

S&P Gives NF AAA Rating for First Time in Town's 269 Year History

Given to Only 1.3% of U.S. Municipalities, Effective Already--Will Save Town \$750,000

At a time when most municipalities are experiencing unprecedented economic strain, Standard & Poor's, a foremost provider of independent credit ratings, has announced it is giving its coveted AAA rating—the highest one possible—to the town of New Fairfield. Only 168 municipalities throughout the country compare.

The lofty designation for New Fairfield comes at the same time the Wall Street Journal is reporting that S&P downgraded 466 U.S. municipal bonds during the first half of 2009.

Winning the AAA rating not only marks a two-step jump up for New Fairfield, which had been previously rated Aa2 by Moody's, but it's believed to be the first time in the town's 269-year history that it has won the coveted designation.

When bestowing its AAA rating upon New Fairfield, S&P cited:

New Fairfield's strong financial position, with consecutive operating surpluses supported by conservative budgeting and well-embedded financial management practices

General Fund operating surpluses in each of the past three years

The maintenance of fiscal reserves in excess of 14 percent since 2006 and projections that the Town will close out Fiscal 2009 with an additional \$1 million in reserves, due to mid-year cost-cutting measures.

Team Effort Wins!

First Selectman John Hodge credited a team effort for the ratings success. Mr. Hodge said the fiscal milestone would not have happened "without the hard work and cooperation of municipal employees,

Town department heads, Treasurer Phil Cammarano, the Finance Department and its Director Jay Waterman, and its three major governing boards—the BOF, the BOE and the BOS."

Town Finance Director Jay Waterman said, "Over the past five years the General Fund has increased in excess of 65 percent."

Town Treasurer Phil Cammarano was proud. "With our pro-active management of Town operations, we have been able to achieve the top-bond rating—and reduce taxes, all without having to incur the terrible layoffs and furloughs plaguing others."

And Mr. Hodge points out that the AAA rating is already paying dividends for the town that's home to 14,200 residents: "The fabulous news has already

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for the town that's home to 14,200 residents: "The fabulous news has already translated into enormous savings for us because 20-year bonds for our school renovation project were just sold at the never-before-seen interest rate of just 3.35 percent."

"It's great news for the town. We definitely have the Board of Finance to thank for their hard work in making that happen," said Monika Thiel, the Democratic candidate who is challenging Hodge for the first selectman's seat in November.

Democratic Selectman Thomas Corbett, who is running with Mrs. Thiel, acknowledged that the first selectmen should receive some praise, but added, "A lot of the credit has to go to the town treasurer and the Board of Finance. They have played a real important part in making this happen."

Selectmen Ron Oliveri states, "As other towns were being downgraded, we received this highest of ratings because of our quick response to the crisis, our financial health and our ability to fund continuous investment in our Town." Mr. Oliveri is retiring this year.

The Board of Selectmen agree that because only half of the project has been bonded, it's impossible to compute what the savings will be for the entire project, but estimates show the Town will realize approximately \$750,000 savings over the life of the 20-year loan—an increase from the initial projection when the plan went before voters in May.

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NEW FAIRFIELD THIS WEEK