

New Britain Borough Financial Advisory Committee

Meeting Notes

December 27, 2016

7:30pm

- I. Call to order
 - The meeting was called to order at 7:33PM by Chairman Mr. Frank Lombardo.
- II. Pledge of Allegiance
- III. Roll call
 - Members present were Frank Lombardo, Art Conover, Joseph Borek, John Wolff, Jr., and Danielle Young. Council Liaison Jeff Gilmore and Sam Bryant (Borough Manager) were also present. Guests included Council Member Lori Kesilman and Zach Williard, a consultant from Public Financial Management (PFM).
- IV. Approval of Minutes
 - Mr. Conover motioned to approve the minutes. Ms. Young seconded the motion and it was approved by all members present.
- V. Unfinished Business
 - Mr. Conover noted that the Borough should consider formatting a bid for road work not just for all projects at one time, but for a portion of projects over a period of years. Mr. Williard noted the Borough would need to spend 85% of borrowed funds within three years for a capital project, such as roads. Mr. Wolff noted that it would be possible to compare the costs of the road work for a single year, two years, or over three years. Mr. Lombardo noted that the price of oil was the only main consideration for timing. Mr. Borek expressed a concern that oil prices are expected to rise considerably the next year or two. Mr. Bryant stated he would follow up on this matter with the Borough Roadmaster, Mr. Mark Hintenlang.
- VI. New Business
 - PFM Presentation

- Zach Williard, a consultant with Public Financial Management, gave an overview of what PFM does. Specifically, they have no financial interest in how the Borough borrows funds for a project, so they can find the best deal and structure, whether it's a bond, bank loan, or bond pool fund.
 - In terms of needs for the Borough, Mr. Williard provided an additional handout that showed interest rates have started going up, but are at historic lows. He also provided estimated payment amounts based on 10 year amortization for roads and 15, 20 and 25 year for the police building.
 - Mr. Williard provided a borrowing schedule. Mr. Williard offered to attend the next Borough Council meeting to present the same information.
 - Mr. Bryant was asked to follow up with the Police Commission and Roadmaster to get the information needed to move forward with the project. This notably would include project scope, costs and timing.
- Borough Pension Provider Evaluation
 - Mr. Bryant noted that Council gave him permission at their December meeting to solicit bids for a new pension and actuarial provider. Mr. Borek and Mr. Conover volunteered to assist with this search.

VII. Adjournment

- Mr. Lombardo motioned to adjourn. Ms. Young seconded the motion and approved by all members present. The meeting adjourned at 8:44 PM.