



# Town of Groton, Connecticut

45 Fort Hill Road  
Groton, CT 06340-4394  
Town Clerk 860-441-6640  
Town Manager 860-441-6630

## Meeting Agenda

### RTM Finance Committee

*Chairman Patrice Granatosky, Representatives Joe Baril, Christine Conley, Luanne DeMatto, Nancy Driscoll, Richard Pasqualini, Jack Sebastian and Archie Swindell*

Wednesday, February 13, 2013

6:30 PM

Groton Senior Center-Classroom B

### SPECIAL MEETING

1. CALL TO ORDER
2. ROLL CALL
3. UNFINISHED BUSINESS
4. NEW BUSINESS

**2013-0021 Refunding Prior Years' Bonds (Part 1)**

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$21,300,000 REFUNDING BONDS FOR PAYMENT OF THE OUTSTANDING PRINCIPAL OF AND INTEREST AND ANY CALL PREMIUM ON ANY PORTION OF THE TOWN OF GROTON'S \$16,570,000 GENERAL OBLIGATION BONDS, ISSUE OF 2006, \$15,500,000 GENERAL OBLIGATION BONDS, ISSUE OF 2007, AND \$9,675,000 GENERAL OBLIGATION BONDS, ISSUE OF 2009; AND COSTS RELATED THERETO  
RESOLVED,

(a) That the Town of Groton issue its refunding bonds, in an amount not to exceed TWENTY-ONE MILLION THREE HUNDRED THOUSAND DOLLARS (\$21,300,000), the proceeds of which are hereby appropriated: (1) to fund one or more escrows, and to apply the balance held in such escrows, together with the investment earnings thereon, to the payment in whole or in part, as to be determined by the Town Manager and the Director of Finance of the Town, of the outstanding principal of and interest and any call premium on the Town's \$16,570,000 General Obligation Bonds, Issue of 2006 (consisting at initial issue of \$15,000,000 School Bonds and \$1,570,000 General Purpose Bonds), \$15,500,000 General Obligation Bonds, Issue of 2007 (consisting at initial issue of \$15,450,000 School Bonds and \$50,000 General Purpose Bonds), and \$9,675,000 General Obligation Bonds, Issue of 2009 (consisting at initial issue of \$645,000 School Bonds and \$9,030,000 General Purpose Bonds), including the payment of interest accrued on said bonds to the date of payment, and (2) to pay costs of issuance of the refunding bonds authorized hereby, 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 outstanding bonds described above. 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 bonds shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town. The Town does hereby covenant and agree with the holders of the bonds that in each year while any such bonds are outstanding, it will levy and collect ad valorem taxes upon all taxable properties within the Town in an amount sufficient, with such other funds of the Town as shall be available for such purpose, to pay the interest and principal on the bonds as the same become due and payable.

(b) The Town Manager and the Director of Finance of the Town shall sign the 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 bonds. The Town Manager and the Director of Finance are authorized to determine the amount, date, interest rates, maturities, redemption provisions, form and other details

of the bonds; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the bonds; to provide for the keeping of a record of the bonds; to sell the bonds at public or private sale; to deliver the bonds; and to perform all other acts which are necessary or appropriate to issue the bonds.

(c) 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 Town Manager and the Director of Finance 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.

(d) That the Town Manager and the Director of Finance 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 Town Manager and the Director of Finance are authorized to take all other action which is necessary or desirable to enable the Town to effectuate the refunding of all or a portion of the Town's outstanding \$16,570,000 General Obligation Bonds, Issue of 2006, \$15,500,000 General Obligation Bonds, Issue of 2007, and \$9,675,000 General Obligation Bonds, Issue of 2009, and to issue refunding bonds authorized hereby 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 outstanding bonds in whole or in part.

(f) That the above authorization to issue refunding bonds shall lapse on June 30, 2014.

Refer to RTM Under Rule 6.5.3.

Legislative History

<b>1/16/2013</b>	<b>Mayor</b>	<b>Referred</b>	<b>Town Council Committee of the W</b>
<b>1/22/2013</b>	<b>Town Council Committee of the Whole</b>	<b>Discussed</b>	
<i>Sal Pandolfo, Director of Finance, noted that the Town refunded bonds in November 2011, resulting in significant cost savings. This proposal involves refunding bonds issues in 2006, 2007 and 2009. Mr. Pandolfo reviewed a chart showing the estimated savings. The Town will not know actual savings until the bonds are sold. If approved, this item will go to the RTM for expedited consideration.</i>			
<b>1/22/2013</b>	<b>Town Council Committee of the Whole</b>	<b>Recommended for a Resolution</b>	
<b>2/5/2013</b>	<b>Town Council</b>	<b>Deleted from Referral List - Action to be taken</b>	
<b>2/5/2013</b>	<b>Town Council</b>	<b>Adopted and referred under Rule 6.5.3</b>	<b>Representative Town Meeting</b>
<b>2/6/2013</b>	<b>Representative Town Meeting</b>	<b>Referred under Rule 6.5.3</b>	<b>RTM Finance Committee</b>

**2013-0046 Refunding Prior Years' Bonds (Part 2)**

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$2,200,000 REFUNDING BONDS FOR PAYMENT OF THE OUTSTANDING PRINCIPAL OF AND

INTEREST AND ANY CALL PREMIUM ON ANY PORTION OF THE TOWN OF GROTON'S \$3,000,000 GENERAL OBLIGATION SEWER BONDS, ISSUE OF 2007, AND COSTS RELATED THERETO  
RESOLVED,

(a) That the Town of Groton issue its refunding bonds, in an amount not to exceed TWO MILLION TWO HUNDRED THOUSAND DOLLARS (\$2,200,000), the proceeds of which are hereby appropriated: (1) to fund one or more escrows, and to apply the balance held in such escrows, together with the investment earnings thereon, to the payment in whole or in part, as to be determined by the Town Manager and the Director of Finance of the Town, of the outstanding principal of and interest and any call premium on the Town's \$3,000,000 General Obligation Sewer Bonds, Issue of 2007, including the payment of interest accrued on said bonds to the date of payment, and (2) to pay costs of issuance of the refunding bonds authorized hereby, 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 outstanding bonds described above. 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 bonds shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town. The Town does hereby covenant and agree with the holders of the bonds that in each year while any such bonds are outstanding, it will levy and collect ad valorem taxes upon all taxable properties within the Town, other than properties within the City of Groton, in an amount sufficient, with such other funds of the Town as shall be available for such purpose, to pay the interest and principal on the bonds as the same become due and payable.

(b) The Town Manager and the Director of Finance of the Town shall sign the 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 bonds. The Town Manager and the Director of Finance are authorized to determine the amount, date, interest rates, maturities, redemption provisions, form and other details of the bonds; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the bonds; to provide for the keeping of a record of the bonds; to sell the bonds at public or private sale; to deliver the bonds; and to perform all other acts which are necessary or appropriate to issue the bonds.

(c) 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 Town Manager and the Director of Finance 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.

(d) That the Town Manager and the Director of Finance 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 Town Manager and the Director of Finance are authorized to take all other action which is necessary or desirable to enable the Town to effectuate the refunding of all or a portion of the Town's outstanding \$3,000,000 General Obligation Sewer Bonds, Issue of 2007, and to issue refunding bonds authorized hereby 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 outstanding bonds in whole or in part.

(f) That the above authorization to issue refunding bonds shall lapse on June 30, 2014.

Refer to RTM Under Rule 6.5.3.

**Legislative History**

1/22/2013	Town Council Committee of the Whole	Recommended for a Resolution	
2/5/2013	Town Council	Deleted from Referral List - Action to be taken	
2/5/2013	Town Council	Adopted and referred under Rule 6.5.3	Representative Town Meeting
2/6/2013	Representative Town Meeting	Referred under Rule 6.5.3	RTM Finance Committee

**2013-0022**     **FYE 2013 Contingency Transfers - Wage Adjustments**

RESOLUTION FOR FYE 2013 GENERAL CONTINGENCY TRANSFERS

WHEREAS, the Town Charter provides for General Contingency transfers during the year, and

WHEREAS, during FYE 2013 budget deliberations, labor agreements for the Police and AFSCME-Supervisors employees had settled and those wage increases were included in a department's FYE 2013 Budget, and

WHEREAS, during FYE 2013 budget deliberations, labor agreements/pay plans were not known and were not included in a department's budget for the remaining employee groups (CILU-Telecommunicators, CILU-Clerical, United Steelworkers-Parks/Public Works and Non-Union), and

WHEREAS, wage increases for three of those groups (CILU-Telecommunicators, United Steelworkers-Parks/Public Works and Non-Union) are now known and should be incorporated into a department's FYE 2013 budget through a General Contingency transfer, and

WHEREAS, during budget deliberations additional funds were added to General Contingency in anticipation of wage adjustments occurring during the fiscal for a total Contingency appropriation of \$450,000, and

WHEREAS, before this transfer is applied, the General Contingency has a balance of \$444,400, and

WHEREAS, including the approved wage increases in a department's FYE 2013 budget will provide a fairer comparison of personnel services between a department's FYE 2014 Request and the FYE 2013 Adjusted budget that will appear in the FYE 2014 Budget book, now therefore be it

RESOLVED, that \$168,792 be transferred from the General Fund Contingency function (#1074) to the following General Fund departments/functions and referred to the RTM for approval:

Town Clerk #1005	\$4,223
Town Manager #1006	\$7,562
Finance #1013	\$10,486
Administrative Services #1014	\$41,639
Public Safety #1024	\$9,293
Public Works #1035	\$53,330
Planning & Development #1046	\$13,047
Human Services #1051	\$3,007

Library #1063	\$7,332
Parks & Recreation #1064	\$18,873

Refer to RTM under Rule 6.5.3.

**Legislative History**

1/16/2013	Mayor	Referred	Town Council Committee of the W
1/22/2013	Town Council Committee of the Whole	Discussed	

*Sal Pandolfo, Director of Finance, explained that the budget normally includes wage increases for various unions. When the FYE 2013 budget was adopted, it did not include wages for a number of the groups. This request is for a General Contingency Transfer of approximately \$168,000 to cover wage increases. Transferring the money before development of the FYE 2014 budget will provide a better comparison for budget requests. If approved, this item will go to the RTM for expedited consideration.*

1/22/2013	Town Council Committee of the Whole	Recommended for a Resolution	
2/5/2013	Town Council	Deleted from Referral List - Action to be taken	
2/5/2013	Town Council	Adopted and referred under Rule 6.5.3	Representative Town Meeting
2/6/2013	Representative Town Meeting	Referred under Rule 6.5.3	RTM Finance Committee

**5. Consideration of Committee Referral Items as per Referral List**

**6. ADJOURNMENT**

**For the committee to meet, we need a quorum. Please let the clerk's office (441-6643) know ASAP if you will not be able to attend this meeting.**