



Borough Council Special Meeting Minutes – November 3, 2016

Call to Order – Mr. Farley called the special meeting to order at 10:00am.

Roll Call – The following members of the Borough Council were present; Robert Flick, Eugene Osmun, Irene Slocum, Eugene Cerutti, and Henry Farley.

Citizens to be Heard - There were none.

Vote to Adopt Ordinance 922 – A motion was made by Mr. Flick and seconded by Mr. Cerutti to adopt Ordinance 922 authorizing the refinancing of the Borough's debt and extending and increasing the Borough's Line of Credit with First Citizens Community Bank. **Under the question:** Mark Lundquist of Financing Ideas explained that the Borough's current annual debt service is \$606,000 based on the balances of two (2) General Obligation Notes (Series A and Series B). Mr. Lundquist stated that the balance of the Series A Note is \$6,559,367.50 and that the balance Series Note B, which is a line of credit, is \$1,180,000. Mr. Lundquist stated that refinancing the existing debt would create 2016 Series A General Obligation Note in the amount of \$6,700,000 and 2016 Series B General Obligation Note for future capital projects would be \$3,025,000. Note B is the line of credit and by refinancing it will generate \$2,981,263.47 which can be used for infrastructure or capital projects. Attorney Brian Koscelansky of Stevens & Lee explained that all of the necessary legal advertisements have been published and that loan documents have been prepared in advance of the meeting to ensure that the transaction is completed by December 1, 2016. Mr. Lundquist explained that completing the transaction by December 1st will enable the Borough to forego the December debt service payment resulting in a savings of approximately \$150,000 and also reduces the Borough's debt obligation in 2017 by \$80,128, and an additional \$11,709 will also be saved for total savings of \$243,355 and those funds can be allocated to general fund. **Roll Call: Mr. Flick, Mr. Osmun, Mrs. Slocum, Mr. Cerutti, and Mr. Farley; YES.**

Adjourn - A motion was made by Mr. Flick to adjourn the meeting at 10:10am. There were no objections.

Respectfully submitted,

David M Jarrett
Borough Manager/Secretary