

Received 7/10/25

2:57 PM Jodi Moore, ATC

BOARD OF FINANCE SPECIAL JOINT MEETING WITH BOARD OF SELECTMEN

6:30 P.M., TUESDAY JUNE 18, 2025

DURHAM COMMUNITY CENTER MEETING ROOM ONE AND REMOTELY VIA ZOOM

Zoom Recording

https://us02web.zoom.us/rec/share/-kfxH7WAlIb3GGOj75cjrULCp_mJ-g_svScdIebqHsexmc7X5iKrZNUUicYiKKNF.ddCCCTbBkw9zDD_r?startTime=1750285850000

Passcode: 5*7ghJ^3

Meeting Minutes

1. Call to order

Called to order at 6:30pm

Roll call

BOF: Jim Martinelli, Bob Guynn, Eileen Buckheit, Molly Nolan, Nancy Cuomo

Absent: Chuck Stengel

Staff: Beth Moncata, Finance Director; Brendan Rea, First Selectman

Others in attendance: Bill Lindsay; Managing Director Munistat Services Inc, Rick Parmelee, Carl Stoup, other members of the public

2. Approval of Agenda

- a. MOTION BY NANCY CUOMO SECONDED BY JIM MARTINELLI TO APPROVE THE MAY 13, 2025 MEETING AGENDA AS PRESENTED

3. Bill Lindsay, Managing Director, Munistat Services, Inc

Bill Lindsay delivered a presentation on the following topics:

- a. Bond process
 - i. Resolution must be adopted by Board of Finance, then is brought to town meeting and referendum. Counsel is required for legal compliance and tax exemption.
 - ii. Discussed bond issuance methods including Competitive sale, Negotiated sale, and Direct placement
- b. Bond ratings
- c. Projects suitable for bonding
 - i. \$1 million minimum and restrictions on private use
- d. Pros and Cons
 - i. Noted that bonding spreads payments out rather than upfront payment required by tax increases
 - ii. Tax relief and deferred maintenance benefits versus long-term liability and annual reporting requirements
- e. Current Market

- i. noted that retail investors, including individuals and funds, dominate the municipal bond market, and the low default rate of municipal bonds is a key attraction for investors.
- ii. strong bond fund inflows and supply trends

Provided an overview of the town's borrowing options, including bank loans and bond issuance, and explained the advantages and disadvantages of each. Emphasized the importance of considering intergenerational equity and the town's current financial resources when deciding whether to borrow.

Discussed general obligation bonds and revenue bonds. General Obligation Bonds are more secure and require higher interest, Revenue Bonds are backed by specific revenue streams

Discussed long term financial planning and infrastructure investment strategies. Debated whether to bond and spread financial burden across generations or have a 5 year tax increase. Board suggested holding an additional workshop to review the 5 year capital improvement plan and to identify projects by reaching out to department heads. The board also acknowledged the need to control operating expenditures and discussed the potential impact of rising healthcare costs on the budget.

4. Adjournment

- a. MOTION BY EILEEN BUCKHEIT, SECONDED BY SEVERAL TO ADJOURN. ALL AYE, MOTION PASSED.

The meeting adjourned at 8:22pm

Respectfully submitted,

Nicole Charest