEB Annual Fees:	\$36,732,195	1.16%	\$425,405

*Pension and OPEB assets are aggregated for fee purposes so that the higher 0.60% rate is not applied to both the OPEB and pension plans.

Proposed Plan

Combined Pension & OPEB Fee Analysis			
	Market Value	Expense Ratio	Fee Amount
Fiduciary Investment Advisors Fee¹		0.10%	\$35,000
Newtown Pension: Underlying Investment Manager Fees			
	\$35,079,930	0.56%	\$196,448
Newtown OPEB: Underlying Investment Manager Fees			
	\$1,652,265	0.08%	\$1,322
Underlying Investment Managers Weighted Avg. Expense Ratio/ Total Fee Amount		0.54%	\$197,769
Total Estimated Pension & OPEB Annual Fees:	\$36,732,195	0.64%	\$232,769

¹The Fiduciary Investment Advisors Fee is a flat fee of \$35,000, not based on market value of plan assets. However, given the current market value, the fee translates to 10 basis points.

NOTE: Current and proposed custodial fees are not included in the estimated annual fees. The custodian for the proposed lineup has not yet been decided.



Town of Newtown
Attn: Betsy Paynter
Economic Development Coordinator
3 Primrose Street
Newtown, CT 06470

10/30/2015

Dear Betsy:

I would like to thank you for further discussing a possible Tractor Supply Company within your community. Based on the attached Community Impact Analysis, reflecting revenue growth, job creation opportunities, and increased property tax basis, I would like to propose the following economic development assistance:

- **Tax abatement/exemption/credit pursuant to the Town of Newtown**
 - (phase-in, abatement terms and percentage set by council)

- **Personal Property tax abatement/exemption**
 - (terms and percentage set by council)

The proposed location, see exhibit A for site plan is currently vacant underutilized land and is located in the primary trade area for Sandy Hook/Newtown. The exemption should fall under the Town of Newtown Business Incentive Program. Current retail trends include open-air centers as opposed to enclosed malls. Retail stores are an enhancement of the retail corridor and an asset to the essential component to a city's budget.



In addition to the financial community impact Tractor Supply brings, we consider ourselves to be neighborhood stores. Like any true neighbor, we go to great lengths to help out in any way we can. From supporting local 4-H and FFA to finding homes for shelter pets, we're making a difference on the things our customers care about the most. We are interested in joining the Chamber of Commerce and participating in annual community events as well as hosting some of our own.

Many of our customers and team members at Tractor Supply strive to be good stewards of the land and our natural resources because they rely on them not just for their lifestyle, but also for their livelihood. As the supplier of choice for the farm and ranch lifestyle, it is imperative that we not only carry the products that enable our customers to live sustainably, but that we also incorporate sustainable practices into the way we do business. We cannot just be merchants of this lifestyle; we must also adhere to and practice it as a responsible corporate citizen. I've enclosed our 2014 Annual Stewardship Report for your review as well.

I want to thank you in advance for your time and consideration as it is greatly appreciated.

Sincerely,

Amy Villmer
Tax Credits & Incentives

Enclosures

**Town of Newtown
Business Incentive Program Application**

Negotiations of Business Incentives will be conducted by the First Selectman. The findings and conclusions of the First Selectman will be submitted to the Board of Selectmen for acceptance or denial. Board approved applications will be forwarded to the Finance Board and Legislative Council for consideration and action.

Name of Company: Tractor Supply Company

Address: 5401 Virginia Way, Brentwood, TN 37027

Company Contact: Amy Villmer

Phone Number: 615-440-4374

Types of Products Manufactured or Distributed: Hardware, Truck & tools, Clothing/workwear boots & accessories, seasonal products, Lawn care, power equipment, and small animal products.

Project Description: New construction of 19,097 square foot building with adjacent fenced-in display lot of approximately 15,000 square feet, for retail facility.

Estimated Cost of Proposed Improvements: \$ 346,900
(Attach itemized list of these costs and improvements)

Number of Jobs To Be Retained in Newtown: 10-14 at facility

Number of Jobs To Be Created: 20-25 including construction

11/13/15
Date

Amy E. Villmer
Signature of Company Representative

Completed applications should be returned to the First Selectman's Office or the office of the Director of Economic and Community Development.

Newtown, CT
New Store Construction

Investment Summary		
Building Construction		1,500,000
Tractor Supply Expenses		
Total Building Imp.	\$	10,000
3rd Party Pre-Open		20,000
EMS		10,000
Alarm		47,100
Store in a Box		44,000
Baler		11,000
Floor Buffer		3,800
Forklift		25,000
Fixtures		156,000
Signage		20,000
Total Capital	\$	346,900
Total Investment	\$	2,193,800

personal
property
multiple

346,900

Community Impact Analysis

Projections

Property Tax - Personal
 *Based on average of all existing Connecticut scores to date:
 Property Tax - Real Estate
 *Based on average of all existing Connecticut scores to date:
 Total Property Tax

Estimated Tax
 \$ 10,499.00
 \$ 2,048.00
 \$ 49,547.00

Sales Tax

Sales Tax on Annual Sales
 6.35% \$ 3,000,000.00
 County Tax - None
 Local Sales Tax - None
 Total Annual Sales Tax Revenue
 6.35% \$ 3,000,000.00

Estimated Sales Tax
 \$ 190,500.00
 \$ -
 \$ 190,500.00

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Net Sales	\$ 3,000,000	\$ 3,270,000	\$ 3,531,000	\$ 3,778,800	\$ 4,005,600	\$ 4,165,700	\$ 4,332,900	\$ 4,505,600	\$ 4,685,800	\$ 4,871,200	\$ 43,971,200
State Tax	\$ 190,500.00	\$ 207,645.00	\$ 224,256.00	\$ 239,951.80	\$ 254,349.25	\$ 264,521.95	\$ 275,101.05	\$ 286,105.60	\$ 297,548.30	\$ 309,448.20	\$ 2,549,439.75
Local Sales Tax - None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sales Tax	\$ 190,500.00	\$ 207,645.00	\$ 224,256.00	\$ 239,951.80	\$ 254,349.25	\$ 264,521.95	\$ 275,101.05	\$ 286,105.60	\$ 297,548.30	\$ 309,448.20	\$ 2,549,439.75
Property Taxes	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 495,470.00
Total Tax Impact	\$ 240,047.00	\$ 257,192.00	\$ 273,803.00	\$ 289,498.80	\$ 303,896.25	\$ 314,068.95	\$ 324,648.05	\$ 335,652.60	\$ 347,095.30	\$ 358,995.20	\$ 3,044,909.75
Total Local Tax Impact	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 49,547.00	\$ 495,470.00
Personal Care	\$ 334,700.00	\$ 348,300.00	\$ 364,259.00	\$ 380,404.80	\$ 396,342.25	\$ 405,521.95	\$ 416,051.05	\$ 427,105.60	\$ 438,541.30	\$ 450,441.20	\$ 4,149,439.75
Rent	\$ 30,770.00	\$ 32,510.00	\$ 34,250.00	\$ 35,990.00	\$ 37,730.00	\$ 39,470.00	\$ 41,210.00	\$ 42,950.00	\$ 44,690.00	\$ 46,430.00	\$ 418,770.00
Utilities	\$ 44,531.00	\$ 46,271.00	\$ 48,011.00	\$ 49,751.00	\$ 51,491.00	\$ 53,231.00	\$ 54,971.00	\$ 56,711.00	\$ 58,451.00	\$ 60,191.00	\$ 529,771.00
Total Local Community Financial Impact	\$ 118,037.00	\$ 134,318.00	\$ 150,608.00	\$ 166,899.00	\$ 183,190.00	\$ 199,481.00	\$ 215,772.00	\$ 232,063.00	\$ 248,354.00	\$ 264,645.00	\$ 2,319,984.00

Please note the information reflected is based on estimates, an approximation of monetary amounts. The information provided should only be used for purposes of tax revenue projections within the City Council and local governmental offices. The information should be kept confidential and privileged, please refrain from disclosing, copying, distributing, or using any information contained herein.

**Tractor Supply Company - 116 South Main Street
Draft Analysis of Business Incentive
For Discussion Purposes Only**

Address	2014 Real Property Assessment	Real Property Tax Bill (33.07 mills)	Assumed Real Property Assessment (After Improvements)	Increase in RP Assessment (Existing vs. Post Improvements)	Assumed Real Property Tax Bill on New Assessment (33.07 mills)
116 South Main Street	\$223,080	\$7,377	\$3,358,380	\$3,135,300	\$111,062
The current real estate is comprised of a single family dwelling on a 8.19 ac. Parcel - Zoned South Main Design District Application for a 19,000 sf retail commercial building plus 15,000 sq ft outdoor retail storage					
<u>Eligible:</u>					
45% tax abatement & 1.20 multiplier for personal property investment = .45*1.2= 54% abatement for 3 years maximum					
Annual Real Property Tax Due if 54% of the Increase in Assessment is fixed					
ANNUAL TAX ABATEMENT					
TAX PAYMENT IF ASSESSMENT IS FIXED					
Total Abatement for 3 years:					
Total Tax Pay for 3 years:					
Assumptions: No increase in Mill Rate over 3 year period					
Approvals for the Business Incentives must be given by the Board of Selectmen; the Board of Finance and the Legislative Council					

Economic Development - Business Incentive Summary

Project / Applicant	Address	Duration	% of Increase	Action				Agreement Expiration	Notes
				EDC	BOS	BOF	LC		
Tractor Supply Company/Amy Villmer	116 South Main Street	3 yrs	54%	12/15/2015	3/7/2016	3/14/2016	3/23/2016		
Hunter Gregory Realty (Maplewood St)* Andrew Deery	170 Mt. Pleasant Road	4 yrs	45%	1/6/2015	2/17/2015	2/26/2015	3/4/2015	3/4/2017	Pre development: Should have 100% complete for 2016, 2017, 2018, 2019 Pre-development: \$308,660 assessment full assessment post development: \$692,710 - 2016, 2017, 2018 Should have 100% complete for 2016, 2017, 2018, 2019
Consumers Petroleum*/Christine Hogan	67 Church Hill Road	3 yrs	31.50%	8/12/2014	9/2/2014	9/9/2014	9/17/2014	9/17/2016	Should have 100% complete for 2016, 2017, 2018, 2019
Summit Properties*/John Reyes	146 South Main Street	3 yrs	35%	3/11/2014	3/17/2014	3/27/2014	4/9/2014	4/9/2016	Should have 100% complete for 2016, 2017, 2018, 2019, 2020, 2021, 2022
Villages at Lexington Garden / Alan Weiner*	32 Church Hill Road	7 yrs	45%	12/13, 1/14	1/29/2014	2/10/2014	2/19/2014	2/19/2016	Should have 100% complete for 2016, 2017, 2018, 2019, 2020, 2021, 2022
Dr. Curtis Beck*/Dr. Curtis Beck	12 Queen Street	3 yrs	35%	4/30/2013			6/19/2013	ext 8/1/15	Pre-development: \$117,080 assessment full assessment post development: \$577,710 - 2015, 2016, 2017
Hunter Gregory*/Andrew Deery	164 Mount Pleasant Road	3 yrs	50%	6/3/2013			6/19/2013	6/19/2015	Pre-development: \$402,150 assessment 2014 - partial development assessment: \$2,847,818 2015, 2016 - full assessment: \$3,702,320
Beyond the Vine / Wiggins*	84 South Main Street	3 yrs	35%	7/16/2013	10/21/2013	10/24/2013	11/20/2013	extension one year 11/2015	declined construction, will come forward at a later date
Mike Burton	107 Church Hill Road, SH	3 yrs	30%	3/20/2012	9/17/2012		12/5/2012	10/1/2015	complete
Advanced Fusion Systems	11 Edmond Road	5 yrs	100%	5/17/2011			6/15/2011	10/1/2017	last year is 2017
Architectural Glass	9 Turnberry Road	3 yrs	30%					yes	complete
SMT	High Bridge Road	3 yrs	45%					yes	complete
TNT	12 Turnberry Road	3 yrs	45%	8/15/2006	2/1/2007	2/22/2007	3/7/2007	yes	complete
Neumade	Pecks Lane	5 yrs	50%					yes	complete

*Final agreement depends on final assessment but shall be consistent with the BIP schedule
 Architectural Glass includes 25% plus 1.2 multiplier
 BH includes 45% plus 1.25 multiplier
 Consumers Petro includes 25% plus 1.25 multiplier
 Tractor Supply includes 45% plus 1.25 multiplier

Attachment C

George Benson, Director of Planning
3 Primrose Street
Newtown, CT 06470
Phone (203) 270-4276
Fax (203) 270-4278
www.newtown-ct.gov



**TOWN OF NEWTOWN
LAND USE AGENCY**

To: James Gaston, Chairman, Board of Finance
From: George Benson, Director of Planning
Date: March 1, 2016
Re: Special appropriation request, Neglected Cemetery Grant

This memo serves to request a special appropriation totaling \$1,380 for the cleanup of Bradley Cemetery. This special appropriation is to be financed by a grant award from Connecticut's Office of Policy and Management for \$1,380.

The proposed cleanup includes, but not limited to, removal of brush, repair of stones and the replacement of the sign.

I request that the Board of Finance include this action on its March 14, 2016 agenda. A financial impact statement will be provided per Town Charter 6-100.

Cc: Board of Selectmen
Legislative Council
Robert Tait, Director of Finance
Christal Preszler, Grants Coordinator
Arlene Miles, clerk, BOF

If you plan to attend this meeting and require assisted hearing devices, please contact the Office of the First Selectman at 270-4201 at least 48 hours prior to the meeting.

**TOWN OF NEWTOWN
FINANCIAL IMPACT STATEMENT
(Per Town Charter 6-100)**

REQUESTING DEPARTMENT Land Use

PROJECT: Neglected Cemetery Account Grant Program

PROPOSED SPECIAL APPROPRIATION AMOUNT: 1,380

PROPOSED FUNDING:

BONDING	
GRANT	1,380
CONTINGENCY	
OTHER	0
	1,380

ANNUAL FINANCIAL IMPACT ON OPERATING BUDGET (GENERAL FUND):

List any financial impact your request will have on the Town's annual operating budget.
Attach spreadsheet(s) showing your calculation of the estimated impact.

EXPENDITURE CATEGORY:	**FOR BRACKETS USE NEGATIVE SIGN BEFORE NUMBER**	(POSITIVE IMPACT) / NEGATIVE IMPACT	Attachment #
SALARIES & BENEFITS			
PROFESSIONAL SERVICES		\$0	
CONTRACTED SERVICES			
REPAIRS & MAINTENANCE			
UTILITIES			
OTHER			
DEBT SERVICE (1st year)			
TOTAL IMPACT ON EXPENDITURES		\$0	
REVENUE CATEGORY:		POSITIVE IMPACT / (NEGATIVE IMPACT)	Attachment #
PROPERTY TAXES			
CHARGES FOR SERVICES (FEES)			
OTHER			
TOTAL IMPACT ON REVENUES		0	
TOTAL FINANCIAL IMPACT ON OPERATING BUDGET		0	

EQUIVALENT MILL RATE OF TOTAL IMPACT 0.0000 mills
(using current year's information)

COMMENTS:

NO IMPACT ON THE OPERATING BUDGET
The Neglected Cemetery Account Grant program was established under Section 19a-308b of the CT General Statutes (CGS) to provide municipalities with an opportunity to receive financial assistance to reclaim and maintain neglected cemeteries.

Section 19a-308 of the CGS defines a "neglected cemetery" and subsection 19a-308b relieves municipalities, municipal employees and agents and officers of municipalities from criminal or civil liability for undertaking the care and maintenance of a neglected cemetery.

Section 205 of Public Act 14-217 created the Neglected Cemetery Account and directed OPM to make grants to municipalities that wish to provide upkeep to local neglected cemeteries. Municipalities can apply for up to \$2,000 per year to be used; to clear weeds, briars and bushes, mow cemetery lawn areas, repair fences and walls, to straighten memorial stones and to keep neglected cemeteries in an orderly and decent condition.

PREPARED BY: Christal Preszler, Grants Coordinator

DATE: 18-Feb-16

TO: BOS, BOF, LC
1/4 3/14 3/16

CERTIFIED RESOLUTION

WHEREAS, the State of Connecticut Office of Policy and Management has the capacity to extend financial assistance for this Neglected Cemetery Account Grant Program under Section 19a-308 of the Connecticut General Statutes (CGS); and

WHEREAS, it is desirable and in the public interest that the Town of Newtown enter into an agreement with the State of Connecticut for a \$1,380 grant for the Bradley Cemetery cleanup project;

NOW THEREFORE, BE IT RESOLVED by the Newtown Board of Finance:

1. That is cognizant of the conditions and prerequisites for the State Assistance imposed by C.G.S. 19a-308.

2. That the acceptance of State financial assistance by The Town of Newtown in an amount not to exceed \$1,380 is hereby approved and that E. Patricia Llodra, First Selectman is directed to execute an agreement with the Connecticut Office of Policy and Management, to provide such additional information, to execute such other documents as may be required, to execute any amendments, decisions and revisions thereto, and to act as the authorized representative of the Town of Newtown, Connecticut.

James O. Gaston, Chairman, Board of Finance

Certified a true copy of a resolution duly adopted by the Town of Newtown, Connecticut at a meeting of its Board of Selectmen on March 14, 2016 and which has not been rescinded or modified in any way.

Date

Debbie A. Halstead, Town Clerk

Attachment D

George Benson, Director of Planning
3 Primrose Street
Newtown, CT 06470
Phone (203) 270-4276
Fax (203) 270-4278
www.newtown-ct.gov



**TOWN OF NEWTOWN
LAND USE AGENCY**

To: James Gaston, Chairman, Board of Finance

From: George Benson, Director of Planning

Date: March 1, 2016

Re: Special appropriation request, STEAP Grant (Fairfield Hills Streetscape)

This memo serves to request a special appropriation totaling \$500,000 for the design and construction of the Fairfield Hills Streetscape project. This special appropriation is to be financed by a grant award of \$500,000 from Connecticut's Office of Policy and Management.

The proposed project includes, but not limited to, design and construction and installation of sidewalks, lighting, landscaping and safety fencing at Fairfield Hills.

I request that the Board of Finance include this action on its March 14, 2016 agenda. A financial impact statement will be provided per Town Charter 6-100.

Cc: Board of Selectmen
Legislative Council
Robert Tait, Director of Finance
Christal Preszler, Grants Coordinator
Arlene Miles, clerk, BOF

If you plan to attend this meeting and require assisted hearing devices, please contact the Office of the First Selectman at 270-4201 at least 48 hours prior to the meeting.

**TOWN OF NEWTOWN
FINANCIAL IMPACT STATEMENT
(Per Town Charter 6-100)**

REQUESTING DEPARTMENT Land Use

PROJECT: STEAP Grant - Office of Policy and Management - Fairfield Hills Streetscape

PROPOSED SPECIAL APPROPRIATION AMOUNT: 500,000

PROPOSED FUNDING:

BONDING	
GRANT	500,000
CONTINGENCY	
OTHER	0
	500,000

ANNUAL FINANCIAL IMPACT ON OPERATING BUDGET (GENERAL FUND):

List any financial impact your request will have on the Town's annual operating budget.
Attach spreadsheet(s) showing your calculation of the estimated impact.

EXPENDITURE CATEGORY:	**FOR BRACKETS USE NEGATIVE SIGN BEFORE NUMBER**	(POSITIVE IMPACT) / NEGATIVE IMPACT	Attachment #
SALARIES & BENEFITS			
PROFESSIONAL SERVICES		\$0	
CONTRACTED SERVICES			
REPAIRS & MAINTENANCE			
UTILITIES			
OTHER			
DEBT SERVICE (1st year)			
TOTAL IMPACT ON EXPENDITURES		\$0	

REVENUE CATEGORY:	POSITIVE IMPACT / (NEGATIVE IMPACT)	Attachment #
PROPERTY TAXES		
CHARGES FOR SERVICES (FEES)		
OTHER		
TOTAL IMPACT ON REVENUES	0	

TOTAL FINANCIAL IMPACT ON OPERATING BUDGET 0

EQUIVALENT MILL RATE OF TOTAL IMPACT 0.0000 mills
(using current year's information)

COMMENTS:

The Small Town Economic Assistance Program (CGS Section 4-66g funds economic development, community conservation and quality of life projects for localities that are ineligible to receive Urban Action (CGS Section 4-66c) bonds. This program is managed by OPM and grants are administered by appropriate state agencies.

This project will focus on the installation and/or improvement of sidewalks, lighting safety and access to and throughout campus - with primary focus on the area around the entrance.

PREPARED BY: Christal Preszler, Grants Coordinator DATE: 18-Feb-16

TO: BOS, BOF, LC
317 314 3116

CERTIFIED RESOLUTION

WHEREAS, pursuant to Connecticut General Statutes, Section 4-66g, the Connecticut Department of Economic and Community Development is authorized to extend financial assistance for economic development projects; and

WHEREAS, it is desirable and in the public interest that the Town of Newtown enter into an agreement with the State of Connecticut for a \$500,000 Small Town Economic Assistance Program (STEAP) grant for the Fairfield Hills Streetscape project.

NOW THEREFORE, BE IT RESOLVED by the Newtown Board of Finance:

1. That is cognizant of the conditions and prerequisites for the State Assistance imposed by C.G.S. 4-66g.
2. That the acceptance of State financial assistance by The Town of Newtown in an amount not to exceed \$500,000 is hereby approved and that E. Patricia Llodra, First Selectman is directed to execute an agreement with the Connecticut Department of Economic and Community Development, to provide such additional information, to execute such other documents as may be required, to execute any amendments, decisions and revisions thereto, and to act as the authorized representative of the Town of Newtown, Connecticut.

James O. Gaston, Chairman, Board of Finance

Certified a true copy of a resolution duly adopted by the Town of Newtown, Connecticut at a meeting of its Board of Finance on March 14, 2016 and which has not been rescinded or modified in any way.

Date

Debbie A. Halstead, Town Clerk

Attachment E

George Benson, Director of Planning
3 Primrose Street
Newtown, CT 06470
Phone (203) 270-4276
Fax (203) 270-4278
www.newtown-ct.gov



TOWN OF NEWTOWN LAND USE AGENCY

To: James Gaston, Chairman, Board of Finance

From: George Benson, Director of Planning 

Date: March 2, 2016

Re: Special appropriation request, DOT Transportation Enhancement Grant 96-202

This memo serves to request a special appropriation totaling \$904,000 for the design and construction of sidewalks from Glover Avenue, along Route 25 and Wasserman Way to Trades Lane as authorized in the 2015-16 and 2016-17 Capital Improvement Plans. This special appropriation is to be financed by issuing bonds in the amount of \$150,000, a grant award of \$723,200 from the Connecticut Department of Transportation and \$30,800 in contingency funds.

The proposed project includes, but not limited to, design, construction and installation of sidewalks from Glover Avenue, along the east side of Route 25, north side of Wasserman Way, ending at Trades Lane.

I request that the Board of Finance include this action on its March 16, 2016 agenda. A financial impact statement will be provided per Town Charter 6-100.

Cc: Board of Selectmen
Legislative Council
Robert Tait, Director of Finance
Christal Preszler, Grants Coordinator
Arlene Miles, clerk, BOF

If you plan to attend this meeting and require assisted hearing devices, please contact the Office of the First Selectman at 270-4201 at least 48 hours prior to the meeting.

**TOWN OF NEWTOWN
FINANCIAL IMPACT STATEMENT
(Per Town Charter 6-100)**

REQUESTING DEPARTMENT LAND USE

PROJECT: Newtown Pedestrian Improvements Project - South Main St. / Mile Hill Rd. Sidewalk Project 96-202

PROPOSED APPROPRIATION AMOUNT: \$ 904,000

PROPOSED FUNDING:		
BONDING	\$	150,000
GRANT	\$	723,200
OTHER	\$	30,800 (Contingency)
	<u>\$</u>	<u>904,000</u>

ANNUAL FINANCIAL IMPACT ON OPERATING BUDGET (GENERAL FUND):

List any financial impact your request will have on the Town's annual operating budget. Attach spreadsheet(s) showing your calculation of the estimated impact.

EXPENDITURE CATEGORY:	**FOR BRACKETS USE NEGATIVE SIGN BEFORE NUMBER**	(POSITIVE IMPACT) / NEGATIVE IMPACT	Attachment #
SALARIES & BENEFITS		_____	_____
PROFESSIONAL SERVICES		_____	_____
CONTRACTED SERVICES		_____	_____
REPAIRS & MAINTENANCE		_____	_____
UTILITIES		_____	_____
OTHER		_____	_____
DEBT SERVICE (1st year)	\$	12,000	_____
TOTAL IMPACT ON EXPENDITURES	<u>\$</u>	<u>12,000</u>	_____

REVENUE CATEGORY:		POSITIVE IMPACT / (NEGATIVE IMPACT)	Attachment #
PROPERTY TAXES		_____	_____
CHARGES FOR SERVICES (FEES)		_____	_____
OTHER		_____	_____
TOTAL IMPACT ON REVENUES	<u>\$</u>	<u>-</u>	_____

TOTAL FINANCIAL IMPACT ON OPERATING BUDGET \$ 12,000

EQUIVALENT MILL RATE OF TOTAL IMPACT 0.0039 mills

(using current year's information)

COMMENTS:

This project will construct approximately 5,900 LF of a new ADA compliant sidewalk along South Main Street (Route 25) and Mile Hill Road; also along Mile Hill Road between South Main Street and Trades Lane in Newtown, CT. Total project cost is \$904,000 to be funded by \$723,200 in grants (80%); \$30,800 in contingency funds (general fund) and \$150,000 in bonding (2016/17 approved CIP). The design phase (2015/16) is estimated to be \$154,000, construction phase estimated to be \$750,000.

PREPARED BY: Christal Preszler

DATE: 2-Mar-16

TO: BOS, BOF, LC

CERTIFIED RESOLUTION

WHEREAS, pursuant to Connecticut Department of Transportation is authorized to extend financial assistance for this grant; and

WHEREAS, it is desirable and in the public interest that the Town of Newtown enter into an agreement with the Connecticut Department of Transportation for an up to \$723,200 CT Transportation Enhancement Program Grant 96-202 for the purpose of installing sidewalks from Glover Avenue to Wasserman Way, continuing to the traffic light at the intersection of Wasserman Way and Trades Lane.

NOW THEREFORE, BE IT RESOLVED by the Newtown Board of Finance:

1. That is cognizant of the conditions and prerequisites for the State Assistance imposed by C.G.S. 4-66g.
2. That the acceptance of financial assistance by The Town of Newtown in an amount not to exceed \$723,200 is hereby approved and that E. Patricia Llodra, First Selectman is directed to execute an agreement with the Connecticut Department of Transportation to provide such additional information, to execute such other documents as may be required, to execute any amendments, decisions and revisions thereto, and to act as the authorized representative of the Town of Newtown, Connecticut.

James O. Gaston, Chairman, Board of Finance

Certified a true copy of a resolution duly adopted by the Town of Newtown, Connecticut at a meeting of its Board of Finance on March 14, 2016 and which has not been rescinded or modified in any way.

Date

Debbie A. Halstead, Town Clerk

RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$904,000 FOR THE PLANNING, DESIGN, ENGINEERING, AND CONSTRUCTION OF PEDESTRIAN SIDEWALK IMPROVEMENTS PROJECT AND AUTHORIZING THE ISSUANCE OF \$150,000 BONDS (CALCULATED AS \$904,000 MINUS \$723,200 IN STATE AND FEDERAL GRANTS MINUS \$30,800 IN LOCAL SOURCES) 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 \$904,000 is a special appropriation made pursuant to Chapter 6, Section 6-30 (a), (b) and (c) of the Town Charter of the Town of Newtown (the "Town") for the planning, design, engineering and construction of pedestrian sidewalk improvements, including, but not limited to 5,900 LF feet of new ADA compliant sidewalk along South Main Street between Glover Avenue and Mile Hill Road; and along Mile Hill Road between South Main Street and Trades Lane, and for administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof.

Section 2. To meet said appropriation, \$150,000 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 the State of Connecticut, 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 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, the date, time of issue and sale and other terms, details and particulars of such bonds including 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, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. They 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 is authorized in the name and on behalf of the Town to apply for and accept any and all Federal and State loans and/or 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 anytime after the date of passage of this resolution in the maximum amount and for 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 Issuer 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, 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, 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.

Attachment F

A RESOLUTION AMENDING A RESOLUTION PROVIDING FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$300,000 FOR THE PLANNING, DESIGN, AND CONSTRUCTION OF IMPROVEMENTS TO THE EDMOND TOWN HALL BUILDING AS AUTHORIZED IN THE CAPITAL IMPROVEMENT PROGRAM (2015-16 TO 2019-2020) AND AUTHORIZING THE ISSUANCE OF \$300,000 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. Section 1 of the resolution entitled "Resolution Providing For A Special Appropriation In The Amount Of \$300,000 For The Planning, Design, And Construction Of Improvements To The Edmond Town Hall Building As Authorized In The Capital Improvement Program (2015-16 To 2019-2020) And Authorizing The Issuance Of \$300,000 Bonds Of The Town To Meet Said Special Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose", approved at a Board of Selectmen Meeting held June 15, 2015 (the "Resolution") is hereby amended by increasing the amount of the appropriation therein by \$200,000 from \$300,000 to \$500,000, thereby making said Section read as follows:

"Section 1. The sum of \$500,000 is a special appropriation made pursuant to Chapter 6, Section 6-30 (a), (b) and (c) of the Town Charter of the Town of Newtown (the "Town") for the planning, design, and construction of improvements to the Edmond Town Hall Building, including, but not limited to, the demolition, removal, replacement and installation of boilers, Alexandria Room air conditioning units, replacement of water pipes and other building improvements as authorized in the Capital Improvement Program (2015-16 to 2019-20) and for administrative, financing, legal and costs of issuance related thereto (collectively, the "Project"), said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof."

Section 2. The first sentence of Section 2 of the Resolution is hereby amended by increasing the amount of the bond authorization therein by \$200,000 from \$300,000 to \$500,000, thereby making said sentence read as follows:

"Section 2. To meet said appropriation, \$500,000 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 the State of Connecticut, as amended from time to time (the "Connecticut General Statutes")."

Section 3. Section 6 of the Resolution shall be applicable to the appropriation and bond authorization added by this amendment, as of the date of the adoption of such amendment.

PBSC Meeting
MOTIONS
March 1, 2016

EDMOND TOWN HALL

**MOTION TO ACCEPT WEST STATE MECHANICAL, INC. AS THE
CONTRACTOR FOR THE EDMOND TOWN HALL BOILER
REPLACEMENT AND RELATED WORK**

Resolved that: The bid received from West State Mechanical, Inc. in the amount of \$391,000.00, be accepted as submitted and that this bid be recommended for acceptance to the Town of Newtown Purchasing Department, subject to funds being available for the contract execution.

**MOTION TO REQUEST ADDITIONAL FUNDS BE ALLOCATED FOR
THE PROJECT BUDGET**

Resolved that: The Town of Newtown request the Board of Finance to amend the original special appropriation and bonding in the amount of \$300,000 to \$500,000 to cover the full project cost. The allocation of funds will not be an additional amount to the total noted in the CIP.

**MOTION TO INCLUDE CONSTRUCTION ADMINISTRATION AS
ADDITIONAL SERVICES TO THE KAESTLE BOOS AND CES
ARCHITECTURAL AND ENGINEERING SERVICES**

Resolved that: The Kaestle Boos contract for this project be increased by \$19,800.00 per the AIA Amendment 005 to the Professional Services.

KAESTLE BOOS
associates, inc

February 22, 2016

Mr. Robert Mitchell, Chairman
Newtown Public Building and Site Commission
Town of Newtown
3 Primrose Street
Newtown, CT 06470

**Re: Boiler Replacement and Related Work for the Edmond Town Hall
Newtown, CT
KBA #15051.01**

Dear Mr. Mitchell:

On February 3, 2016 Newtown received bids for the Boiler Replacement and Related Work for the Edmond Town Hall. The low bid received was in the amount of \$391,900.00 which was submitted by West State Mechanical, Inc. Torrington, CT. A project scope review with a Steven Grening, P.E. Estimator/Project Manager representing West State Mechanical, Inc. was conducted in my office on Tuesday February 9, 2016 for purposes of determining if the bid was complete and in accordance with the terms and conditions of the specifications. Mr. Grening confirmed it was and that West State Mechanical, Inc. is ready to proceed upon acceptance and approval of the Town of Newtown.

We also discussed three potential cost reduction alternatives, these alternatives are:

- **The deletion of the new Water Heater and related work.**
The contract credit for this item is \$ 9,843.00.

The existing tank is at or beyond its expected service life of seven to ten years. I therefore do not recommend acceptance of this proposed credit.

- **The deletion of the removal of the existing buried oil tank and related work.**
The contract credit for this item is \$19,900.00.

I don't recommend acceptance of this proposed credit which I judge to be reasonable for both the removal and site restoration costs associated with its removal. The longer the Town delays replacement, the more vulnerable this aging tank is to potentially leaking and contaminating the soil.

- **The deletion of the painting in the Boiler Room and contiguous spaces.**
The contract credit for this item is \$9,000.00.

Upon completion of the work the Town will expect to be presented with a finished product. I do not recommend acceptance of this proposed credit.

It is therefore my recommendation to accept West State Mechanical Inc. base bid of \$391,900.00.

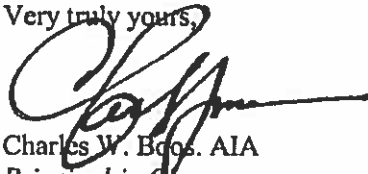
I've been informed that the Town has \$300,000.00 reserved for this project. In order to proceed with this project in a timely manner which will allow the work to be completed by late summer of this year I recommend that additional funds be appropriated to cover the shortfall which I estimate to be \$200,000.00. The shortfall breaks down as follows:

Project Base Bid	\$391,900.00
Soft Costs:	
• Project management fees and design costs expended or committed to date*	\$ 52,935.00
• Project management fees, construction administration and close-out fees*	\$ 19,800.00
• Project contingency and Owner's cost reserve	<u>\$ 35,365.00</u>
Grand Total	\$500,000.00

*See Proposed Contract Amendment No. 5 attached.

In conclusion, this project represents a series of engineering tasks that are required to provide the Town with a complete boiler replacement and related work project. It doesn't contain extraneous elements that go beyond what is required to support the task at hand. Furthermore it deals with issues that were likely not anticipated within the previous budgeting exercise. It should be noted that the recommend bid contains \$45,000.00 in hazmat related costs separate from the oil tank removal.

Very truly yours,



Charles W. Boos, AIA
Principal-in Charge
KAESTLE BOOS ASSOCIATES, INC.

CWB:bc

Enclosure

c: Mr. Thomas Catalina w/enclosure



TOWN OF NEWTOWN
PUBLIC BUILDING AND SITE COMMISSION

March 10, 2016

Mr. James Gaston, Chair
Board of Finance

Dear James,

I'm requesting to amend the original special appropriation of \$300,000 for the planning, design, and construction of improvements to the Edmond Town Hall building by increasing the amount of the appropriation by \$200,000 from \$300,000 to \$500,000, to be financed by the issuance of bonds.

Upon inquiring the Finance Director, this request will not increase the CIP future debt service estimate used in the most recent CIP process. This amount will be offset by anticipated savings in other approved capital projects (open space acquisition program) in the 2015/16 fiscal year. The additional amount is needed for this project mainly because of required additional remediation regarding the removal of the old boiler, additional requirement to the Life Safety systems and reconfiguration to the existing drainage in the mechanical equipment room which currently outflows into the wetlands.

I'm asking the Board of Finance to put this item on their agenda for the meeting on March 14, 2016. An impact statement (per Town Charter 6-100) is attached.

Sincerely,

A handwritten signature in black ink, which appears to read 'R. Mitchell'. The signature is written in a cursive style and is positioned to the right of the word 'Sincerely,'.

Robert Mitchell
Chairman, Newtown Public Building and Site Commission

Cc: BOS; LC

**TOWN OF NEWTOWN
FINANCIAL IMPACT STATEMENT
(Per Town Charter 6-100)**

REQUESTING DEPARTMENT EDMOND TOWN HALL BOARD OF MANAGERS

PROJECT: EDMOND TOWN HALL BUILDING IMPROVEMENTS

PROPOSED SPECIAL APPROPRIATION AMOUNT: \$ 500,000.00

PROPOSED FUNDING:

BONDING	\$ 500,000.00
GRANT	
CONTINGENCY	
OTHER	
	<u>\$ 500,000.00</u>

ANNUAL FINANCIAL IMPACT ON OPERATING BUDGET (GENERAL FUND):

List any financial impact your request will have on the Town's annual operating budget. Attach spreadsheet(s) showing your calculation of the estimated impact.

EXPENDITURE CATEGORY:	<small>**FOR BRACKETS USE NEGATIVE SIGN BEFORE NUMBER**</small>	(POSITIVE IMPACT) / NEGATIVE IMPACT	Attachment #
SALARIES & BENEFITS		_____	_____
PROFESSIONAL SERVICES		_____	_____
CONTRACTED SERVICES		_____	_____
REPAIRS & MAINTENANCE		_____	_____
UTILITIES		_____	_____
OTHER		_____	_____
DEBT SERVICE (1st year)		\$ 40,000	_____
TOTAL IMPACT ON EXPENDITURES		<u>\$ 40,000</u>	_____

REVENUE CATEGORY:		POSITIVE IMPACT / (NEGATIVE IMPACT)	Attachment #
PROPERTY TAXES		_____	_____
CHARGES FOR SERVICES (FEES)		_____	_____
OTHER		_____	_____
TOTAL IMPACT ON REVENUES		<u>\$ -</u>	_____

TOTAL FINANCIAL IMPACT ON OPERATING BUDGET \$ 40,000

EQUIVALENT MILL RATE OF TOTAL IMPACT 0.0130 mills

(using current year's information)

COMMENTS:

PROJECT WOULD INCREASE THE BUILDINGS ENERGY EFFICIENCY BY REPLACING AN OLD BOILER WITH A NEW ENERGY EFFICIENT BOILER.

DEBT SERVICE IMPACT WILL ADHERE TO THE TOWN'S DEBT SERVICE POLICY. TOTAL ANNUAL DEBT SERVICE AMOUNT IS FORECASTED TO BE AT 9% OF TOTAL BUDGET (POLICY STATES DEBT SERVICE CANNOT BE OVER 10%).

PREPARED BY: 

DATE: 3/10/16

TO: BOF, LC

Attachment G

TOWN OF NEWTOWN APPROPRIATION (BUDGET) TRANSFER REQUEST

FISCAL YEAR 2015 - 2016 DEPARTMENT Finance DATE 3/1/16

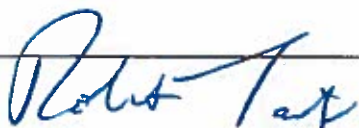


	<u>Account</u>	<u>Amount</u>	
FROM:	1-101-24-570-5899-0000CONTINGENCY	(5,895)	USE NEGATIVE AMOUNT ↓ USE POSITIVE AMOUNT ↓
TO:	1-101-11-105-5540-0000ADVERTISING	5,895	
	•		
	•		
	•		
	•		
	•		
	•		
	•		

REASON:

One time, non-recurring charges to advertising account:

Ordinance	\$2,895
Preamble Charter	\$3,000

AUTHORIZATION: date:

(1) DEPARTMENT HEAD	<u></u>	<u>3/1/16</u>
(2) FINANCE DIRECTOR	<u></u>	<u>3/7/16</u>
(3) SELECTMAN	<u></u>	<u>3/17/16</u>
(4) BOARD OF SELECTMEN	_____	_____
(5) BOARD OF FINANCE	_____	_____
(6) LEGISLATIVE COUNCIL	_____	_____

AUTHORIZATION SIGN OFF

FIRST 335 DAYS >>>>WITH IN A DEPT.>>>>LESS THAN \$50,000>>>> (1), (2) & (3) SIGNS OFF; MORE THAN \$50,000>>>> (1), (2), (3) & (5)
>>>>ONE DEPT TO ANOTHER>>>>LESS THAN \$200,000>>>>ALL EXCEPT (6); MORE THAN \$200,000>>>>ALL SIGN OFF

AFTER 335 DAYS >>>>(1), (2), (3), (5) & (6) ANY AMOUNT FROM CONTINGENCY>>>> ALL SIGN OFF