

MINUTES
BOARD OF FINANCE - PUBLIC HEARING
QUAKER FARMS SCHOOL ROOF BOND RESOLUTION
OXFORD TOWN HALL
WEDNESDAY, FEBRUARY 4, 2015 7:00 P.M.

Present: Chairman Jack Kiley; Lila Ferrillo; Tom Kelly; Robert DeBisschop. Also present: James Hliva, Finance Director. Absent: Richard Burke, Nancy Schmitt.

Also present: First Selectman George Temple, Selectman Jeff Haney, Selectman David McKane.

Also present: Members of the Board of Education, Members of Oxford Schools Upgrade Committee ("OSUC"); Board of Education; Bond Counsel Attorney Joseph Fasi; Larry Secor of Nafis & Young.

The meeting was called to order by Chairman Kiley at 7:00 p.m. and the Pledge of Allegiance was recited.

Chairman Kiley introduced the public hearing:

I will introduce the Quaker Farms School Bond Resolution which is the subject of tonight's public hearing:

RESOLUTION APPROPRIATING \$800,000 FOR THE REPLACEMENT OF THE QUAKER FARMS SCHOOL ROOF AND AUTHORIZING THE ISSUE OF \$800,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE.

A copy of the Quaker Farms School bond resolution is available at this meeting.

The Board of Finance will now present its Fiscal Impact Statement, copies of which are also available at this meeting.

Based on the Fiscal Impact Statement the Board of finance believes that the proposed borrowing is within all statutory borrowing limitations and the town has sufficient ability, current and future, to pay for the expenditure and continue to meet its operating expenses and all outstanding borrowing authorizations.

Are there questions or comments from the public?

There were no questions or comments.

At this point, Finance Director Jim Hliva read the Fiscal Impact Statement (see attached). After the statement was read Mr. Kiley asked if there were any questions from the public.

Mr. Temple asked what happens if the Town does not get the \$300,000 in State grants or only gets a partial grant. Mr. Hliva answered that for every \$100,000 that the Town does not receive annual cost for reimbursement coming from taxpayers would be an additional \$5,000. The bond issue is \$800,000 to cover that shortfall if it should occur. The commitment from the State is for 37.5% which is \$300,000.

Ms. Ferrillo asked why the term is for 20 years. Mr. Hliva responded that a normal bond authorization is a maximum of 20 years and is normally matched to the life of the project. It can be bonded in a lower amount; it does not have to be 20 years. Ms. Ferrillo said with the realization of other projects coming down the road can the term be lowered. Bond Counsel Attorney Fasi was asked by Mr. Hliva if the resolution needs to be changed if the Town opts for a 10 year term instead of a 20 years term and Attorney Fasi answered no. The bond term can be from 1 to 20 years.

Ms. Ferrillo also questioned the issue of the roof flashing and Mr. Kiley told her that that issue had been resolved. He asked Mr. Haney if he would explain the issue of the roof flashing began when Mr. Richard Burke questioned a \$50,000 cost for flashing. Mr. Haney went through the explanation which included comments from Mr. Larry Secor from Navis & Young, Mr. Kiley and Ms. Ferrillo. Ms. Ferrillo asked if members of the BOE were comfortable with the decision made regarding the flashing. A spokesperson from the BOE said the committee would have to look at the specs and discussion occurred between this spokesperson and Mr. Haney.

Mr. McKane interjected with a question, asking if this hearing was to discuss the building of the roof or the financing of the roof. Mr. Kiley responded the purpose was for the financing of the bond and Ms. Ferrillo responded saying she believed it was for both – it's for the committee to give a presentation of the roof and for the BOF to decide whether or not to bond it. Another discussion began with Mr. McKane, Ms. Ferrillo and a member of the audience.

Mr. Kiley said that the presentation had been made at the BOF meeting and he understood the only sticking point was the flashing. Mr. Kiley spoke with Dave Navis who said it would not be a problem taking out the flashing and using the suggestion made by Mr. Haney and it would be less expensive. Mr. Kiley questioned whether there were people from the BOE committee at this meeting and there were but these people left after the presentation and before the discussion of the flashing so they never heard the resolution of the issue.

Mr. Temple suggested that an RFP be put together and have this issue resolved.

With no other comments or questions from anyone, Mr. Kiley declared the Public Hearing closed at 7:20 p.m.

Respectfully submitted,

Lynnette Steeves

Lynnette Steeves
Clerk

16 FEB 17 PM 12:59
Clerk
H. H. H.

TOWN OF OXFORD
BOARD OF SELECTMEN

FISCAL IMPACT STATEMENT
QUAKER FARMS ROOF REPLACEMENT PROJECT
January 22, 2015

Project: Planning, acquisition and construction of the Quaker Farms Roof Replacement

- 1 Total Amount to be borrowed or bonded (net of anticipated state grants) maximum amount. \$ 500,000
- 2 Estimated interest rate for such notes or bonds, based on the prevailing interest rate for municipal bonds or notes 2.0% to 2.50%
- 3 Proposed term of bonds or notes Maximum of 20 years
- 4 Anticipated date on which the bonds or notes are expected to be issued (Notes through July 2013) July 23, 2015
- 5 The following information has been provided by the Tax Collector and the Tax Assessor

Tax Assessor	Grand List	\$	1,426,266,555
Tax Collector	Current Tax Levy	\$	35,347,723
Tax Collector	Current Mill Rate		24.87
- 6 Estimated annual tax burden represented in mills, based upon the current Grand List of the Town based on a 2.50% interest 0.0263
- 7 The proposed bond issuance does not exceed 10% of the current tax levy calculated as follows

Current Tax Levy	\$	35,347,723
10% of Current Tax Levy	\$	3,534,772
- 8 The proposed bond issuance and appropriation will not cause the statutory restrictions imposed by the State of Connecticut for debt limitations to be exceeded. In addition, based on current and projected expense and revenue needs of the Town, the Town has the sufficient ability, current and future to pay for the proposed bond issuance and appropriation and continue to meet its operating expenses and all outstanding borrowing authorizations.

This fiscal impact statement is based in part on information provided by the Town's financial advisor. The dates and amounts listed above are estimates or approximations. Interest rates are subject to change. The timing of a bond or note sale can be subject to many factors.