

**BOARD OF FINANCE
SPECIAL MEETING MINUTES
January 11, 2023**

I. CALL TO ORDER

The meeting was opened at 7:04 p.m. via GoTo Meeting by Cathy Salchert, Chair, present: Margaret Bratton, Carl Gisnarian, Charles Harvell, Houston Putnam Lowry, Brian Loveless, Ellen Retelle and Cathy Salchert. A quorum was present.

II. OLD BUSINESS

22/23-17 Fire Apparatus

Fire Apparatus Purchase:

- a. To consider and act upon a resolution, recommending an appropriation entitled: "Resolution Appropriating \$1,259,000 for the Acquisition of a Fire Engine and Authorizing the Issuance of \$1,259,000 Bonds of the Town to Meet said Appropriation and Pending the Issuance Thereof the Making of Temporary Borrowings for Such Purpose".
- b. To consider and act upon a resolution, recommending an appropriation entitled: "Resolution Appropriating \$2,172,000 for the Acquisition of a Ladder Truck and Authorizing the Issuance of \$2,172,000 Bonds of the Town to Meet said Appropriation and Pending the Issuance Thereof the Making of Temporary Borrowings for Such Purpose"

Brian Loveless made the following statement, which he requested be in the minutes:

In consideration of the resolution before us, I wholeheartedly support these purchases, but how to finance them is the sixty-four-million-dollar question, or rather the \$3,400,000 dollar question at hand. What I would like to do is have the Town Council, as I have said before to reprioritize the Avon Taxpayers' remaining ARPA funds, in consideration of these necessary expenditures.

To get the point across, this might come across as somewhat glib analogy, but I think it might resonate with some. It's sort of like getting million-and-a-half-dollar Christmas gift, and you use the money to buy big screen TV, but you turn around, use your credit card to buy heating oil for the winter.

Brandon Robertson did not bring Brian Loveless' request to use the remaining ARPA funding to the Town Council because the Council already has plans for the remaining ARPA funds. If

you reduce the bonding you issue for a fire truck, you're going to have to increase your bonding for something else. Ellen Retelle commented if the Board wanted action on the request, they should have made a motion rather than a suggestion.

In response to the discussion on clarifying the way section 6 of both resolutions reads in reference to the financing of the fire apparatus, Brandon Robertson clarified that he would need Bond Counsel to tell him if any portion of the purchases could be offset with an ARPA appropriation, as the resolution reads that the Town Manager has the flexibility to decide what the best financing option is, being either a lease purchase, bank loan or general obligation bond, it does not give the Town Manager the option to consider ancillary sources of funding.

On an amended motion made by Ellen Retelle, seconded by Houston Putnam Lowry it was voted:

RESOLVED: That the resolution entitled "Resolution Appropriating \$1,259,000 for the Acquisition of a Fire Engine and Authorizing the Issuance of \$1,259,000 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 a majority of persons present and qualified to vote in the Town at a Special Town Meeting, to wit.

RESOLUTION APPROPRIATING \$1,259,000 FOR THE
ACQUISITION OF A FIRE ENGINE AND AUTHORIZING
THE ISSUANCE OF \$1,259,000 BONDS OF THE TOWN TO
MEET SAID APPROPRIATION AND PENDING THE
ISSUANCE THEREOF THE MAKING OF TEMPORARY
BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$1,259,000 is appropriated for the acquisition of a new fire engine in order to replace an existing fire engine owned by the Town of Avon, and for administrative, printing, legal and financing costs related thereto, said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof (collectively, the "Project").

Section 2. To meet said appropriation, \$1,259,000 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of the State of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Town Manager and the Town Treasurer, and the amount of bonds of each series to be issued shall be fixed by the Town Manager and Town Treasurer, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of 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 the bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal and financing costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the Town Manager and the Town Treasurer, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. 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 interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and the paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest, shall be determined by the Town Manager and the Town Treasurer, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the Town Manager and the Town Treasurer in a competitive offering or by negotiation, including but not limited to a private placement financing transaction, in their discretion. If sold in a competitive offering, the bonds shall be sold 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, provisions of the purchase agreement shall be approved by the Town Manager and the Town Treasurer.

Section 4. The Town Manager and the Town Treasurer 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 Manager and the Town Treasurer, have the seal of the Town affixed, be payable at a bank or trust company designated by the Town Manager, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut and be certified by a bank or trust company designated by the Town Manager pursuant to Section 7-373 of the Connecticut General Statutes. They shall be issued with maturity dates which comply with the provisions of the Connecticut 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 the 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. The Town Manager is authorized in the name and on behalf of the Town to apply for and accept any and all Federal and State loans and/or any other grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith, to contract in the name of the Town with engineers, contractors and others.

Section 6. The Town Manager is authorized in the name and on behalf of the Town, to (i) acquire, finance and/or lease fire apparatus relating to the Project, (ii) solicit bids from qualified lessors for the Project and select any such lessor providing terms most favorable to the Town, as determined by the Town Manager; (iii) seek out lease financing terms with respect to the lease by the Town, upon such terms as shall be determined by the Town Manager and the Town Treasurer; (iv) enter into, and to, an equipment lease agreement, such lease agreement, terms and provisions thereof, to be determined by the Town Manager and the Town Treasurer; (v) sign and deliver any additional instruments and all related documents, agreements or exhibits related thereto, and is further authorized to (vi) take all action necessary or reasonably required by the parties to carry out, give effect to and consummate the transactions, contemplated thereby, in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered by the Town in connection with such lease agreement.

Section 7. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount and for the Project with the proceeds of bonds, or bond anticipation notes, or other obligations ("Tax-Exempt Obligations") authorized to be issued by the Town. The Tax-Exempt 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 Town Manager or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax-Exempt Obligations, and to amend this declaration.

Section 8. The Town Manager and the Town Treasurer are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB 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. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 9. The Town Manager is hereby authorized, on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

Section 10. This resolution shall become effective upon its approval by the Town electors and persons qualified to vote in Town Meeting at a duly warned Special Town Meeting, to be held pursuant to Section 10.3.1 of the Town Charter.

FURTHER RESOLVED: That the resolution entitled "Resolution Appropriating \$2,172,000 for the Acquisition of a Ladder Truck and Authorizing the Issuance of \$2,172,000 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 a majority of persons present and qualified to vote in the Town at a Special Town Meeting, to wit:

RESOLUTION APPROPRIATING \$2,172,000 FOR THE
ACQUISITION OF A LADDER TRUCK, AND AUTHORIZING
THE ISSUANCE OF \$2,172,000 BONDS OF THE TOWN TO
MEET SAID APPROPRIATION AND PENDING THE
ISSUANCE THEREOF THE MAKING OF TEMPORARY
BORROWINGS FOR SUCH PURPOSE

FURTHER RESOLVED:

Section 1. The sum of \$2,172,000 is appropriated for the acquisition of a new ladder truck in order to replace the existing ladder truck owned by the Town of Avon, and for administrative, printing, legal and financing costs related thereto, said appropriation to be inclusive of any and all State and Federal grants-in-aid thereof (collectively, the "Project").

Section 2. To meet said appropriation, \$2,172,000 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of the State of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). The bonds may be issued in one or more series as determined by the Town Manager and the Town Treasurer, and the amount of bonds of each series to be issued shall be fixed by the Town Manager and Town Treasurer, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of 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 the bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal and financing costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the Town Manager and the Town Treasurer, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. 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 interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and the paying agent, the date, time of issue and sale and

other terms, details and particulars of such bonds, including the approval of the rate or rates of interest, shall be determined by the Town Manager and the Town Treasurer, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the Town Manager and the Town Treasurer in a competitive offering or by negotiation, including but not limited to a private placement financing transaction, in their discretion. If sold in a competitive offering, the bonds shall be sold 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, provisions of the purchase agreement shall be approved by the Town Manager and the Town Treasurer.

Section 4. The Town Manager and the Town Treasurer 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 Manager and the Town Treasurer, have the seal of the Town affixed, be payable at a bank or trust company designated by the Town Manager, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut and be certified by a bank or trust company designated by the Town Manager pursuant to Section 7-373 of the Connecticut General Statutes. They shall be issued with maturity dates which comply with the provisions of the Connecticut 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 the 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. The Town Manager is authorized in the name and on behalf of the Town to apply for and accept any and all Federal and State loans and/or any other grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith, to contract in the name of the Town with engineers, contractors and others.

Section 6. The Town Manager is authorized in the name and on behalf of the Town, to (i) acquire, finance and/or lease fire apparatus relating to the Project, (ii) solicit bids from qualified lessors for the Project and select any such lessor providing terms most favorable to the Town, as determined by the Town Manager; (iii) seek out lease financing terms with respect to the lease by the Town, upon such terms as shall be determined by the Town Manager and the Town Treasurer; (iv) enter into, and to, an equipment lease agreement, such lease agreement, terms and provisions thereof, to be determined by the Town Manager and the Town Treasurer; (v) sign and deliver any additional instruments and all related documents, agreements or exhibits related thereto, and is further authorized to (vi) take all action necessary or reasonably required by the parties to carry out,

give effect to and consummate the transactions, contemplated thereby, in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered by the Town in connection with such lease agreement.

Section 7. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the “Regulations”), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount and for the Project with the proceeds of bonds, or bond anticipation notes, or other obligations (“Tax-Exempt Obligations”) authorized to be issued by the Town. The Tax-Exempt 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 Town Manager or his designee is authorized to pay Project expenses in accordance herewith pending the issuance of Tax-Exempt Obligations, and to amend this declaration.

Section 8. The Town Manager and the Town Treasurer are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the “MSRB”) and to provide notices to the MSRB 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. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 9. The Town Manager is hereby authorized, on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

Section 10. This resolution shall become effective upon its approval by the Town electors and persons qualified to vote in Town Meeting at a duly warned Special Town Meeting, to be held pursuant to Section 10.3.1 of the Town Charter.

Bratton, Gismarian, Harvell, Lowry, Loveless, Retelle and Salchert voted in favor.
Motion carried 7-0-0.

Cathy Salchert requested an agenda item for the next Board of Finance meeting to have a discussion on other possible funding sources, knowing it is not possible with this purchase, but for future purchases. Also, when we expect to go out for bonding, what other projects might be included in the bonding and to get a sense of where we are overall, with some of the major purchases both under ARPA and bonding.

Brandon Robertson would be happy to provide an overview, but he would not be ready by the next Board meeting on January 23, that February or March would be a better timeframe. Cathy Salchert will consult with Brandon Robertson when the next agenda is finalized.

III. ADJOURN

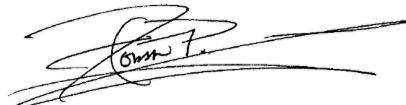
On a motion made by Ellen Retelle, seconded by Houston Putnam Lowry, it was voted:

RESOLVED: That the Board of Finance adjourn the meeting at 7:23 p.m.

Bratton, Gisharian, Harvell, Lowry, Loveless, Retelle and Salchert voted in favor.
Motion carried 7-0-0.

Minutes are official only after approval by the Board of Finance, usually at its next meeting.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "H. Putnam Lowry", written over a horizontal line.

Houston Putnam Lowry,
Secretary

Attest: Christine Pescatore, Clerk

All referenced material is available to the public in the Town Manager's Office.