

Board of Finance
Board of Selectmen
Special Joint Meeting
October 27, 2020
Minutes

BOF Present: Haxo, Robinson, Richardson, Schoenfeld, Kasler(7:38pm)

Regrets: L Tanner

BOS Present: Angevine, Nelson, Papp

Regrets:

Treasurer: C Frisbie

Meeting called to order at 7:30 pm by S Haxo (BOF)

S Haxo took a roll call for both Board of Finance and Selectmen

1) Discussion and action on refunding of bonds: Barry Bernabe, Phoenix Advisors, LLC and Glenn Rybacki, Day

- *Motion(Nelson/Papp) to approve refunding of bonds as recommended by the BOF at their September 2, 2020 meeting **All in Favor Motion passes 3-0-0***
- *Motion (Robinson/ Richardson for BOF) to consider resolution from Day Pitney **All in Favor Motion passes 4-0-0***
- *Motion (Nelson/Angevine for BOS) to consider resolution from Day Pitney **All in Favor Motion passes 3-0-0***

B. Bernabe, Phoenix Advisors, spoke about the bidding procedure for rates, what financial institutions were contacted, the lowest rate/bidder, the estimated net savings of \$125,000 equally over the next 10 years to the town and the analyst procedure. Bernabe is recommending we approve Capitol One as the institution to proceed with the refunding of bonds.

G. Rybacki, Day Pitney, spoke next on what procedure will take place on the refunding of bonds and how by law the paperwork is treated the same as a bond format. All this paperwork should happen by the middle of November. Rybacki also let the Boards know their fee was lowered to \$15,000 which will be a savings of \$5,000 to the town.

Both Bernabe and Rybacki expressed their opinion on how great it was to work with C. Frisbie during these past few weeks as the focal person getting the information needed to proceed with the transaction.

- *Motion (Schoenfeld/Richardson for the BOF) to approve the resolution from Day Pitney*
All in Favor Motion passes 5-0-0
- *Motion (Nelson/Angevine for the BOS) to approve the resolution from Day Pitney*
All in Favor Motion passes 3-0-0
- *Motion (Richardson/Robinson for the BOF) to approve the recommendation by Barry Bernabe, Phoenix Advisor to refund the bonds with Capitol One and to have Tim Angevine sign the Capital One loan transaction agreement to lock in the rate at 1.60%*
All in Favor Motion passes 5-0-0
- *Motion (Nelson/Angevine for the BOS) to approve the recommendation by Barry Bernabe, Phoenix Advisor to refund the bonds with Capitol One and to have Tim Angevine sign the Capital One loan transaction agreement to lock in the rate at 1.60%*
All in Favor Motion passes 3-0-0

Both Board of Finance and Selectmen thanked Bernabe and Rybacki for all their assistance.

- *Motion (Kasler/Richardson for the BOF) to adjourn at 7:48pm*
All in Favor Motion passes 5-0-0
- *Motion (Nelson/Angevine for the BOS) to adjourn at 7:48pm*
All in Favor Motion passes 3-0-0

Respectfully submitted by:

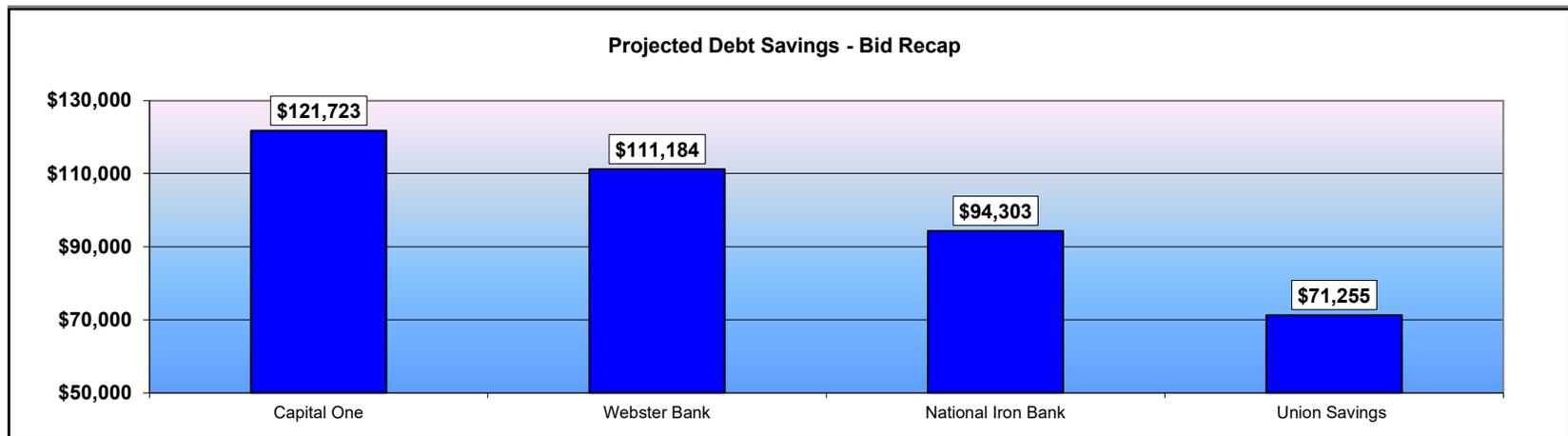
Joanne C Tiedmann, Town Clerk

Colleen Frisbie, Treasurer/Admin Asst

Attachments are available in the town clerk's office

Town of Warren, Connecticut
Summary of Bank Proposals for \$1,570,000 General Obligation Bonds

Bank	Fixed Rate	Bank Legal Fee	Bank Origination Fee	Projected NET Savings to Town (after bank fees)	Comments
Capital One	1.60%	\$0	\$0	\$121,723	Lowest rate with no closing costs or bank legal fees
Webster Bank	1.691%	\$3,500	\$0	\$111,184	Very competitive rate with low bank fees
National Iron Bank	1.85%	\$3,500	\$3,937	\$94,303	Competitive rate
Union Savings	2.25%	none	none	\$71,255	Moderate rate with no bank fees
TD Bank	-	-	-	-	did not submit a bid
Salisbury Bank	-	-	-	-	did not submit a bid
Wells Fargo	-	-	-	-	did not submit a bid
Bank of America	-	-	-	-	did not submit a bid
People's Bank	-	-	-	-	did not submit a bid



RESOLUTION OF THE BOARD OF SELECTMEN

**RESOLUTION WITH RESPECT TO THE AUTHORIZATION, ISSUANCE AND
SALE OF NOT EXCEEDING \$1,700,000 TOWN OF WARREN
GENERAL OBLIGATION REFUNDING BONDS**

WHEREAS, the Town of Warren, Connecticut is considering the refunding of certain outstanding general obligation bonds, in order to achieve financial savings benefitting the Town; and

WHEREAS, the Board of Finance, at its meeting held on Wednesday, October 7, 2020, approved taking measures to consider proposals from banks and other financial institutions to refinance such outstanding bonds, to evaluate the results of proposals that shall be received, and to move forward with such refinancing if it is in the best interests of the Town.

THEREFORE, BE IT RESOLVED,

(a) That the Town issue its refunding bonds (the "Refunding Bonds"), in an amount not to exceed ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$1,700,000), the proceeds of which are hereby appropriated to fund one or more escrows, to be applied together with the investment earnings thereon, to the payment in whole or in part, as determined by the Board of Selectmen, or a majority thereof, and the Treasurer of the Town, of the outstanding principal of and interest and any call premium on all or a portion of any issue of the Town's General Obligation Bonds, including, but not limited to, the Town's \$3,000,000 General Obligation Bonds, Issue of 2010 (the "Refunded Bonds"), including the payment of interest accrued on the Refunded Bonds to the date of payment, and to pay costs of issuance of the Refunding Bonds, including legal fees, consultants' fees, trustee or escrow agent fees, underwriters' fees, net interest and other financing costs and other costs related to the payment of the Refunding Bonds. The Refunding Bonds shall be issued pursuant to Section 7-370c of the General Statutes of Connecticut, Revision of 1958, as amended, and any other enabling acts. The Refunding Bonds shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town. The First Selectman and the Treasurer of the Town shall sign the Refunding Bonds by their manual or facsimile signatures. The law firm of Day Pitney LLP is designated as bond counsel to approve the legality of the Refunding Bonds. The Board of Selectmen, or a majority thereof, and the Town Treasurer, upon the recommendation of the Board of Finance, is authorized to determine the amount, date, interest rates, maturities, redemption provisions, form and other details of the Refunding Bonds; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the Refunding Bonds; to provide for the keeping of a record of the Refunding Bonds; to sell the Refunding Bonds at public or private sale; to deliver the Refunding Bonds; and to perform all other acts which are necessary or appropriate to issue the Refunding Bonds.

(b) That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that costs of the refunding may be paid from temporary advances of available funds and that (except to the extent reimbursed from grant moneys) the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized above for the refunding. The Board of Selectmen, or a majority thereof, and the Treasurer are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(c) That while it is anticipated that the bonds will qualify as tax exempt bonds, the First Selectman and the Treasurer are authorized, upon the advice of bond counsel, to issue all or any portion of the bonds as bonds the interest on which is includable in the gross income of the owners thereof for federal income tax purposes and it is hereby found and determined that the issuance of any such bonds or notes is in the public interest.

(d) That the Board of Selectmen, or a majority thereof, and the Treasurer are authorized to make representations and enter into written agreements for the benefit of holders of the bonds to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds.

(e) That the Board of Selectman, or a majority thereof, and the Treasurer are authorized to take all other action which is necessary or desirable to enable the Town to effectuate the refunding of the Refunded Bonds, and to issue the Refunding Bonds for such purposes, including, but not limited to, the entrance into agreements on behalf of the Town with underwriters, trustees, escrow agents and others to facilitate the issuance of the Refunding Bonds, the escrow of the proceeds thereof and investment earnings thereon, and the payment of the Refunded Bonds.

(f) That the above authorization to issue refunding bonds shall lapse on June 30, 2021.