

**Preston Board of Finance  
Joint BoF & BoS Special Meeting  
Wednesday, January 17, 2018 at 6:00 p.m.  
Preston Town Hall Conference Room**

**Minutes**

**1. Call to Order**

M. Lennon called the meeting to order at 6:05 p.m.

**Roll Call**

**Members**

Melissa Lennon (Chair)

Stacey Becker

Ken Zachem

Dan Duprey

Keith Wucik

Jerry Grabarek (absent)

**Alternates**

Lennie Spencer

Ian Stammel

**Also Present**

1<sup>st</sup> Selectman Robert Congdon

Lynwood Crary, Selectman

Michael Sinko, Selectman

Mark Chapman, Financial Advisor

**2. Bonding Workshop**

Mark Chapman was introduced. He has worked for the town for the past 8-9 years. His role is to bring the Capital Projects Plan's cost to market and help the town get the best money with the best terms and rates. With bonds, the town pays interest twice a year and principal once a year.

Currently, the town has bonds and notes outstanding. With the new bond, the goal is to even the peaks and valleys in payment to debt services. Once approved, however, the town does not need to bond immediately. However, interest rates are not guaranteed until the bond amount goes out to bid.

Mark presented two options for financing: bonding directly in the 1<sup>st</sup> year with a 15 year bond term and alternatively issuing short term notes in year 1 and 2 followed by bonding in year 3 with a 15 year bond term. The group discussed the positive advantages of bonding all at once for July 1<sup>st</sup> to lessen the first year impact. The group also discussed considering paying for the busses in ten years to match their life expectancy. Mark was asked to run three additional scenarios: 10 year bond, 15 year bond with a 10 year payoff schedule for the BoE vehicle costs, and a 20 year bond with a 10 year payoff schedule for the BoE vehicle costs. The group will meet again on Monday, January 22, 2018 at 7 p.m. to discuss the bonding options.

**3. Public Comment**

Andy Depta asked Mark Chapman a question about bonding. The dialog was not recorded.

**4. Adjourn**

**A motion was made by K. Zachem and seconded by S. Becker to adjourn the meeting at 7:04 p.m.**

**All in favor. Motion carries.**

Respectfully submitted,

Melissa Lennon

BoF Chair