

**Litchfield Board of Finance
Regular Meeting Minutes
April 8, 2013**

Call to Order: Vice Chairman David Wilson called the meeting to order in the LIS Art Room at 7:03pm with Ed Gadomski, Mitchell Fishman and Ed Weik present. Anne Dranginis (Alt.), Brenda Barnes and Chairman David Geiger were absent and David Pettinicchi (Alt.) arrived at 7:05pm.

Also present were Rosalie Bouchard, Ryan Flynn, Kathy Brown and Nancy Southard.

Approval of Minutes:

Motion: Ed Weik moved to accept the 3-11-13 regular meeting minutes and the 3-18-13 special meeting minutes. Ed Gadomski seconded the motion. All voted aye with David Pettinicchi abstaining from voting on the 3-18-13 minutes since he was not present, and the motion carried.

Public Comment:

There was no public comment.

Grand List Breakdown:

Assessor Kathy Brown said the net taxable Grand List for October 1, 2012 as filed is \$1,110,419,110, prior to any Board of Assessment Appeals changes. This Grand List report does not show any of the recent re-evaluations on homes. The report represents a small 0.14% increase from the 2011 Grand List. Personal Property includes any businesses including home businesses, campers, special vehicles, etc. Cozy Hill Campgrounds in Bantam will now be included in this taxable group.

The elimination of town motor vehicle taxes will not take effect during this budget year and Nancy Southard, Tax Collector, noted that the town collects much less in motor vehicle taxes compared to real estate taxes. Also, she is currently ahead on collecting back taxes compared to last year. She said the suspense list will be approximately \$15,000 this year.

Board of Selectman's Update

Leo Paul was not present to present this report.

Director of Finance's Monthly Status Report and BOE YTD Status:

The financial overview as of March 31, 2013 shows the Town has collected 95.7% of all revenue and has spent 63.8% of its budget approximately 75% through the year. The Town has collected 95.7% of revenue as of March compared to 92.6% of revenues collected through March of 2012. . . . Pertaining to Expenditures, the BOS budget currently shows the Town being 72.7% committed and 69.0% spent through the fiscal year.

The Unassigned Fund Balance of the General Fund remains at \$4,317,000, which is 15.75% of total expected revenues.

Approve Submission to Newspaper for Annual Town Budget Hearing:

Motion: Ed Weik moved to approve the insertion of the newspaper notice for the 4-24-13 Town Budget Hearing and Mitchell Fishman seconded the motion. All voted aye and the motion carried.

The Recording Secretary secured signatures from all present BOF members to authorize insertion of a newspaper notice of a Public Hearing at the Litchfield Intermediate School Auditorium on Wednesday, April 24, 2013 at 7pm, at which itemized estimates of expenditures of the Town for the ensuing fiscal year shall be presented and at which all persons shall be heard in regard to any appropriation which they are desirous that the Board should recommend or reject. Chairman Geiger will be unable to sign the notice prior to the publication deadline, but the Recording Secretary will deliver the form to Rosalie Bouchard at town hall to await Brenda Barnes' signature.

Consideration and Action on a Resolution:

Vice Chairman David Wilson introduced and read the following resolution:

RESOLVED: That the resolution entitled: "RESOLUTION APPROPRIATING \$2,580,000 FOR THE LITCHFIELD CAPITAL IMPROVEMENT PLAN 2013-2014 AND AUTHORIZING THE ISSUE OF \$2,580,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE," is hereby approved and recommended for adoption by the Town.

Mr. Wilson called for a motion to waive the reading of the entitled resolution and incorporate its full text into the Minutes of the meeting.

Motion: Ed Weik moved to waive the reading of resolution and incorporate its full text into the Minutes of the meeting and Mitchell Fishman seconded the motion.

Mr. Fishman asked why the BOF is approving an amount of \$2,580,000 when the amount in the capital budget is \$2,440,717. Mr. Wilson responded that borrowing costs are incorporated into the total amount. Ed Gadomski inquired if the capital improvement plan is the same as the "capital projects fund" mentioned in the newspaper and Mr. Fishman noted there is an amount listed for Grants but the Town cannot be certain of receiving such grants.

Vice Chairman Wilson took a roll call vote with the following results:

Ayes: David Wilson, Mitchell Fishman, Ed Weik, Ed Gadomski, David Pettinicchi.

Nays: None.

The motion to waive the reading of the entitled resolution and incorporate its full text into the Minutes of the meeting was passed by majority vote.

Mr. Wilson then called for a motion that the resolution be adopted.

Motion: Ed Weik moved to adopt the resolution and Mitchell Fishman seconded the motion. There was no further discussion and Vice Chairman Wilson took a roll call vote with the following results:

Ayes: David Wilson, Mitchell Fishman, Ed Weik, Ed Gadomski, David Pettinicchi.

Nays: None.

The motion to adopt the resolution was passed by majority vote.

New Business:

- a. **Financial Transfers:** There were no financial transfers.
- b. **Correspondence:** David Wilson said that Chairman David Geiger is aware of an additional agenda item for the May 13, 2013 BOF meeting: Town Hall Building Committee Report.
- c. **Payment of Bills:** There were no bills for payment.

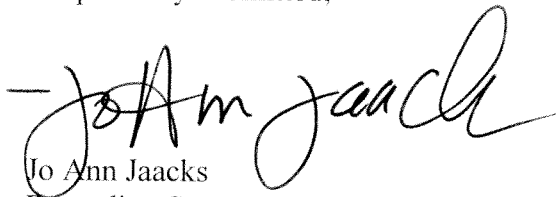
Committee Reports:

There were no Committee reports.

Adjournment:

Motion: Ed Weik moved to adjourn at 8:21pm and Ed Gadomski seconded the motion. All voted aye and the motion carried.

Respectfully submitted,



Jo Ann Jaacks
Recording Secretary

RESOLUTION APPROPRIATING \$2,580,000 FOR THE
LITCHFIELD CAPITAL IMPROVEMENT PLAN 2013-2014
AND AUTHORIZING THE ISSUE OF \$2,580,000 BONDS OF
THE TOWN TO MEET SAID APPROPRIATION AND
PENDING THE ISSUANCE THEREOF THE MAKING OF
TEMPORARY BORROWINGS FOR SUCH PURPOSE

Section 1. The sum of \$2,580,000 is appropriated for the planning, acquisition and construction of the Town of Litchfield Capital Improvement Plan 2013-2014, as adopted and amended by the Board of Selectmen from time to time, and including: (i) Public Works Department; (ii) Board of Education; (iii) Board of Fire Commissioners and EMS; (iv) Parks and Recreation; (v) Oliver Wolcott Library; (vi) Town Clerk and (vii) Debt Administration, and for appurtenances, equipment and services related thereto, or so much thereof as may be accomplished within such appropriation, including administrative, advertising, printing, legal and financing costs to the extent paid therefrom. The Board of Selectmen may by resolution transfer funding herein authorized among projects within the 2013-2014 CIP.

Section 2. LOCIP and other grant funds received and expended on the above purposes shall be included in and applied against this appropriation and bond authorization. It is expected that Grant funding will be received in the amount of \$117,172 and bonds of the Town will finance \$2,462,828.

Section 3. To meet said appropriation \$2,580,000 bonds of the Town or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the twentieth year after their date. Said bonds may be issued in one or more series as determined by the First Selectman and the Treasurer (hereafter the Town Officials), and the amount of bonds of each series to be issued shall be fixed by the Town Officials. Said bonds shall be issued in the amount not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. Capital project revenues, including bid premiums and investment income derived from investment of bond proceeds (and net investment income derived from note proceeds) are authorized to be credited by the Director of Finance to the project account and expended to pay project expenses customarily paid therefrom. The remaining appropriation and bond authorization shall be reduced by the amount of capital project revenues so credited. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, or, be combined with other bonds of the Town and such combined issue shall be in the denomination per aggregate maturity of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the Town by the manual or facsimile signatures of the Town Officials, bear the Town seal or a facsimile thereof, be certified by a bank or trust company designated by the Town Officials, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Town Officials, and be approved as to their legality by Joseph Fasi LLC, Attorneys-at-law, Bond Counsel of Hartford. They shall bear such rate or rates of interest as shall be determined by the Town Officials. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of

law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The aggregate principal amount of the bonds to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds, shall be determined by the Town Officials, in accordance with the General Statutes of the State of Connecticut, as amended.

Section 4. Said bonds shall be sold by the Town Officials, in a competitive offering or by negotiation, in their discretion. If sold at competitive offering, the bonds shall be sold upon sealed proposals, auction, or similar competitive process at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation, the provisions of purchase agreement shall be subject to approval of the Town Council.

Section 5. The Town Officials, are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be executed in the name and on behalf of the Town by the manual or facsimile signatures of the Town Officials, bear the Town seal or a facsimile thereof, be payable at a bank or trust company designated by the Town Officials, be approved as to their legality by Joseph Fasi LLC, Attorneys-at-law, Bond Counsel, of Hartford, and be certified by a bank or trust company designated by the Town Officials, pursuant to Section 7-373 of the General Statutes of Connecticut, as amended. They shall be issued with maturity dates which comply with the provisions of the General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the project. Upon the sale of said bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 6. Resolution of Official Intent to Reimburse Expenditures with Borrowings. The Town (the "Issuer") hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and after the date of passage of this ordinance in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the Issuer. The Bonds shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the project, or such later date the Regulations may authorize. The

Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Director of Finance or his designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 7. The Town Officials, are hereby authorized to exercise all powers conferred by section 3-20e of the general statutes with respect to secondary market disclosure and to provide annual information and notices of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this ordinance.

Section 8. It is hereby found and determined that it is in the public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the Town authorized to be issued herein as qualified private activity bonds, or with interest that is includable in gross income of the holders thereof for purposes of federal income taxation. The Town Officials are hereby authorized to issue and utilize without further approval any financing alternative currently or hereafter available to municipal government pursuant to law, including but not limited to any “tax credit bond,” or “Build America Bonds” including Direct Payment and Tax Credit Versions.