

FINANCE AND CLAIMS SPECIAL MEETING

Monday November 17, 2014

Revised

The Finance and Claims Subcommittee conducted a special meeting on Monday November 17, 2014 at 6 pm in Town Hall Conference Room 213. 2725 Main Street, Stratford, Connecticut 06615.

Members Present: Council Chairman Joseph A Kubic, acting as Committee chair, Councilman Jason Santi, and Councilman Kenneth Poisson (in place of Councilwoman Stephanie Phillips)

Members Absent: Councilman James Connor (committee chair), Councilwoman Stephanie Phillips

Also Present: Susan Collier, Finance Director, Town of Stratford. Steve Norcera, Chief Administrative Officer, Town of Stratford

I. Call to Order

With Chairman Connor absent, Councilmember Kubic called the meeting to order at 6:06 pm

II. Status of \$36.61 million bond issuance and \$9.83 bond refund Official Statement

Finance Director Susan Collier provided a summary of the Bond Official Statement of bonds previously issued and that are still open. She noted that the \$9.83 million refund has been on the Town's books since Fiscal Year 2010. The \$36.62 million is in new bond issuances. The Town is currently at a break-even on its fund balance. Town indebtedness is \$728.9 million, below the cap of \$1.1 billion the Town is eligible to bond. Councilman Kubic confirmed debit limit for indebtedness is roughly \$372 million left to borrow before the cap is reached.

Finance Director Collier and Councilman Kubic discussed that old debts get retired with updated bond packages. Collier cited the example of Stratford High School renovation is only 46% of the Town's responsibility with 54% being the State of Connecticut's commitment, and not all of the authorized bond would be spent or issued.

Six to seven of the bonds have been refinanced at more optimal rates by the Town of Stratford. Four bonds are authorized and not yet issued. Collier noted that any bond ordinance prior to Fiscal Year 2010 will need a new ordinance in order to update and clean up the bond rates and reissue or retire these aforementioned bonds. Councilman Santi inquired whether the Town can reissue bonds for other projects and if such reallocations would conflict with ongoing capital projects. Councilman Kubic stated that the Council should look into reducing the Town's debt and mitigate tax burdens, and that the Stratford Town Council ultimately is the fiduciary decision maker on any changes to existing bond authorizations and issuances.

Pensions bonds were not calculated from Finance Director Collier's Report. WPCA bonds are included in these figures.

Outstanding Debt and Liabilities are \$266 million once refunds, refinancing and retiring outstanding debts are calculated.

Collier submitted four documents with her report:

Preliminary Official Bond Statement November 2014. Will not be finalized until the annual audit and 2014 bond ratings are issued

2013 Standard and Poor's and Moody's ratings reports from 2013, the most recent rating Available Capital and General Fund accounts as of Nov 17, 2014

III. New Business

Annual Audit is anticipated to be finalized in December 2014. Finance and Claims subcommittee is looking to meet in January 2015, after the audit to review all bonds authorized and not yet issued has taken place.

IV. Adjournment

Hearing no other business, Councilman Kubic made a motion to adjourn, seconded by Councilman Santi. Motion passes unanimously. The Finance and Claims special meeting was concluded at 6:39 pm

Respectfully Submitted

David Fuller. Nov 17, 2014

Enclosed:

Preliminary Official Bond Statement November 2014.

2013 Standard and Poor's and Moody's ratings reports from 2013, the most recent rating Available Capital and General Fund accounts as of Nov 17, 2014