



***Office of the Treasurer & Collector of Taxes***

***Town of Arlington, Massachusetts  
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**Phyllis L. Marshall  
Treasurer & Collector of Taxes**

**Memorandum**

Date: December 30, 2020  
To: John V. Hurd, Select Board Chair  
From: Phyllis L. Marshall, Treasurer – Collector  
Subject: Discussion of Refunding Bonds Opportunity

We have been informed that in the current market of low interest rates for municipal bonds, there may be an opportunity to refinance the bond issue dated August 15, 2010. Analysis by Hilltop Securities using current market conditions estimate that there may be more than \$250,000 in debt service savings over the remaining life of the bonds. Given that there is a Bond Issue scheduled in February, 2021, the possible refunding can be included at that time and the cost of issuance can be minimized by combining these issues.

There are financial requirements and tax diligence matters that must be answered before Bond Counsel will be able to certify that a refunding is possible and cost effective. More analysis is required to determine whether this specific refunding is a viable and cost effective option.

The refunding of bonds requires authorization by a majority vote of the Select Board in the same manner as initial bond issues. Refunding bonds will only be issued if the transaction generates present value savings and the Select Board and Treasurer approve the results of the sale which will be offered for vote of the Select Board at the time of the sale.

Cc: Adam Chapdelaine, Town Manager  
Sandy Pooler, Deputy Town Manager