

Town of Plymouth

80 Main Street, Terryville, CT 06786

www.plymouthct.us

Board of Finance

Telephone: 860-585-4001

Fax: 860-585-4015

- 1. Call Meeting to Order:** Jim Kilduff, Chairman called the September 12, 2019 Board of Finance Special meeting to order at 7:30 p.m. in the Community Room, Plymouth Town Hall. Members in attendance: Victoria Carey-Vice Chairman, James Zalot, Jay Dorso-excused absence, Pattie DeHuff, Also present: Ann Marie Rheault - Director of Finance, and Town Councilwoman Sue Murawski.
- 2. Pledge of Allegiance:** Jim Kilduff, Chairman led the group and audience in the Pledge of Allegiance.
- 3. Notice of Fire Exits:** Jim Kilduff, Chairman, noted the fire exits.
- 4. Discuss and take action on refinancing of 2010 bonds with new refunding bonds as approved by Town Council contingent on Board of Finance approval.**

Vicky Carey made a motion, seconded by Pattie DeHuff to discuss and take action on refinancing of 2010 bonds with new refunding bonds as approved by Town Council contingent on Board of Finance approval.

Discussion:

Pattie DeHuff stated my only concern about this issue, like concept to save a quarter of a million dollars, my issue is a sentence within the resolution -referred to Document Plymouth Refunding Resolution 2019 RESOLUTION WITH RESPECT TO THE AUTHORIZATION, ISSUANCE AND SALE OF NOT EXCEEDING \$5,500,000 TOWN OF PLYMOUTH GENERAL OBLIGATION REFUNDING BONDS, Section 1, quote, within the resolution "The Refunding Bonds shall mature on such date or dates and in such amounts as shall be determined by the Mayor and Town Treasurer, in accordance with the provisions of the Connecticut General Statutes, as amended, and shall bear interest payable at such rate or rates as shall be determined by the Mayor and Town Treasurer."

Pattie DeHuff wanted clarification since it seems to give the Mayor the discretion to extend it beyond and other issue because it is a refunding bond - do we need to go to referendum according to Charter.

Ann Marie Rheault referenced email – will not be extended; Mayor is not setting length of bonds and has no reason to extend due to fact we are trying to save money. Structure is set by our bond advisor and confirmed it does not need to go to referendum.

Ann Marie Rheault referenced - Sec. 7-370c. Authority to issue refunding bonds for payment, funding or refunding of bonds, notes or other obligations previously issued. (a) Any municipality, as defined in section 7-369, which has issued bonds, notes or other obligations pursuant to any public or special act may issue refunding bonds for the purpose of paying, funding or refunding prior to maturity all or any part of such municipality's bonds, notes or other obligations, the redemption premium, if any, with respect thereto, the interest thereon, the costs with respect to the issuance of such refunding bonds and the payment of such refunded bonds, notes or other obligations. Such refunding bonds shall mature not later than (1) in the case of a single series of bonds, notes or other obligations being refunded, the final maturity date thereof; and (2) in the case of multiple series of bonds, notes or other obligations being refunded, the final maturity date of any such series last to occur.

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(b) (1) Notwithstanding the provisions of subdivisions (1) and (2) of subsection (a) of this section and contingent on the passage of a resolution by a two-thirds vote of the legislative body of the municipality, any such refunding bonds issued on or after July 1, 2017, but prior to July 1, 2022, shall mature not later than thirty years from the date of the issuance of such refunding bonds.

(2) Refunding bonds issued pursuant to subdivision (1) of this subsection may be secured by a statutory lien, if provided for in such resolution, on all revenues received by the municipality from its tax levy and collection. Such lien shall arise by operation of this subdivision automatically without any further action or authorization by the municipality and such revenues shall be immediately subject to the lien. The lien shall immediately attach to such revenues and be valid and binding as against the municipality, its successors, transferees and creditors and all other parties asserting rights to such revenues, without any physical delivery, recordation or filing of the lien or further act, irrespective of whether such successors, transferees, creditors or other parties have notice of the lien.

(c) Notwithstanding the provisions of the general statutes or any special act, local law or charter governing the authorization and issuance of bonds, notes or other obligations and the appropriation of the proceeds thereof, such refunding bonds shall be authorized, and the proceeds appropriated for the purposes permitted under this section, by resolution of the legislative body of the municipality, and shall be subject to the same limitations and requirements as bonds issued pursuant to this chapter, provided the provisions of section 7-371 regarding limitations on the date of the first maturity, or on the amount of any principal or on any principal and interest installments on any bonds, shall not apply to refunding bonds issued (1) under subsection (b) of this section, or (2) under subsection (a) of this section that achieve net present value savings after comparing total debt service payable on the refunding bonds to the total debt service payable on the refunded bonds, after accounting for costs of issuance and underwriters' discount.

(d) As used in this section, "legislative body" means (1) the board of selectmen in a town that does not have a charter, special act or home rule ordinance relating to its government, (2) the council, board of aldermen, representative town meeting, board of selectmen or other elected legislative body described in a charter, special act or home rule ordinance relating to government in a city, consolidated town and city, consolidated town and borough or a town having a charter, special act, consolidation ordinance or home rule ordinance relating to its government, (3) the board of burgesses or other elected legislative body in a borough, or (4) the district committee or other elected legislative body in a district, metropolitan district or other municipal corporation.

Ann Marie Rheault stated this does not have to be approved by the Board of Finance per Connecticut state statute.

Jim Kilduff stated ultimate decision is Town Council - defer to the handbooks for the Board of Finances - issuance of bonds, Board of Finance interests, for recommendations, council not setting precedence - wise decision, thanked Ann Marie Rheault and the Town Council, good decision and practice.

Vicky Carey stated we are ultimately responsible for financial and budgetary decisions/reasons, for future, the town doesn't need to take this step but good reminder that there will be a reduction/decrease in debt service.

James Zalot made a motion, seconded by Vicky Carey to accept resolution with respect of authorization issuance and sale to not exceeding \$5,500,000 General Obligation Refunding Bonds (the “Refunding Bonds”) of the Town of Plymouth, Connecticut.

Motion passed unanimously.

5. Public Comment

None

6. Board Member’s comments

Jim Kilduff questioned date of next meeting.

Jim Kilduff thanked Pattie DeHuff for all of her service and work done for the Board of Finance.

Jim Kilduff thanked James Zalot for all of his service and work done for the Board of Finance.

Vicky Carey – Thanked both Pattie DeHuff and James Zalot.

James Zalot - None

Pattie DeHuff – None

7. Adjournment

There being no further business of the Board of Finance, a motion was made by James Zalot, seconded by Pattie DeHuff to adjourn at 7:45 p.m. This motion was approved unanimously.

Respectfully submitted,

Michele Yokubinas

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Recording Secretary