

**APPROVED
MINUTES
BOARD OF FINANCE
May 14, 2020**

CALL TO ORDER

The Chairman called the Board of Finance virtual meeting to order at 7:00 p.m. via Zoom. All joined in the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment.

ATTENDANCE

Present

Michael Barker
Elaine Hammers
Marty Isaac
Lainie McHugh
Steve Choi
Paul Timpanelli
Vincent DeGennaro – Alternate
Marc Mascola – Alternate
Christine El Eris – Alternate

Absent

Also present:

Vicki Tesoro, First Selectman; Maria Pires, Director of Finance; Daniel Schopick, Esq., Town Attorney; Kathleen McGannon, Chief Administrative Officer; Cynthia Katske, Chief Administrative Officer; Therese Keegan, Auditor; Rina Bakalar, Economic and Community Development Director; George Estrada, Public Works Director; Joseph Fasi, Esq., Bond Counsel; William Maurer, Town Engineer; Dayanara Aviles, Public Works Comptroller; Raymond Baldwin, Chairman - Trumbull Veterans & First Responders Building Committee; Lori Hayes-O'Brien, Chairman - Community Facilities Building Committee; Dmitri Paris, Park Superintendent; Leigh Goodman, EMS Director; Mary Beth Thornton, Town Council Chairman; Tom Baldwin, General Foreman.

TOWN TREASURER'S REPORT – Anthony Musto

Attorney Musto was unable to attend the meeting; however, he submitted his report and there was no discussion.

AUDITOR'S REPORT – Therese Keegan

Ms. Keegan reviewed her proposed Audit Plan for 2021 with the Board of Finance. In addition, a review of the Special Agency accounts and the updated energy audit was discussed. The Chair indicated the Special Agency accounts and the Public Works Department would be priorities. The audit plan will be reviewed with a time line at the June 2020 meeting to begin July 1, 2020.

05-20-01 - BOND RESOLUTION – Board of Education

Mr. Timpanelli moved, seconded by Mr. Barker, to read the title of the resolution in its entirety and to waive the reading of the remainder of the resolution, incorporating its full text into the minutes of this meeting.

Vote: 6-0-0 motion carries

Mr. Timpanelli moved, seconded by Mr. Barker, to adopt the resolution as introduced.

Mr. Maurer indicated the retention pond located on the right side of Madison Middle School is needed to keep the water from overflowing onto the property below the pond and flooding the homes there.

Mr. Timpanelli moved to remove \$30,000 for the bus garage reducing the Bond request to \$1,172,000.

Mr. Barker asked what the timeline would be for the complete remediation of the asbestos removal. Since no one was present from the Board of Education, Mr. Estrada spoke to the reduction of funds for asbestos removal in the CIP. He indicated that it is considered incremental by the Board of Education because it is done only when school is out for the summer.

The Chair called for a motion to amend reading of the resolution amount on the script from \$1,205,000 to \$1,202,000. Mr. Isaac moved, seconded by Mr. Barker, to amend the resolution amount read from the script from \$1,205,000 to \$1,202,000.

The Chairman called the vote:

	<u>Aye</u>	<u>Nay</u>
Elaine Hammers	x	
Steve Choi	x	
Marty Isaac	x	
Paul Timpanelli	x	
Michael Barker	x	
Lainie McHugh	x	

Vote: 6-0-0 motion carries to amend the amount on the floor to \$1,202,000.

The Chair asked for discussion regarding the motion on the floor to remove \$30,000 for the bus garage. The First Selectman noted that this item was removed from the CIP.

Ms. Hammers then noted that since the schools have been closed in March the asbestos removal could be completed without the constraint of summer recess.

It was noted that no one was present from the Board of Education to address this issue; however, Mr. Estrada indicated that based upon what he heard from the Board of Ed while they were developing their plan there would be a window where it would be possible if they had sufficient resources.

It was noted that there are additional asbestos removal funds in the CIP for future years, and perhaps it would be possible to accelerate the process and possibly increase the Bond to cover the expense now. Mr. Estrada noted that it could work for the Town's favor since the containment is the most expensive part and it would be adjacent to another removal project.

Attorney Fasi indicated the amount of the Bond could not be increased above the Agenda amount of \$1,202,000.

Mr. Isaac mentioned the \$30,000 that was in the Bond for the garage, which had been removed from the plan remain in the Bond for the asbestos removal. This would mean Mr. Timpanelli would need to withdraw his motion.

Mr. Timpanelli withdrew his motion to remove \$30,000 for a bus garage and reduce the Bond request to \$1,172,000.

The Chairman called the vote:

	<u>Aye</u>	<u>Nay</u>
Elaine Hammers	x	
Steve Choi	x	
Marty Isaac	x	
Paul Timpanelli	x	
Michael Barker	x	
Lainie McHugh	x	

The motion passes. The resolution is adopted.

05-20-02 - BOND RESOLUTION –Town of Trumbull

Mr. Isaac moved, seconded by Mr. Barker, to read the title of the resolution in its entirety and to waive the reading of the remainder of the resolution, incorporating its full text into the minutes of this meeting.

The Chairman called the vote:

	<u>Aye</u>	<u>Nay</u>
Elaine Hammers	x	
Steve Choi	x	
Marty Isaac	x	
Paul Timpanelli	x	
Michael Barker	x	
Lainie McHugh	x	

Vote: 6-0-0 motion carries

Mr. Timpanelli moved, seconded by Mr. Barker, to adopt the resolution as introduced.

Mr. Timpanelli moved, seconded by Mr. Isaac, to reduce the Aquatics Committee request by \$150,000 and the Senior Center Committee request by \$150,000, reducing the Bond total \$300,000 to \$7,332,000.

The First Selectman noted that the paving amount has been reduced from \$5 million to \$3.5 million.

Mr. Paris indicated the Helen Plumb building needs a furnace and all equipment in the building needs to be repaired; nothing has been done there in the last 20 years.

Ms. Bakalar, Director of Economic and Community Development spoke to the design cost for the Veteran’s center remaining in the budget. The building is being funded by grants and the project needs to be shovel ready; therefore, the Town is investing upfront by having it shovel ready in order to obtain the Grants. The building will also serve as a first response training center.

Mr. Parks indicated that nothing has ever been done to the sidewalks and \$100,000 will not cover all that needs to be done; it will be an annual expense. The renovations at Tashua pool include filter hose issues and underground breaks. We were barely able to get it opened last year. This is the best time of year to make repairs, prior to opening.

Mr. Parks indicated the Indian Ledge Park road is used as a DWP roadway through the park; the actual paving is crumbling. There are no start and stop places to do the paving in stages. Mr. Maurer indicated the first stage is the most important and you can’t just do a part of it due to safety issues and the public.

Ms. O’Brien indicated the Senior Center is still in disrepair and a new Senior Center would also function as a Community Center.

Mr. Timpanelli indicated he wants to see the fundraising plan that Ms. Bakalar has prepared presented at the next Board of Finance meeting. He did not recommend the reduction for the Veteran’s building due to the fundraising plans that will pay for the actual construction.

The Chairman called the vote on the amended Bond amount:

	<u>Aye</u>	<u>Nay</u>
Elaine Hammers	x	
Steve Choi	x	
Marty Isaac	x	
Paul Timpanelli	x	
Michael Barker	x	
Lainie McHugh	x	

Vote: 6-0-0 motion carries to amend the amount from \$7,632,000.to \$7,332,000.

The Chairman called the vote:

	<u>Aye</u>	<u>Nay</u>
Elaine Hammers	x	
Steve Choi	x	
Marty Isaac	x	
Paul Timpanelli	x	
Michael Barker	x	
Lainie McHugh	x	

Vote: 6-0-0 motion carries. The resolution is adopted.

BUDGET TO ACTUAL REPORT

Ms. Pires presented the budget to actual report and cited the following:

- Salaries are at 84%; this includes a payout for a retirement.
- Technology is at 98% and is encumbered for \$42,000.
- Workers Compensation has \$100,000 left with 3 months to go; however, there is a FICA surplus to cover.
- 124% represents actuarial and legal advice and over budget due to several Pension issues that need to be resolved.
- Police overtime is over; however, there is also enough in salaries to cover.
- All Contracts are encumbered including the Bridgeport Transit that we pay once a year.
- All covid expenses \$315,000 – FEMA will reimburse up to 75%; OPM indicated up to 100% for volunteers at EMS and Senior Center for sanitizing, cleaning, and IT equipment.

FUND BALANCE

- The mall is disputing taxes so that amount is included in the shortfall.

APPROVAL OF MINUTES – April 20, 2020

Mr. Timpanelli moved, seconded by Mr. Barker, to approved the April 20, 2020 Minutes, as presented.

Vote: 5-0-1 (Abstained: Hammers)

APPROVAL OF MINUTES – February 13, 2020

Mr. Timpanelli moved, seconded by Ms. Hammer, to approved the February 13, 2020 Minutes, as presented.

Vote: 5-0-1 (Abstained: Barker)

ADJOURNMENT

Mr. Barker moved, seconded by Ms. Hammers, to adjourn the meeting at 9:10.

Vote: 6-0-0

Respectfully submitted

Phyllis C. Collier

Phyllis C. Collier
Board of Finance Clerk

RESOLUTION APPROPRIATING \$1,202,000 FOR THE TRUMBULL BOARD OF EDUCATION CAPITAL IMPROVEMENT PLAN 2020-2021 AND AUTHORIZING THE ISSUE OF \$1,202,000 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 \$1,202,000 is appropriated for the planning, acquisition and construction of the Trumbull Board of Education Capital Improvement Plan 2020-2021, as adopted and amended by the Town Council from time to time, and consisting of: (i) school facilities as identified in the plan; (ii) infrastructure and equipment as defined in the plan, and for appurtenances, equipment and services related thereto, or for so much thereof or such additional improvements as may be accomplished within said appropriation, and for administrative, advertising, printing, legal and financing costs to the extent paid therefrom. Said appropriation shall be inclusive of grant funding and in addition to all prior appropriations for said purpose. The Town Council may by resolution transfer funding herein among authorized projects within the 2020-2021 Board of Education CIP, and the First Selectman's office may transfer among projects amounts not exceeding 10% of the CIP funding by purpose as last approved by the Town Council.

Section 2. To meet said appropriation \$1,202,000 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 Town 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 necessary to meet the Town's share of the cost of the project determined after considering the estimated amount of the State and Federal grants-in-aid of the project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, 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. 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, that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon and will be paid from property taxation to the extent not paid from other sources. 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 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 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 approved by the Town Officials.

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 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, that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon and will be paid from property taxation to the extent not paid from other sources. 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 (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 her designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 6. 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 resolution.

Section 7. It is hereby found and determined that it is in public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the Town 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 governments pursuant to law including but not limited to any “tax credit bonds” or “Build America Bonds” including Direct Payment and Tax Credit versions.

AS AMENDED BY BOARD OF FINANCE
RESOLUTION APPROPRIATING \$7,332,000 FOR THE
TRUMBULL (TOWN) CAPITAL IMPROVEMENT PLAN 2020-
2021 AND AUTHORIZING THE ISSUE OF \$7,332,000 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 \$7,332,000 is appropriated for the planning, acquisition and construction of the various projects comprising the Trumbull (Town) Capital Improvement Plan 2020-2021, as adopted and amended by the Town Council from time to time, and consisting of: (i) roadways; (ii) Public Facilities including Town Hall, Public Works Yard, EMS Building, Senior Center, (iii) Park improvements, (iv) Fleet and Equipment; (v) other projects, including economic development and various road and drainage improvements and engineering; and including appurtenances, equipment and services related thereto, or for so much thereof or such additional improvements as may be accomplished within said appropriation, and for administrative, advertising, printing, legal and financing costs to the extent paid therefrom. Said appropriation shall be in addition to grant funding and all prior appropriations for said purpose. The Town Council may by resolution transfer funding herein among authorized projects within the 2020-2021 Town CIP, and the First Selectman's office may transfer among projects amounts not exceeding 10% of the CIP funding by purpose as last approved by the Town Council.

Section 2. To meet said appropriation \$7,332,000 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 Town Treasurer (hereafter 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. 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, that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon and will be paid from property taxation to the extent not paid from other sources. 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 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 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 approved by the Town Officials.

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 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, that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon and will be paid from property taxation to the extent not paid from other sources. 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 (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 her designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 6. 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 resolution.

Section 7. It is hereby found and determined that it is in public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the Town 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 governments pursuant to law including but not limited to any “tax credit bonds” or “Build America Bonds” including Direct Payment and Tax Credit versions.