

THESE MINUTES ARE SUBJECT TO APPROVAL BY BOARD OF SELECTMEN

The **Board of Selectmen** held a regular meeting on Monday, August 6, 2012 in the Council Chambers, 3 Primrose Street, Newtown, CT. First Selectman Llodra called the meeting to order at 7:30 p.m.

**PRESENT:** E. Patricia Llodra, William F.L Rodgers, James Gaston, Sr.

**ALSO PRESENT:** Finance Director Robert Tait, Assessor Chris Kelsey, eight members of the public and three members of the press.

**VOTER COMMENTS:** none.

**ADD TO AGENDA:** Selectman Rodgers moved to add the special meeting of August 1, 2012 to the acceptance of minutes. Selectman Gaston seconded. All in favor.

**ACCEPTANCE OF MINUTES:** Selectman Rodgers moved to accept the minutes of July 2, 2012. First Selectman Llodra seconded, (Gaston abstained). All in favor. Selectman Gaston moved to accept the minutes of the special meeting of August 1, 2012. First Selectman Llodra seconded, (Rodgers abstained). All in favor.

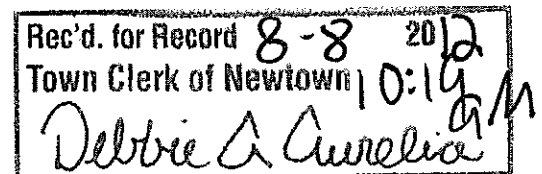
**COMMUNICATIONS:** First Selectman Llodra communicated a letter of thanks from a resident to the building department, a letter of thanks from the Friends of the Library to town officials and staff that supported the book fair and information on the Hair & Bouchard estates that benefit the Animal Control Facility and the Dog Park.

**FINANCE DIRECTORS REPORT:** Mr. Tait discussed the 2012-2013 CIP Forecasted Project Amounts (Att. A) and the current CIP for comparison (Att. B). Capital projects will have to be shifted and reduced in the next CIP process. The 9% debt cap goal will be reached in a couple of years because of the drop off in the bond payments. There will be progress at Fairfield Hills from grant money.

**UNFINISHED BUSINESS:**

**Discussion and possible action:**

1. **Hook & Ladder** – this item will be on the Sept. 4 agenda.
2. **Implementation Plan – Plan of Conservation and Development:** Selectman Rodgers said that they historical roots of POCD's needs to be looked at. They are intended to be recommendations and advisory only; it is dangerous in terms of expectations where third parties are affected. First Selectman Llodra said that for all the work that goes into the plan it doesn't motivate strategic decisions that would cause the plan to be implemented. Selectman Gaston said that it should be focused and defined. First Selectman Llodra said the plan is important because it lays out the attributes that speak to the quality of living in our community and how we are going to use our land. This item will be continued to the Sep. 4 meeting.
3. **Tick Borne Disease Action Committee:** - this item will be on the Sept. 4 agenda. First Selectman



Llodra said the objective of the public information campaign in the school curriculum is to provide information that allows the individual to understand how the diseases are caught and how to protect oneself from it. Does the current program reach that objective? The Conservation Commission reacted to some questions in the DEEP survey. First Selectman Llodra noted that the Board of Selectman has engaged in a relationship with DEEP to conduct a survey of our community. **Marjorie Cramer** reiterated that she doesn't believe the DEEP survey can be unbiased. She asked that a survey of this type be done by an outsider. She said the Conservation Commission discussed the survey at their meeting. **Mary Guadet Wilson** said that the questions were put together by the commission as a document. Selectman Gaston pointed out the minutes of the meeting did not reflect any discussion. First Selectman Llodra wants the Board of Selectmen to have a chance to look at the document and react. There is no sense of the DEEP schedule at this time.

**4. Hawleyville Sewers:** this item will be on the Sept. 17 agenda.

**5. Municipal Space Needs:** (Att. C) First Selectman Llodra spoke of the study of 1999 and the current education space needs study. The three current needs are a Community Center, a Police Station and a Senior Center. We need to look at facilities and program needs and refocus to make an assessment about what is the most reasonable plan. First Selectman Llodra suggested the Board of Selectman attend a Board of Education meeting to discuss municipal buildings, including schools. The school facility study needs to inform this municipal study.

#### **NEW BUSINESS:**

##### **Discussion and possible action:**

**1. Resolution:** Selectman Rodgers moved that First Selectman E. Patricia Llodra, be authorized and directed to execute and file a Cooperative Agreement with the U.S. Environmental Protection Agency (EPA) for financial assistance in the amount of \$200,000 and 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. Selectman Gaston seconded. All in favor. First Selectman Llodra said this grant is for the abatement of the white house's at Fairfield Hills; they will be demolished after abatement. The grant requires 20% in kind; \$20,000 has been re-appropriated from the Fairfield Hills Authority and will be available for use. The balance will come from town provided in kind services.

**2. Road Name Change:** Mr. Kelsey explained that Dug Hill Road has two sections, one by Hundred Acres and the other near Brushy Hill. Residents approached Mr. Kelsey about changing the name. He supports the change because it is better for emergency services. Registered letters were sent and signatures were collected. He would like to abandon the portion of road that exists on open space. One section will remain Dug Hill Road. Selectman Rodgers moved the Board of Selectman resolve that Dug Hill Road, from its intersection with Brushy Hill Road to its intersection with Flintlock Trail, name be and hereby is changed to Silver Brook Lane. Selectman Gaston seconded. All in favor. Selectman Rodgers moved it be further resolved that Flintlock Trail name be and hereby is changed to Silver Brook Lane. Selectman Gaston seconded. All in favor. Selectman Rodgers suggested the Assessor send a notice of effected land owners to the Town Clerk to cross reference.

**ADD TO AGENDA:** First Selectman Llodra moved to add to the agenda discussion of the outreach program to educate and inform the community about the revaluation process. Selectman Rodgers seconded. All in favor.

**3. Revaluation outreach program:** Mr. Tait and Mr. Kelsey went over the attached (Att. D) power point. The presentation was recorded and will appear on video on demand on the website at [www.newtown-ct.gov](http://www.newtown-ct.gov). This is the beginning of the process. There is a link to frequently asked questions on the Assessors website.

**4. Resolution:** Selectman Rodgers moved that E. Patricia Llodra, First Selectman, be empowered to execute and deliver in the name and on behalf of this municipality a contract with the Connecticut State Library for a Historic Documents Preservation Grant. Selectman Gaston seconded. First Selectman Llodra explained this is a grant for the Town Clerk to help protect and archive some historic documents. All in favor.

**5. Newtown Youth Academy – Third Mortgage Loan:** Mr. Tait explained that Newtown Youth Academy is doing improvements; per the lease they have to ask permission from the Board of Selectman for a mortgage. This has been fully vetted through Newtown Savings Bank, who is handling the financing. It has also been approved by the first mortgagee, the Dept. of Agriculture. The lease with the town protects us from the responsibility of the debt. Newtown Youth Academy is the tenant. Selectman Gaston moved to resolve that the Board of Selectman approve the Newtown Youth Academy third mortgage loan that is described in a document from Atty. Fran Pennarola dated July 11, 2012 (Att. E) and authorize the First Selectman, E. Patricia Llodra, to sign the required ratification and estoppels certificate. Selectman Rodgers seconded. All in favor.

**6. Driveway Bond Release/Extension:** Selectman Rodgers moved the driveway bond releases as noted in attachment F. Selectman Gaston seconded. All in favor.

**7. Tax Refunds:** Selectman Gaston moved to accept the August 2012 Tax Refunds, No. 1 in the amount of \$5,950.29. Selectman Rodgers seconded. All in favor.

**8. Appointments/Re-appointments:** Selectman Gaston moved the appointment of Kevin Burns to the Charter Communications Advisory Council for a term to expire on 1/6/15. Selectman Rodgers seconded. All in favor. First Selectman Llodra noted there is a long term vacancy and opening for alternate positions on the Hattertown Historic District. There is a vacancy for the Board of Ethics open to a Republican or an unaffiliated voter and another resignation is anticipated.

**9. Pension fund update & recommendations:** Mr. Tait went over the Funded levels and historical returns of the pension fund (Att. G) and the impact of changing the plans interest rate assumption (Att. H). Selectman Gaston moved to reduce the interest assumption from 7.75% to 7.50% and reduce the wage assumption from 4% to 3%. Selectman Rodgers seconded. All in favor.

**ANNOUNCEMENTS:** The Cultural Arts Commission is having their first Cultural Arts Fair at Fairfield Hills, a very significant event, on September 15 and September 16. The town is being named in a suit filed by Joshua Miller for an injury sustained by the plaintiff by an unsecured fence at Children's Adventure Center. Also named is Porco Construction.

**VOTER COMMENTS:** none.

**ADJOURNMENT:** Having no further business Selectman Rodgers moved to adjourn the regular

Board of Selectmen  
Aug. 6, 2012

meeting of the Board of Selectman at 8:45pm. First Selectman Llodra seconded. All in favor.



Susan Marcinek, Clerk

- Att. A: Town of Newtown 2012-2013 – Forecasted project amounts – debit limit calculation
- Att. B: Town of Newtown 2012-2013 CIP
- Att. C: Draft Municipal Space Needs
- Att. D: Revaluation outreach power point and frequently asked questions (20 pages)
- Att. E: Newtown Youth Academy – Third Mortgage Loan letter from F. Pennarola, July 11, 2012
- Att. F: Driveway Bond Release, Aug. 6, 2012
- Att. G: Funded Levels and Historical Returns – pension
- Att. H: Changing pension interest rate assumption impact, March 15, 2012

**TOWN OF NEWTOWN 2012-2013 CIP - FORECASTED PROJECT AMOUNTS - DEBT LIMIT CALCULATION**

**DO NOT ENTER BELOW - ENTER IN THE INDIVIDUAL FORECAST TABS**

Fiscal Year Ending	Current Total Principal & Interest Payments ****	2012 - 2013		2013 - 2014		2014 - 2015		2015 - 2016		2016 - 2017		Total Est. Debt Service Fiscal Year Total	General Fund Budget (using 1.0%) to 1.5% growth)	Debt Service as a % of Budget	9% of Budget	10% of Budget	Estimated Debt Service Difference	
		Forecasted 2013 Bond Issue (02/15/2013)	Forecasted 2013 Bond Issue (02/15/2013)	Forecasted 2014 Bond Issue (02/15/2014)	Forecasted 2014 Bond Issue (02/15/2014)	Forecasted 2015 Bond Issue (02/15/2015)	Forecasted 2015 Bond Issue (02/15/2015)	Forecasted 2016 Bond Issue (02/15/2016)	Forecasted 2016 Bond Issue (02/15/2016)	Forecasted 2017 Bond Issue (02/15/2017)	Forecasted 2017 Bond Issue (02/15/2017)							
<b>PRINCIPAL AMOUNT&gt;&gt;&gt;&gt;</b>																		
06/30/2013	10,059,789											10,059,789	105,555,075	9.48%	9,553,215	10,614,684	10,059,789	554,895
06/30/2014	10,158,924										10,158,924	106,146,838	106,146,838	9.48%	9,648,748	10,720,831	10,158,924	561,907
06/30/2015	10,342,994										10,782,994	107,208,306	108,816,431	9.91%	9,793,479	10,881,643	10,782,994	98,649
06/30/2016	10,057,196			440,000	447,500						10,935,196	110,448,677	112,105,408	9.90%	9,940,381	11,044,868	10,935,196	109,672
06/30/2017	7,486,804			421,000	437,625						9,710,429	112,105,408	113,786,989	8.66%	10,089,487	11,210,541	9,710,429	1,500,112
06/30/2018	7,237,429			411,500	427,750						10,335,929	113,786,989	115,493,794	9.08%	10,240,829	11,378,699	10,335,929	1,042,770
06/30/2019	7,034,576			402,000	417,875						10,061,701	115,493,794	117,226,200	8.71%	10,394,441	11,549,379	10,061,701	1,487,678
06/30/2020	6,403,776			392,500	408,000						9,359,526	117,226,200	118,984,593	7.98%	10,550,358	11,722,620	9,359,526	2,363,094
06/30/2021	5,782,321			383,000	398,125						8,666,696	118,984,593	120,769,362	7.28%	10,708,613	11,898,459	8,666,696	3,231,763
06/30/2022	5,576,927			373,500	388,250						8,389,927	120,769,362		6.95%	10,869,243	12,076,936	8,389,927	3,687,009
7/26/2012																		

**ASSUMING A 1.0%-1.5% BUDGET INCREASE :**

**TOWN OF NEWTOWN  
2012 - 2013 CIP EFFECT ON FUTURE DEBT SERVICE**



**TOWN OF NEWTOWN**  
**BOF CIP (2012 - 2013 TO 2016 - 2017) - JANUARY 09, 2012**

RANK	2012 - 2013 (YEAR ONE)			Proposed Funding			
	BOARD OF SELECTMEN	Dept.	Amount Requested	Bonding	Grants	General Fund	Other
	Capital Road Program	PW	2,000,000			2,000,000	
1	Bridge Replacement Program	PW	430,000	430,000			
2	Dickinson Playground	P & R	420,000	420,000			
3	Infrastructure Renovations Treadwell Park	P & R	450,000	350,000			100,000
4	Newtown H & L Fire House Construction (Phase 2 of 3)	FIRE	500,000	500,000			
	Queen Street Area Traffic Improvement Plan	BOROUGH	400,000		300,000	60,000	40,000
***	Sandy Hook Streetscape Program	ECON DEV	200,000	200,000			
	<b>BOARD OF EDUCATION</b>						
1	Hawley HVAC Renovations - Phase I	BOE	2,300,000	2,300,000			
2	High School Auditorium Improvements	BOE	100,000	100,000			
			6,800,000	4,300,000	300,000	2,060,000	140,000
RANK	2013 - 2014 (YEAR TWO)			Proposed Funding			
	Capital Road Program	PW	2,000,000			2,000,000	
1	Bridge Replacement Program	PW	315,000	315,000			
2	Newtown H & L Fire House Construction (Phase 3 of 3)	FIRE	500,000	500,000			
3	FFH Infrastructure	FFH	1,400,000	400,000	1,000,000		
4	Open Space Acquisition Program	LAND USE	1,000,000	1,000,000			
	Artificial Turf Replacement at Treadwell Field	P & R	500,000				500,000
***	Sandy Hook Streetscape Program	ECON DEV	200,000	200,000			
	<b>BOARD OF EDUCATION</b>						
1	Hawley HVAC Renovations - Phase II	BOE	2,200,000	2,200,000			
2	High School Auditorium Improvements	BOE	1,339,338	1,339,338			
			9,454,338	5,954,338	1,000,000	2,000,000	500,000
RANK	2014 - 2015 (YEAR THREE)			Proposed Funding			
	Capital Road Program	PW	2,000,000			2,000,000	
1	Bridge Replacement Program	PW	355,000	355,000			
2	Open Space Acquisition Program	LAND USE	1,000,000	1,000,000			
3	Community Center Design Phase	P & R	500,000	500,000			
4	FFH Walking Trails Phase II (2 of 3)	FFH	250,000	250,000			
***	Sandy Hook Streetscape Program	ECON DEV	200,000	200,000			
	<b>BOARD OF EDUCATION</b>						
1	Hawley HVAC Renovations - Phase III	BOE	1,600,000	1,600,000			
2	Middle School Improvements Project - Design	BOE	630,000	630,000			
3	Window Replacement Project	BOE	600,000	600,000			
			7,135,000	5,135,000	-	2,000,000	-
RANK	2015 - 2016 (YEAR FOUR)			Proposed Funding			
	Capital Road Program	PW	2,000,000			2,000,000	
1	Bridge Replacement Program	PW	265,000	265,000			
2	Open Space Acquisition Program	LAND USE	1,000,000	1,000,000			
3	Dickinson Sprayground/Bath House	P & R	980,000	980,000			
4	Community Center Construction Phase (1 of 2)	P & R	10,000,000	10,000,000			
5	FFH Building Demolition	FFH	6,000,000	6,000,000			
6	Addition To Fire House Sub-Station	FIRE	400,000	400,000			
7	Replacement of Fire Tankers (2)	FIRE	700,000	400,000			300,000
8	Edmond Town Hall	ETH	810,000	810,000			
9	FFH Complete Walking Trails (2 of 3)	FFH	515,000	515,000			
10	Bath House/Concession Stand at Eichlers Cove	P & R	425,000	425,000			
	Hawleyville Sewer Extension	ECON DEV	5,000,000				5,000,000
	Newtown Technology Park	ECON DEV	815,000	725,000	90,000		
	<b>BOARD OF EDUCATION</b>						
1	Middle School Improvements Project - Phase I	BOE	2,070,000	2,070,000			
2	Window Replacement Project	BOE	400,000	400,000			
			31,380,000	23,990,000	90,000	2,000,000	5,300,000
RANK	2016 - 2017 (YEAR FIVE)			Proposed Funding			
	Capital Road Program	PW	2,000,000			2,000,000	
	Bridge Replacement Program	PW	414,000	414,000			
	Replacement of Fire Tanker (#9) & Engine (#111)	FIRE	975,000	800,000			175,000
	Library	LIB	250,000	250,000			
	Senior Center Design Phase	SR CTR	500,000	500,000			
	Treadwell/Dickinson Parking Lot Paving (Phase I of 3)	P & R	300,000	300,000			
	Community Center Construction Phase (2 of 2)	P & R	5,000,000	5,000,000			
	Police Facility Design	POLICE	800,000	800,000			
	<b>BOARD OF EDUCATION</b>						
1	Middle School Improvements Project - Phase II	BOE	4,805,000	4,805,000			
			15,044,000	12,869,000	-	2,000,000	175,000
<b>GRAND TOTALS</b>			69,813,338	52,248,338	1,390,000	10,060,000	6,115,000

\*\*\* Sandy Hook Streetscape Program has been fully appropriated.

## Municipal Space Needs

In 1999, a Space Needs Committee completed an analysis of municipal program needs and facilities usage. The committee prepared a series of proposals and options specifically related to Edmond Town Hall, Newtown Hook and Ladder Fire Station, Town Hall South, the Gordon Frasier Building, and Watertown Hall. Some of the needs identified in the 1999 review have been or are being addressed, while others have not and new needs and issues have come to the fore. Some preliminary planning has been done to prepare for construction of a Community Center; seniors are increasingly calling for construction of an expanded facility; and the police department continues to serve from a building that has innumerable deficits and was classified in the 1999 study as inadequate. Further, a space needs review of education buildings suggests the possibility of closing a school (Reed) and with that consideration comes the potential for reuse of the school building.

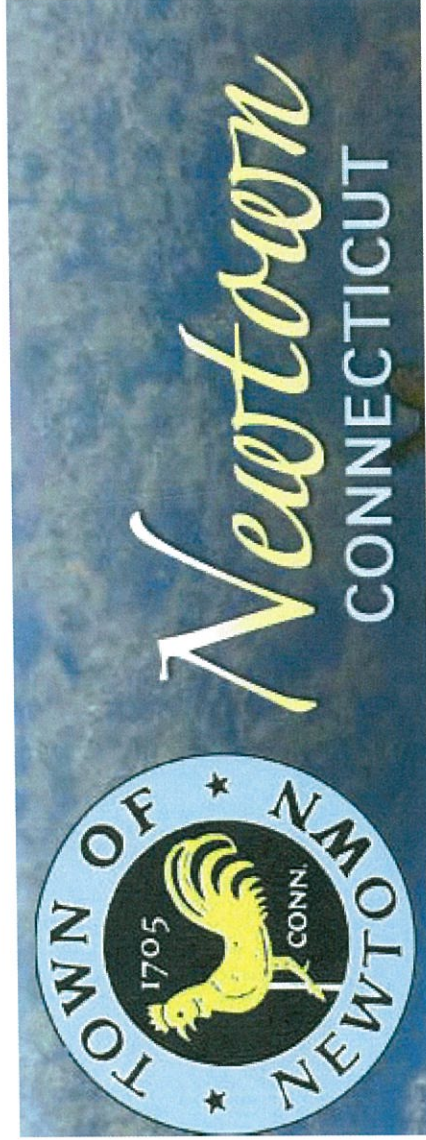
It is time now, before we embark on a plan for construction of additional buildings at considerable cost to the community, to analyze again our program needs and facilities usage. The charge to the committee, then, is to analyze the current and future space needs of identified municipal programs; understand the space capacity, infrastructure, and quality of usage of identified municipal buildings; and then develop a series of options and strategies that successfully 'marries' the needs with the facilities.

Facilities and program needs for review in this Space Needs Assessment:

- 1) Town Hall South - Police/Communication services
- 2) Multipurpose building - Senior Center
- 3) Parks and Recreation - Community Center
- 4) Social Services
- 5) Other



# Town of Newtown Informational Meeting



## Revaluation

- Mandated by the State of Connecticut
- Full revaluation every 10 years (includes inspections) and interim update every 5 years
- In Connecticut, real property is assessed at 70% of value

## Benefits of Revaluation

- Correct disproportionate taxation
- Adjust value for market shifts
- Achieve 70% state mandated assessment ratio

# Revaluation Process

## Phases Include:

- Data Collection/Verification
- Sales Analysis
- Model Development & Application
- Field Review
- Informal Hearings
- Assessment Finalization

## Data Collection/Verification

Using Data mailers, the Assessors Office asks the public to Verify the current information regarding:

- Interior Data
- Exterior Data
- Outbuildings

# Development of Assessed Values

## Sales Analysis

- Review and analysis of sales - Focusing on arms-length sales between 10/1/2011 and 10/1/2012

## Valuation Model Development

- Utilizing the sales data, valuation models are developed in compliance with Connecticut State Statutes

## Definition of Market Value

As written in the CAAO Handbook for Connecticut Assessors, “market value is the most probable price in cash that a property would bring in a competitive and open market, assuming that the buyer and seller are acting prudently and knowledgeably, allowing sufficient time for the sale, and assuming that the transaction is not affected by undue pressure.”

## Field Review

- Verify appropriate application of models
- Confirm data and value consistency
- Conducted by OPM certified appraisal staff members



# Assessment Finalization

## Notices

- Property owners notified of the proposed change in assessment

## Informal Hearings

- Informal meetings with taxpayers held

## Final Adjustments

- Made as necessary
- Statistics generated and filed with State of Connecticut

# Ratio Testing Standards

## Level of Assessment

- Prescribed range 63%-77%.

## Coefficient of Dispersion (COD)

- Overall must be 15% or less.

## Price Related Differential

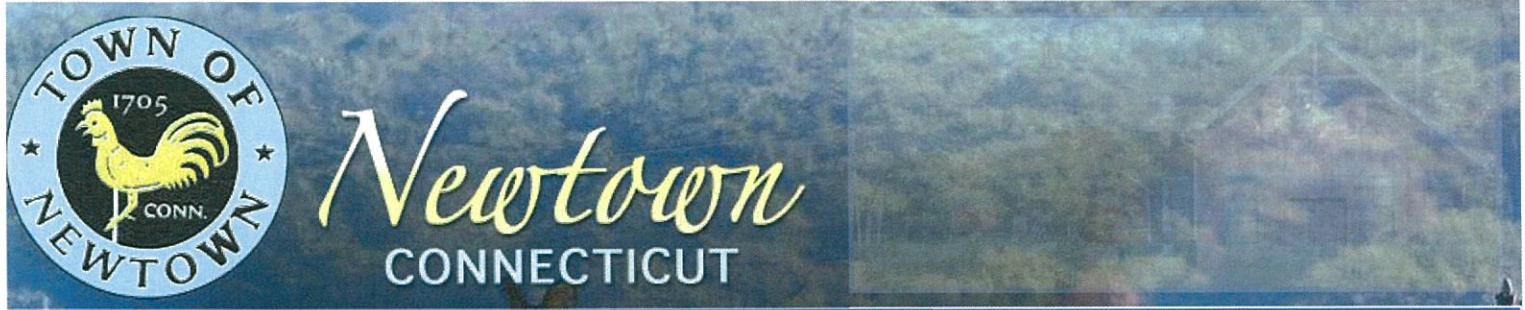
- Range allowed .98 and 1.03.

## Unsold Property Test

- Range allowed .95 to 1.05.

# Thank You

- We would like to thank the residents of Newtown for their support and cooperation during this project.
- Questions ??



RESIDENTS    BUSINESSES    VISITORS    FORMS    I WANT TO...

## Assessor's Office

[Printer-Friendly Version](#)

- Home
- About Newtown
- Economic Development
- Town Departments
- Boards & Commissions
- Community Links
- Local, State & Federal Links
- Parks & Recreation
- Town Charter
- Code Book
- Purchase a Transfer Station Permit
- Recycling Information
- Town Budget
- Video on Demand

**Contact:** [Chris Kelsey, CCMAIL](#)  
Assessor  
[Penny Mudgett, CCMAIL](#)  
Deputy Assessor

**Address:** 3 Primrose Street  
Fairfield Hills  
Newtown, CT 06470

**Phone:** (203) 270-4240

**Fax:** (203) 270-4243

**Hours:** Monday through Friday  
8:00 AM to 4:30 PM

**Additional Links:**

<a href="#">Local Option Veteran's Program</a>	<a href="#">Online Database</a>	<a href="#">Frequently Asked Questions</a>
<a href="#">Downloadable Forms</a>	<a href="#">Maps</a>	<a href="#">Exemption for Handicapped Equipped Vehicles</a>
<a href="#">Department of Motor Vehicles</a>	<a href="#">Required proofs for motor vehicle bills</a>	<a href="#">Revaluation FAQ's</a>
<a href="#">Tax Bill Calculator</a>		

**Department Staff**

Name	Title
Penny Mudgett, CCMAIL	Deputy Assessor
Mindy Kovack	Field Technician
Andrea Santillo	Administrative Assistant

The Assessors Office is responsible for keeping the record ownership of property current, and the valuation of business personal property, motor vehicles and real estate for each October 1st Grand List.

In conjunction with these duties, we also process exemption applications for the elderly, totally disabled, veterans, blind, exemptions for EMT, volunteer firemen and handicapped adapted vehicles.

Our mission is the commitment to produce the best compilation and value of property in Newtown while serving the public in an empathetic and equitable manner.

For directions to our new building [click here](#) and use 2nd Street Newtown CT as a destination

**Town Hall Directions & Newtown Mail-A-Map**

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**CODE RED**  
Emergency Notification System

The Town of Newtown has instituted the CodeRED Emergency Notification System. [Sign up for the CodeRED Early Warning System.](#)

**Employee Webmail**

**Town of Newtown** 3 Primrose Street, Newtown, CT 06470  
Hours: 8AM - 4:30PM, Mon. - Fri.

[Website Disclaimer](#)  
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# Town of Newtown, CT

3 Primrose Street, Newtown, CT 06470

## Who is Vision?

A: Vision is a company which specializes in services and software designed to assist Municipalities and other jurisdictions with assessing, billing and support of zoning and building department functions. We are typically hired by a City or Town to help them fulfill the State requirement to reassess all real property so that the assessments reflect current market value as of a certain date. Our work is largely regulated by State law which dictates when and how we reassess properties. We have been providing appraisal services and Computer Assisted Mass Appraisal Software (CAMA) to Assessing departments located throughout the United States since 1975. During this time, we have successfully completed over one thousand revaluation projects throughout New England. We bring a significant amount of professional expertise to a project. Our large appraisal staff is comprised of State certified professionals that have significant industry experience. Our Senior Appraisal personnel average over 20 years of Municipal Appraisal experience.

Despite the fact we are a Massachusetts company our employees live and work throughout New England. Because our employees are geographically dispersed, we can assign them to projects in their home State thus allowing them to apply their local knowledge to their professional experience.

As a company, we fully understand that a revaluation can have a very real economic impact within a City or Town once the results are released. Revaluations have a long history of creating intense conjecture and debate with respect to fairness and accuracy. It is with this understanding that we take great pains to ensure that every one of our appraisals accurately reflects current market value as defined by each State. We also work closely with our client Cities and Towns after values are released to make sure the process is understood and accepted. Cities and Towns and ultimately taxpayers are heavily dependent on the property tax to pay for important services such as police, fire and public schools. It is through the delivery of professional, properly executed cyclical property revaluations that we can assist our clients with the important task of ensuring that these vital property tax levies are fairly and equitably distributed.

## **I am seeing a lot of bad news coming from the real estate industry. The press is reporting that property values are going down and that the credit crunch caused by risky mortgage loans is causing things to get worse not better. Is this being shown in my new assessment?**

A: Your current assessment is based on a State defined date of value. We use actual sales that have occurred up to that date as a basis for the creation of all of our valuation models. That date of value would reflect prevailing economic conditions (i.e. credit crunch caused by bad mortgage loans etc..) that are occurring at that time. It is important to remember that when evaluating your change in assessment that you factor in when the previous assessment was calculated. For instance, if your last value was calculated five years ago, the market may have enjoyed substantial appreciation for three years before realizing some value decline. The net result could still be a positive increase over a five year period. What you are currently reading in the papers is most likely a comparison of value changes over a one or even two year period which is not an apples to apples comparison of the revaluation results.

## What is a revaluation?

A: Revaluation is the process of performing all of the necessary Market Analysis and Valuation steps to determine accurate and equitable values for all properties within a municipality. The purpose of a Revaluation is not to raise taxes. It is to create an equitable distribution of the tax load.

## What happens during a revaluation?

A: If the project requires it, a physical inspection of both the interior and exterior of each property is conducted. Since data on all properties is maintained by the assessor's office, this step is not necessarily required for valuation or statistical updates although inspections of sale properties or a certain percentage of houses may be conducted as a part of the project. While data collection is being conducted, appraisers are studying the recent market sales in order to gain a full understanding of the real estate market in your City or Town. This study of recent property sales allows the appraisers to establish valuation models used to estimate the value of properties that have not sold using comparisons with recent sales. The valuation models are applied to all non-sale properties in order to approximate the market value of each property

## How will I know if my assessment is equitable?

A: Refer to our [Is My Assessment Correct?](#) section.

### **If hearings are being held, how do I prepare for one?**

A: Follow the instructions at **Preparing for a Hearing**. When you come to a hearing, bring any information that you may have (property information and/or data changes, comparable sales, pictures of your property, etc.) to the hearing. If the revaluation required a physical inspection of the property, make sure you allowed a physical inspection to be conducted or you may lose your right to an appeal.

### **Why did my land value change differently than my building value?**

A: Since the last revaluation, real estate values have changed significantly. Over the same period, building construction costs have increased at a slower rate than property values have appreciated. Since building costs have not increased as much as total values, the bulk of the total increase, if any, is attributable to land. This makes perfect economic sense, as it is land that is limited supply.

### **What is an informal hearing?**

A: Towards the end of the revaluation, every property owner receives a notice of their proposed valuation. If they have a question or concern about the proposed valuation, they are asked to call the Assessor or their contractor to set a date and time for an informal hearing. This appointment is meant to allow a brief discussion about the valuation process, review the specifics of the property in question and to answer general questions the owner may have. Most hearings last about 10-15 minutes. Homeowners are asked to come prepared with their questions and have compared their property to other comparable ones in their neighborhood. They are also encouraged to provide the hearing officer with copies of any documentation they may have regarding specific issues with their proposed assessments. See **Preparing for a Hearing** for more information on appropriate documentation.

It is important to remember that an informal hearing is not a forum to discuss taxes or town politics nor is it an in-depth class on appraisal practices and theory. It is strictly meant to answer general questions on the proposed property assessments. The hearing officer will take notes during your meeting to document the information you have discussed. They will later determine if further review of your property assessment is necessary based on these notes. The proposed values are not final until all hearings and any data or value changes resulting from the hearings are completed.

### **How will I know if a change was made to my assessment after my hearing?**

A: A: At the conclusion of the hearings for your town, appraisal staff will review the notes from your hearing and any information you have provided on your property. They will make changes to the data and/or value of the property if appropriate. After this final review process is complete for all properties, another notice is sent to you. The new value on this notice will reflect the changes made based on your hearing. This value will now be considered your new assessment and will be reflected in the Assessors records.

### **Will a revaluation increase taxes?**

A: A revaluation may result in an increase or decrease of individual taxes depending on how a property value increased or decreased relative to the average change in the City or Town's assessments. It does not mean that all property taxes will increase or decrease. Remember assessments are only the base that is used to determine the tax burden. The tax burden is the amount that the municipality must raise to operate the local government and support the many services each of us has come to expect, such as schools, police, etc. As an example, if the same amount of money is to be raised after the revaluation as the previous year and each assessment doubles, the tax rate would merely be cut in half.

### **What is the "market" and who determines my property value?**

A: The value of your property is based on an analysis of the entire market for a specified period of time before the completion of the revaluation project. The market can generally be defined as, you, the person who sold the property to you, and the person willing to buy it from you. It is the appraiser's job to research and analyze the values in any particular area or neighborhood. In effect, they do what you would do to determine the selling price when putting your property up for sale. However, the appraiser has specific guidelines to follow during their research. Some factors that are examined for each property are: location, size, quality of construction, age of improvements, topography, utilities, zoning restrictions, if any, etc.

### **Will all property values change?**

A: Most likely, yes. However, not all property values will change at the same rate. Market value may have increased more for some neighborhoods and property types than for others. Some neighborhoods and property types may have decreased in value and others may have remained the same. One purpose of a revaluation is to make sure that the assessed values reflect the changes that have occurred in the real estate market.

### **What is market value?**

A: Market value is defined as the amount a typical, well-informed purchaser would be willing to pay for a property. For a sale to be a market value (arms-length) sale, the seller and buyer must be unrelated, the buyer must be willing (but not under pressure) to buy, the property must be on the market for a reasonable length of time, the payment must be in cash or its equivalent, and the financing must be typical for that type of property.

### **What sales did you compare to my home to arrive at my value?**

A: This question highlights one of the clear differences between the revaluation appraisal process and the more well-known fee appraisal. Most homeowners have had a fee appraisal of their property before and are familiar with the process involved and the resulting report. Many assume that the revaluation company uses the same process. Although the appraisal concepts are the same and the results similar, the process is different.

In a revaluation, the value of your property is based on an analysis of the sales within your market area for a specified period of time. (usually a one or two year period). This study of recent property sales allows the appraisers to establish valuation parameters (construction rates, land rates, market adjustments, etc). Once these valuation parameters are applied to the properties that sold, the result is an appraised value that is very close to the sales price.

The revaluation appraisers test the newly developed parameters then apply these same valuation parameters to all of the "non-sale" properties in the town. In doing so, they are approximating the market value of each property using the information derived from all of the sales. Therefore, no particular sale or group of sales was used to determine the value your property. This is because ALL of the recent sales were included in the analysis that set the parameters used in the revaluation of your town.

### **What if there are no reasonably comparable sales?**

A: We will then consider all other factors that may affect the market value of your property. The cost to replace your building(s), less any depreciation, plus the value of the land could be used to estimate market value. For income producing properties, the income and expenses could be considered.

### **I have recently built my home. Will the actual construction costs be considered?**

A: Your construction cost is a historical figure that may or may not reflect the current market value of your property. It is only one element that will be considered.

### **What will happen to my assessment if I improve my property?**

A: Generally speaking, improvements that increase the market value of a property will increase the assessment. The following examples are typical items that may increase the assessed value of your property. - adding living or rentable area - substantial modernization of kitchen or baths - extensive remodeling - adding features such as A/C, finished basement rooms, garages, pools, etc.

### **Will my assessment go up if I repair my property?**

A: Normal maintenance will help retain the market value of your property, but generally will not affect your assessment.

### **How can my assessment change when I haven't done anything to my property?**

A: General economic conditions such as interest rates, inflation rates, and changes in the tax laws will influence the value of real estate. As property values change in the marketplace (sales), those changes will eventually be reflected on the assessment roll.

### **Do all assessments change at the same rate?**

A: There are differences between individual properties and between neighborhoods. In one area, the sales may indicate a substantial increase in value in a given year. In another neighborhood, there may be a lesser change in property values.

Different types of properties within the same neighborhood may also show different value changes. For example, one - story houses may be more in demand than two - story houses or vice versa. Older homes in the same area may be rising in value more slowly than newer homes.

Among the numerous factors to be considered that will cause values to differ are location, condition, size, quality, number of baths, basement finish, garages, and many others.

**Will the person who inspects my property be able to tell me my new assessment?**

A: No. If an inspection is necessary on your property, we have to analyze all of the information we gathered before placing a value on your property. We will then further review this information to ensure that your assessment corresponds fairly to the assessments of other properties.

**Nobody inspected the inside of my home, so how could you reassess it?**

A: The Assessors Office maintains a complete record for each property. Information is kept current through permit inspections, sales inspections, periodic re-inspections and exterior reviews. The records are available for your review. This information is used to develop the new assessments.

**I've heard you develop values by computer. Is this correct?**

A: Just as in many other fields, computers are useful in the assessment process. Assessors are trained to look for relationships between property characteristics and market value. By coding these characteristics and studying sale prices, assessors can estimate value by developing formulas and models. Computers are much faster and are capable of advanced analysis in this area. Despite these capabilities, common sense and assessor judgment are always required to verify assessments. Assessors most familiar with the neighborhoods and properties review all assessments.



Newtown Assessor, Town Hall  
 3 Primrose St  
 Newtown, CT 06470  
**Property Revaluation**  
 PID «AV PID»



DATE \_\_\_\_\_

Kindly sign and return this form within 10 days to:

«Grantee»  
 «Co\_grantees\_Name»  
 «Mailing\_Address»  
 «Mailing\_address\_2»  
 «City», «ST» «Zip»

Vision Government Solutions  
 44 Bearfoot Rd  
 Northboro, MA 01532  
 OR  
 Fax to Vision at 508-351-3797

Parcel ID#: \_\_\_\_\_ Property Location: \_\_\_\_\_

**REVALUATION 2012 DATA VERIFICATION REPORT**

The Town of Newtown is in the process of completing the Revaluation for the 2012 Grand List. As part of the process, Vision Government Solutions, Inc. has been hired to compile information for all Newtown properties from existing town records and through data verification. This information will be utilized during the valuation phase of the project. It is essential for the accuracy of your property assessment that the information on record is correct. Vision Government Solutions, Inc. and the Town of Newtown request that you review the information listed below for accuracy. If you believe the information shown below is incorrect or has changed, cross it out below and write the new information directly on this form. Remember to include your phone number so we may contact you if necessary to discuss your changes.  
**If the information is correct, you do not need to return this form.**

Parcel Use	Use_Code_Desc	Heat Fuel	«heat_fuel_desc»
Building Number	Bldg_number	Heat System	«heat_type_desc»
		Central Air	No/Yes/Partial
Lot Size	Total Acres	Bedrooms	«bedrooms»
Building Style	Bldg Style Desc	*Full Baths	«full_bath»
Year Built	AYB	*Half Baths	«half_bath»
Exterior Wall	«ext_wall1»/«ext_wall2»	Total # Kitchens	«Kitchens»
**Finished Basement	Yes/No	***Fireplaces	# openings
		Garage Type	Attached/Basement/Detached/None

\*Count 3 fixture baths (tub or shower stall, sink & toilet) as 1 Full Bath, 2 fixtures as ½ bath.

\*\* A basement is considered finished if any combination of three of the following four items exist:  
 1. Finished walls such as paneling or sheetrock, etc.                      2. Finished flooring such as carpet or linoleum.  
 3. Finished ceilings such as drywall or drop-ceiling panels.            4. Heat, including wood stoves.  
 Please note: the finished lower level of a Raised Ranch or Split Level home is also considered "Finished Basement"

\*\*\*Count all openings (gas or wood burning). Indicate any permanently blocked/inoperable openings, if applicable.

Signature \_\_\_\_\_ Date \_\_\_\_\_ Daytime Phone \_\_\_\_\_

For information on Revaluation, please visit the Vision Government Solutions, Inc. website at [www.VGSI.com](http://www.VGSI.com).

COMMERCIAL BUILDING



4,000 SF HOUSE



2,000 SF HOUSE



2,000 SF HOUSE



2007 ASSESSMENT	210,000	210,000	560,000	3,000,000
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**TOTAL 2007 ASSESSMENTS EQUALS THE GRAND LIST TOTAL = 3,980,000**

**MILL RATE = 25.00**  
**TOTAL TAXES = \$99,500**

TAX BILL	5,250	5,250	14,000	75,000
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2012 ASSESSMENT	168,000	168,000	448,000	2,400,000
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Assuming a market decline of 20%

**TOTAL 2012 ASSESSMENTS EQUALS THE GRAND LIST TOTAL = 3,184,000**

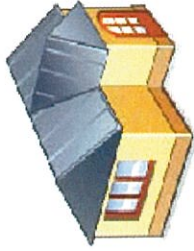
**MILL RATE = 31.88**  
**TOTAL TAXES = \$101,506**  
 A 2% increase (in the budget amount)

TAX BILL	5,356	5,356	14,282	76,512
Tax Bill Increase	2%	2%	2%	2%

2,000 SF HOUSE



2,000 SF HOUSE



4,000 SF HOUSE



COMMERCIAL BUILDING



2007 ASSESSMENT	210,000	210,000	560,000	3,000,000
-----------------	---------	---------	---------	-----------

TOTAL 2007 ASSESSMENTS EQUALS THE GRAND LIST TOTAL = 3,980,000

MILL RATE = 25.00

TOTAL TAXES = \$99,500

TAX BILL	5,250	5,250	14,000	75,000
----------	-------	-------	--------	--------

2012 ASSESSMENT	168,000	168,000	448,000	2,550,000
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Assuming a market decline of 20% for residential and 15% for commercial.

TOTAL 2012 ASSESSMENTS EQUALS THE GRAND LIST TOTAL = 3,334,000

MILL RATE = 30.445

TOTAL TAXES = \$101,504

A 2% increase

TAX BILL	5,115	5,115	13,639	77,635
	-3%	-3%	-3%	4%

**Newtown, CT  
Phase of Project**

**Project 2012  
Estimated Timeline**

Sales Review	Week of July 30th
Sales Analysis	August
Field Review	Month of September
Final Analysis/Assessor Review	October
Notices Out	est Nov 5th
Informal Hearings	weeks of Nov 12 & 19th
Final Notices	Week of Dec 10th
Final Deliverables	Week of Dec 24th

CHIPMAN, MAZZUCCO,  
LAND & PENNAROLA, LLC  
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DANBURYLAW.COM

July 11, 2012

David L. Grogins, Esq.  
Cohen and Wolf PC  
158 Deer Hill Avenue  
Danbury, CT 06810

SENT VIA E-MAIL AND FIRST CLASS MAIL

Re: Newtown Youth Academy - Third Mortgage Loan

Dear David:

As I have previously indicated, Newtown Youth Academy ("NYA") is planning some interior improvements at the facility. We believe that the improvements will make the facility more attractive to users and result in a better utilization of the space. The significant change will be swapping the location of the turf field and field house. This will result in a larger turf area for those users and improved surfaces for basketball and tennis.

The improvements are going to be financed by a \$1,000,000 loan from Newtown Savings Bank to NYA to be secured by a third mortgage on the premises. The U.S. Department of Agriculture, the guarantor of the first mortgage, has consented to the transaction.

Section 16.3(a) of the Lease, as amended, conditions NYA's granting of mortgages upon the consent of the town, which consent is not to be unreasonably delayed. By this letter, we request the town to consent. Newtown Savings Bank has been satisfied that the improvements and enhancements to the facility will generate more than sufficient cash flow to service the debt. The mortgage will be subject to the terms of the Lease.

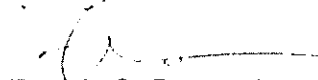
David L. Grogins, Esq.  
July 11, 2012  
Page 2

While the document has yet to be prepared, I expect that a tenant's and landlord's ratification and estoppel certificate, comparable to the one enclosed, will be required. This was previously provided in connection with the first mortgage.

NYA looks to commence the work by August 15, 2012, and complete it by October 15, 2012, to minimize disruption to its fall schedule. Please bring this to the Selectmen's attention for action as soon as practicable.

If you have any questions, please call.

Very truly yours,



Francis G. Pennarola

FGP:cp  
Enclosure

**BOARD OF SELECTMAN MEETING – Aug. 6, 2012**

**DRIVEWAY BOND RELEASE**

Richard Gracy Builders, Russett Road, M51, B8, L18	\$ 2,000 posted 5/30/12
Andrew Smith, Cemetary Road, M8, B8, L9	\$ 2,000 posted 6/2/11
Custom Home Builders, Oak Ridge Dr., M12, B2, L126	\$1,000 posted 4/2005
Esquire Development, LLC, Marlin Road, M46, B4, L82	\$1,000 posted 7/5/11
Louis Segneri, Alpine Circle, M42, B20, L138	\$1,000 posted 8/6/10

# Funded Levels and Historical Returns

	Newtown <sup>1</sup>	Ridgefield <sup>1</sup>	Easton <sup>1</sup>	Trumbull	Brookfield	CT Retirement Plans <sup>5</sup>
Funded Level <sup>2</sup>	93.6%	88.1%	85.9%	42.9%	75.2%	62%
Interest Assumption	7.75%	7%	7%	7.5%	6.5%	8%
Salary Assumption <sup>3</sup>	4%	4%	3%	4%	3%	n/a
2011	14.8%	22.9%	18.8%	17.43% <sup>4</sup>	10.72%	17.87%
2010	8.6%	16.8%	8.8%	14.3%	21.62%	12.57%
2009	-11.8%	-16.5%	-20.8%	-16.0%	n/a	-14.90%
2008	1.6%	-7.1%	-4.7%	-4.8%	n/a	-4.11%
2007	11.2%	16%	15.6%	14.2%	n/a	16.96%
Overall Return '07-'11	24.2%	29.2%	12.8%	12.59%	n/a	24.95%
Ann'l Rate	4.44%	5.25%	2.44%	2.4% <sup>2</sup>	n/a	4.84%

<sup>1</sup> Data is pension benefit obligation using smoothed values provided by David Leonard <sup>2</sup> All funded levels provided as of FY 2011

<sup>3</sup> Salary assumptions provided by David Leonard and Robert Tait

<sup>4</sup> Provided by Robert Tait calculated simple return

<sup>5</sup> Provided by Robert Tait, all CT Retirement Plans data from the 2011 PEW study





14 Commerce Road • Newtown, Connecticut 06470-5508 • (800) 678-8161 • FAX (203) 426-1565

March 15, 2012

Ms. Carole Ross  
TOWN OF NEWTOWN  
3 Primrose St.  
Newtown, CT 06470

Re: Town of Newtown Pension Plan  
Our File No. 2823

Dear Carole:

You have requested that I review the impact of changing the plan's interest rate assumption from 7.75% to 7.5%. As we discussed, inherent in reducing an assumed interest rate is a review of the assumed salary increases for the active plan participants.

Currently that assumption is 4% annually. You have indicated in our discussions that you would not foresee increases approaching anything near that level in the next several years.

I concur, and would add that for the conditions to exist in which salaries increased at greater than 4%, we would probably also see an investment environment in which 7.75% or even more was readily attainable. Therefore, I have run the 7.5% calculations including a corresponding decrease in the assumed salary rate to 3% per year.

Using these parameters, the projected plan contribution requirements for 2012-13 decrease very slightly, as follows:

	<u>7.75%/4% SS</u>	<u>7.50%/3% SS</u>
Selectman's Group	\$306,465	\$302,709
Police Department	<u>517,812</u>	<u>494,994</u>
Total Town of Newtown	\$824,277	\$797,703
Board of Education	\$421,807	\$416,472

This tells us that the salary scale assumption is as vital to the overall funding requirements as is the interest rate. The combination of these two important experience categories will ultimately decide the true cost of the plan to the Town, however I feel either set of assumptions described above will produce a reasonable estimate of what the current plan cost should be to the Town.

Please let me know if you have any questions.

Sincerely,

David G. Leonard, A.S.A.  
Account Executive