

Current Debt Ratios for Peer Towns							
Town	Population 2022	Credit Rating 2024	Current Debt Ratios (FYE 2022)			FYE 2022	Comments
			Debt as % of Net Grand List	Debt Service as % of General Fund Expenditures	Debt per Capita	Unassigned Fund Balance as % of Expenditures	
Surrounding							
Darien	21,926	Aaa Moody's	1.0%	5.82%	\$3,918	16.04%	
Easton	7,630	AAA S&P	0.9%	6.25%	\$1,516	15.18%	
New Canaan	20,775	Aaa Moody's	1.5%	11%	\$5,444	12.12%	
Redding	8,746	AAA S&P	1.9%	6.02%	\$3,321	23.27%	
Ridgefield	25,007	Aaa Moody's AAA S&P	0.8%	6.03%	\$1,607	9.54%	
Weston	10,354	Aaa Moody's	0.4%	6.76%	\$926	22.83%	
Westport	27,427	Aaa Moody's	1.0%	6.70%	\$4,059	14.02%	
Wilton	18,457	Aaa Moody's	1.7%	7.29%	\$3,896	9.84%	
Fairfield Cty							
Fairfield	62,871	Aaa Moody's AAA S&P	1.7%	7.35%	\$3,059	11.21%	
Greenwich	63,638	Aaa Moody's AAA S&P	0.4%	10.09%	\$2,293	8.20%	
Norwalk	91,401	Aaa Moody's AAA S&P	2.1%	8.64%	\$3,440	19.47%	

Stamford	136,188	Aa1 Moody's AAA S&P	1.8%	9.0%	\$2,942	3.49%	
Other Aaa							
Avon	18,871	Aaa Moody's AAA S&P	0.6%	3.0%	\$796	13.35%	
Farmington	26,728	Aaa Moody's AAA S&P	2.8%	7.03%	\$3,960	16.06%	
Glastonbury	35,199	Aaa Moody's AAA S&P	1.2%	4.22%	\$1,416	18.06%	
Madison	17,565	Aaa Moody's	0.6%	4.86%	\$1,021	22.50%	
Simsbury	24,935	Aaa Moody's AAA S&P	1.6%	6.81%	\$1,664	16.67%	
Woodbridge	9,051	Aaa Moody's	1.9%	4.28%	\$2,332	16.11%	
				CT State Average	\$2,933		
				CT State Median	\$1,820		

Weston Debt History

Fiscal Year	Mill Rate	Equalized Net Grand List	Population	Long Term Debt	Debt Service	Adjusted Tax Levy	Expenditures	Debt/ENGL	Debt Service/ Expenditures	Debt/Expenditures	Debt per Capita
2003	23.30	\$3,074,223,617	10,239	\$27,888,744	\$2,091,406	\$40,889,080	\$42,492,794	0.91%	4.9%	65.6%\$	2,724
2004	25.00	\$3,356,899,508	10,263	\$36,602,446	\$3,128,718	\$44,257,625	\$45,525,016	1.69%	6.9%	124.3%\$	5,515
2005	20.25	\$3,367,091,901	10,276	\$77,936,410	\$3,975,062	\$47,407,915	\$47,990,099	2.31%	8.3%	162.4%\$	7,584
2006	22.05	\$3,974,106,477	10,270	\$74,504,964	\$6,508,093	\$52,604,945	\$55,580,456	1.87%	11.7%	134.0%\$	7,255
2007	22.75	\$4,183,066,001	10,200	\$76,943,130	\$6,649,617	\$53,620,316	\$59,037,498	1.84%	11.3%	130.3%\$	7,543
2008	23.39	\$4,183,066,369	10,183	\$72,541,203	\$7,499,930	\$58,515,726	\$62,281,925	1.73%	12.0%	116.5%\$	7,124
2009	24.05	\$3,934,316,145	10,199	\$68,122,590	\$7,725,899	\$61,367,866	\$65,983,870	1.73%	11.7%	103.2%\$	6,679
2010	23.61	\$3,740,838,564	10,179	\$65,105,000	\$7,202,796	\$61,476,303	\$65,283,459	1.74%	11.0%	99.7%\$	6,396
2011	23.86	\$3,522,242,540	10,281	\$60,858,311	\$7,132,769	\$62,192,699	\$67,765,801	1.73%	10.5%	89.8%\$	5,919
2012	23.93	\$3,614,143,912	10,350	\$56,732,417	\$6,748,200	\$62,936,877	\$68,499,640	1.57%	9.9%	82.8%\$	5,481
2013	24.02	\$3,423,962,878	10,372	\$52,283,007	\$6,772,976	\$63,543,227	\$68,553,204	1.53%	9.9%	76.3%\$	5,041
2014	23.89	\$3,587,402,584	10,388	\$48,158,537	\$6,554,632	\$63,422,136	\$69,483,459	1.34%	9.4%	69.3%\$	4,636
2015	28.24	\$3,325,816,654	10,387	\$43,672,273	\$6,487,869	\$65,727,856	\$71,968,039	1.31%	9.0%	60.7%\$	4,205
2016	28.67	\$3,584,903,135	10,302	\$39,420,291	\$6,390,963	\$67,168,117	\$75,787,441	1.10%	8.4%	52.0%\$	3,826
2017	28.56	\$3,542,264,876	10,331	\$34,865,934	\$6,308,838	\$67,306,771	\$79,319,717	0.98%	8.0%	44.0%\$	3,375
2018	28.91	\$3,399,888,205	10,247	\$29,868,780	\$6,237,213	\$68,506,047	\$80,883,353	0.88%	7.7%	36.9%\$	2,915
2019	29.39	\$3,418,855,302	10,252	\$24,907,461	\$6,184,602	\$70,111,688	\$76,429,469	0.73%	8.1%	32.6%\$	2,430
2020	32.37	\$3,197,754,780	10,360	\$19,570,000	\$5,784,043	\$72,226,125	\$83,196,991	0.61%	7.0%	23.5%\$	1,889
2021	32.37	\$3,184,290,935	10,339	\$14,630,000	\$5,613,095	\$72,370,713	\$80,539,752	0.46%	7.0%	18.2%\$	1,415
2022	32.92	\$4,031,034,032		\$9,590,000	\$5,524,340		\$84,532,270	0.24%	6.5%	11.3%	
2023P	32.97	\$4,497,339,709		\$4,330,000	\$5,531,395		\$87,028,972	0.10%	6.4%	5.0%	
2024P	33.10	\$4,700,336,364		\$1,490,000	\$2,957,825		\$84,639,234	0.03%	3.5%	1.8%	
2025P	23.47	\$4,619,868,549		\$680,000	\$864,250		\$79,234,423		1.1%	0.9%	
								Debt/ENGL	Debt Service/ Expenditures	Debt/Expenditures	Debt per Capita
					Max - 3 Year Average			2.01%	11.7%	142.2%\$	7,461
					Max			2.31%	12.0%	162.4%\$	7,543
					Implied Debt Levels						
					- Max - 3 Year Average			\$92,840,974	\$85,842,464	\$112,707,002\$	77,137,141
					- Max			\$106,933,811	\$88,576,134	\$128,677,511\$	78,414,222
					Implied Debt Service/Debt			0.107719012			

DRAFT
Weston Board of Finance
Debt Management Policy Sub-Committee
Special Meeting
Meeting held remotely
October 21, 6:00PM

BOF Vice Chairman Jeffrey Farr called the meeting to order at 6:00pm. Attendees were Chris Bryant and Jeffrey Goldstein.

Discussion with Karl Kilduff, Town Administrator. Mr. Kilduff was not available during scheduled meeting time. Will be rescheduled.

Discussion of debt management policies reviewed to date:

Mr. Farr opened the meeting with an update that Mark Chapman, Munistat provided some additional town's debt management policies for review. Information was uploaded on the summary sheet for all to review. Mr. Farr noted that none of the credit ratings changed for any of the towns, but they are data points for use within a debt management policy. Mr. Bryant discussed some of the towns that stood out mentioning there were a lot of similarities when reviewing GFOA best practices, most had two metrics in them, debt service as a percentage of general fund expenditures and debt as a percentage of one of 4-5 different metrics around the grand list. He did not see any that had a debt per capita, a few had a range of metrics that they wanted their BOF to track but they were not part of their policy. Mr. Bryant drafted a sample policy to potentially use with a placeholder for metrics that are decided on. Mr. Goldstein found debt service between 8-10%. The outlier that was noted was Greenwich – (metric net debt) not to exceed .55% of the grand list at full market value. Mr. Farr discussed definitions of debt as a percentage of equalized grand list (full market value) and debt service as a percent of total expenditures. Mr. Farr noted that some of these towns have very different grand list components than Weston. Equalized net grand list across the state discussed, each town revaluation dates are different. Policy discussion continued with:

- Debt as a percentage of grand list
- Debt as a percentage of budget
- Possibly look at debt per capita

The first two metrics should be defined in the policy.

Subcommittee discussed that when reviewing other towns debt policies, they used additional factors when looking at a bond offering such as forecasting impacts (debt per capita) or 5 year look back, what the average was over those 5 years and additional scrutiny with preparing for bond issuance. Mr. Bryant noted these were not policy regulations they were suggested monitoring tools. Further discussion on creating policy vs. creating guidelines. Subcommittee will look at incorporating guidelines with policy. GFOA template to model. Discussed having another 1-2 meetings and vote on the metrics to include and if agreed to include guideline policy as well.

Discussion of table of fiscal metrics:

- Discussion of information reviewed to zero in and agree on debt management metrics to use. Will discuss what is the ratio? Is it 3%, 4% is it 2 ½ for debt as a percent of the

grand list? What is the percentage for debt service as a percent of expenditures? Mark Chapman felt 10% was a good number to stay below.

- Percentage of grand list – need more analysis before next meeting because there are four different divisors which will give a different number. Mr. Farr discussed grand list as being an area where our town differs from surrounding towns.
- Will compile metrics and then discuss why they should be less or more based on the circumstances we have and try to make a decision based on it. Mr. Bryant would like to hear another opinion how that difference might impact us from a debt management standpoint. Mr. Farr feels the Debt Capacity subcommittee would be in a position to look at what the impacts would be. Mr. Farr not in agreement with giving a specific percentage but would be comfortable with a range and would like feedback from debt capacity sub for analysis

Discussion on identifying questions for further research

- Future discussion around whether to allow variable rate types of instruments or use a fixed rate, general debt limitations etc.
- What are the maturities and how quickly to pay.
- Principle amounts to be paid down?
- Funding capital expenditures vs. having to wait for 20 years for debt to fall off before future capital expenditures.
- Straight line amortization.
- Process to issue debt needs to be looked at. Karl Kilduff may have a view on this.
- Fiduciary requirements of reporting each year.

Discussion/Decision on approval of minutes from the September 30th and October 7th meetings. Amended September 30th minutes, correction of special meeting dates and notation incorporating Mr. Bryant's comment relating to comparing other towns using comparable town's criteria. October 7th minutes reviewed. Motion made to approve September 30, 2024 and October 7, 2024 Debt Management subcommittee minutes. Motion made by Mr. Goldstein, seconded by Mr. Bryant. All in favor, motion passes unanimously.

Discussion/Decision on Agenda for next Special Subcommittee Meeting of 10/28:

- Invite Karl Kilduff, Town Administrator
- Discussion/Decision on table of fiscal metrics
- Discussion/Decision on policy layout/outline
- Discussion regarding debt maturity
- Discussion/Decision on Agenda for next Special Subcommittee Meeting, 10/28.

Motion to accept 10/28/24 meeting agenda made by Mr. Bryant, seconded by Mr. Goldstein. All in favor, motion passes unanimously.

Adjourn: Motion to adjourn by Mr. Goldstein, seconded by Mr. Bryant. All in favor, meeting adjourned at 6:41pm.

Respectfully Submitted,
Shawn Amato, Recording Secretary

DRAFT
Weston Board of Finance
Debt Management Policy Sub-Committee
Special Meeting
October 28, 6:00PM

BOF Vice Chairman, Jeffrey Farr called the meeting to order at 6:00pm. Attendees were Chris Bryant and Jeffrey Goldstein.

Discussion with Karl Kilduff, Town Administrator. The subcommittee asked for input on the primary components of a debt management policy. General criteria for debt issuance/bonding discussed. Things to look at would be debt per capita, long-term committed expenses (pensions) as a percentage of budget for must pays. GFOA benchmark standards for fund balances should be reviewed. Some towns look at basic demographics, per capita income, median household income. Debt as a percentage of the grand list discussed. Lease options discussed to add to policy, to give flexibility for purchases. Mr. Farr asked questions on structuring of bonds for debt maturity, pay down principles. Process of issuing debt discussed, approval process with BOS then BOF, and then Town Meeting. Disclosure requirements discussed.

Discussion/decision regarding table of fiscal metrics. Decision on specific ratio metrics will not be decided at this meeting, discussion will include what might be included in the policy. Sample draft policy by Mr. Bryant reviewed with common items to include. Purpose, objectives, types of debt to be reviewed. Discussion on total debt as a percent of the equalized grand list as opposed to assessed value was discussed. Policy vs guidelines discussed, debt limitations, debt issuance and structure, maximum maturity, refinancing all discussed.

Agreement on three metrics for policy under Debt Affordability Guidelines

1. Debt service as a percentage of budget.
2. Debt to taxable net grand list value ratio.
3. Paydown schedule – Include a minimum paydown rate (GFOA good practices)

Discussion/decision regarding policy layout/outline.

- Why is debt important
- Objectives
- Types of debt
- Use of debt
- Disclosure

Will review Mr. Bryant's draft and discuss/make changes for next meeting. Draft of metrics to be sent to Debt Capacity committee for review.

Discussion regarding debt maturity

Most policies in other towns include pay off atleast 50% of debt within 10 years.
Subcommittee agreed with this.

Discussion/Decision on Agenda for next Special Subcommittee Meeting of 11/4/24

Decision/Continued discussion around debt as a percent of the budget.

Decision/Discussion Debt to the net grand list.

Decision/Continued discussion on content for policy.

Approval of Special subcommittee minutes for 10/21, 10/28.

Adjourn. Motion to adjourn by Mr. Bryant, seconded by Mr. Goldstein. Meeting adjourned at 7:12pm.

Respectfully Submitted,
Shawn Amato, Recording Secretary