

**AGENDA
BOARD OF FINANCE
SPECIAL MEETING
DECEMBER 4, 2023
7:15 p.m.**

The Board of Finance of the Town of Oxford will hold a special meeting on Monday, December 4, 2023 at 7:15 P.M. at the Oxford Town Hall located at 486 Oxford Road, Oxford, CT 06478

- 1) Open Meeting & Roll Call
- 2) Pledge of Allegiance
- 3) Acceptance of Fiscal impact Statements for the two bond authorizations.
- 4) To take action on and forward to Town meeting a RESOLUTION WITH RESPECT TO THE \$2,000,000 FOR THE TOWNER LANE SEWER FORCE MAIN REPLACEMENT PROJECT APPROPRIATION AND \$2,000,000 BOND AUTHORIZATION
- 5) Adjournment

Jack Kiley
Jack Kiley

Chairman, Board of Finance

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[Signature]
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**TOWN OF OXFORD
 BOARD OF SELECTMEN
 BOARD OF FINANCE
 FISCAL IMPACT STATEMENT
 PROPOSED REPLACEMENT OF A PORTION OF THE TOWNER LANE SEWER FORCE MAIN
 October 23, 2023**

Project:

Replacement of Towner Lane Force Main

- 1 Total Amount to be borrowed or bonded (net of anticipated state grants) maximum amount. \$ 2,000,000

- 2 Estimated interest rate for such notes or bonds, based on the prevailing interest rate for municipal bonds or notes 5%

- 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 August 2024). Interest on Notes not 8/31/2024

- 5 The following information has been provided by the Tax Collector and the Tax Assessor

Tax Assessor	Grand List	\$ 1,744,958,058
Tax Collector	Current Tax Levy	\$ 42,711,588
Tax Collector	Current Mill Rate	25.21

- 6 Estimated annual tax burden represented in mills, based upon the current Grand List of the Town based on a 4.5% interest rate 0.11

- 7 The proposed bond issuance does exceed 10% of the current tax levy calculated as follows

Current Tax Levy	\$ 42,711,588
10% of Current Tax Levy	\$ 4,271,159

- 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

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.

BOARD OF FINANCE

**RESOLUTION WITH RESPECT
TO THE \$2,000,000 TOWNER
LANE FORCE MAIN PROJECT
APPROPRIATION AND BOND
AUTHORIZATION**

Whereas, the Board of Selectmen received a written request for a \$2,000,000 appropriation and bond authorization for the construction and installation of a new force main from the Towner Lane Pump Station to the Larkin Bridle Trail near Christian Street (the request, including the appropriation, bond authorization, and implementation of the project, hereafter the "Project");

Whereas not more than 30 days after receipt of the written request the Boards of Selectmen and Finance held a joint meeting (the "Joint Meeting") at which the request was reviewed and considered in accordance with Section 6-10(A) of the Town Charter;

Whereas the Director of Finance has prepared a Fiscal Impact Statement in accordance with section 6-11 of the Town Charter;

Whereas the Board of Selectmen has recommended the Project, approved a bond resolution therefore, and forwarded their recommendation to the Board of Finance for action;

Whereas this Resolution is before the Board of Finance for consideration and action within 30 days of receipt of the Board of Selectmen recommendation;

NOW THEREFORE, BE IT RESOLVED:

1. The Board of Finance approves the Project.
2. The Board of Finance approves the Fiscal Impact Statement attached hereto as Exhibit A, which includes estimates for: 1) the total amount to be borrowed or bonded, 2) the interest rate for the bonds based upon average prevailing interest rates for municipal bonds, 3) the term of the bonds, 4) the anticipated date of issuance, 5) the annual tax burden, represented in mils, based upon the current grand list of the town, and 6) a calculation indicating that the amount of bonds to be issued is less than ten percent of the current tax levy, and a certificate from the tax collector as to the current tax levy and the assessor as to the taxable grand list.
3. The Board of Finance has previously appropriated funds to pay expenses that may be incurred prior to approval of the Town Meeting and in the event of its disapproval.
4. The Board of Finance approves the bond resolution, attached as Exhibit B, with such changes as the First Selectman shall determine, to authorize and implement the Project and its financing, and recommends its approval by the Town.

5. That the Board of Selectmen be provided written notification within 48 hours of this resolution by the Board of Finance.

Exhibit B

RESOLUTION APPROPRIATING \$2,000,000 FOR THE TOWNER LANE FORCE MAIN PROJECT AND AUTHORIZING THE ISSUE OF \$2,000,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Section 1. The Town of Oxford, Connecticut (the "Town") appropriates the sum of \$2,000,000 for the construction and installation of a new force main from the Towner Lane Pump Station to the Larkin Bridle Trail near Christian Street, including the costs of planning, design, architectural work, remediation, equipment, acquisition, construction, installation, and related costs thereto, and administrative, advertising, printing, legal and financing costs related thereto, or for so much thereof or such additional improvements as may be accomplished within said appropriation (the "Project"). The First Selectman is authorized to enter into contracts and make determinations in order to implement and complete the Project. Said appropriation shall be inclusive of all State and Federal grants-in-aid, and in addition to all other appropriations therefor.

Section 2. To meet said appropriation for the Project, the First Selectman, the Treasurer and the Finance Director (hereafter the "Town Officials") are hereby authorized to approve the sale, issuance, rollover and/or reissuance by the Town from time to time of (i) project loan obligations, interim funding obligations or other obligations (collectively, the "CWF Obligations") as described herein meeting the conditions prescribed in Sections 22a-475 to 22a-483, inclusive, of the Connecticut General Statutes (the "Clean Water Fund Statutes"), (ii) bonds of the Town as described herein, or (iii) any combination of CWF Obligations and bonds described in (i) and (ii) above, provided, in all cases, that the total, aggregate principal amount thereof outstanding at any time shall not exceed \$2,000,000. The aggregate amount of CWF Obligations and bonds shall be issued in an amount necessary to meet the Town's share of Project costs determined after considering the estimated amounts of grants in aid of the Project.

(a) Any CWF Obligations shall be issued pursuant and subject to the Clean Water Fund Statutes. To meet any portion of the costs of the Project determined to be eligible for funding under said Clean Water Fund Statutes, the Town may issue its project loan obligations to the State and may issue interim funding obligations in anticipation of such project loan obligations in such denominations as may be appropriate. Any such interim funding obligations may be renewed from time to time by the issuance of other notes, provided the final maturity of such notes do not exceed the maximum period permitted under Section 22a-479 of the Connecticut General Statutes. The CWF Obligations may be secured as to both principal and interest by a pledge of revenues to be derived from sewerage system use and/or connection charges or benefit assessments or both. The CWF Obligations may also be secured by the full faith and credit of the Town. The First Selectman of the Town is authorized to sign such CWF Obligations by such First Selectman's manual or facsimile signature. The CWF Obligations shall bear the seal of the Town or a facsimile of the seal.

(b) Any bonds issued shall mature not later than the twentieth (20th) year after their date, or such later date as may be authorized by law. Said bonds may be issued in one or more series as shall be determined by the Town Officials, and the amount of bonds of each series to be issued shall be fixed by the Town Officials, provided that the total amount of bonds to be issued shall 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. Bond proceeds, including bid premiums and income derived from the investment of proceeds from bonds issued pursuant to this resolution (and net investment income derived from the investment of note proceeds) may be credited by the Director of Finance to the Project account and expended to pay Project expenses customary paid therefrom, provided that the 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 Bond Counsel. 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 irrevocably pledged to the payment of the principal thereof and the interest thereon and shall be paid from property taxation to the extent not paid from other funds available for the payment thereof. 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. In connection with the issuance of any bonds or notes authorized herein, the Town may exercise any power delegated to municipalities pursuant to Section 7-370b, including the authority to enter into agreements moderating interest rate fluctuation, provided any such agreement or exercise of authority shall be approved by the Board of Selectmen. In order to meet the capital cash flow expenditure needs of the Town, the Town Officials are authorized to allocate and reallocate expenditures incurred for the Project to any bonds or notes of the Town outstanding as of the date of such allocation, and the bonds or notes to which such expenditures have been allocated shall be deemed to have been issued for such purpose, including any bonds and notes herein authorized.

Section 3. 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 process at not less than par and accrued interest, if any, on the basis of the lowest net or true interest cost to the Town. If the bonds are sold by negotiation, the

provisions of the purchase agreement shall be subject to approval of the Town Officials. With respect to the receipt of original issuance premium or bid premium upon the sale of the bonds or notes herein authorized, the Town Officials are authorized, but not required, to apply original issuance premium and bid premium, if applicable, to fund any purpose for which bonds of the Town are authorized to be issued, and such application shall reduce the amount of authorized and unissued bonds of the purpose to which the premium was applied, in the amount so applied.

Section 4. 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 signed by the Town Officials, have the seal of the Town affixed, be payable at a bank or trust company designated by the Town Officials, be approved as to their legality by Bond Counsel, 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 5. Resolution of Official Intent to Reimburse Expenditures with Borrowings. The Town 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 resolution in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations authorized to be issued by the Town. Such bonds, notes, or other obligations 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 Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The First Selectman or its designee is authorized to pay Project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 6. The Director of Finance is 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 7. It is hereby found and determined that the issue of all, or a portion of, the bonds, notes or other obligations of the Town authorized to be issued herein with interest that is includable

in gross income of the holders thereof for purposes of federal income taxation, is in the public interest. The Town Officials are hereby authorized to issue and utilize without further approval any financing alternative currently or hereafter available to municipal governments pursuant to law.

Section 8. The First Selectman is hereby authorized to spend a sum not to exceed the aforesaid appropriation for the purposes set forth herein, and the First Selectman is specifically authorized to make, execute and deliver any contract or contracts, and any other documents necessary or convenient to complete the improvements authorized herein and the financing thereof.

Section 9. The First Selectman, the Director of Finance and any other proper Town official are each hereby authorized to apply for and accept any available State or Federal grant in aid of the financing of the Project, and to take all action necessary or proper in connection therewith.

TOWN OF ORONO, CT
TOWN CLERK
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