

**GLASTONBURY BOARD OF FINANCE
REGULAR MEETING MINUTES
WEDNESDAY, JULY 18, 2018**

The Glastonbury Board of Finance with Controller, Nina Cousins, Finance Director, Julie Twilley, and Town Manager, Richard J. Johnson, in attendance, held a regular meeting at 3:30 p.m. in meeting room A, Town Hall, 2155 Main Street, Glastonbury, Connecticut.

Roll Call

Members

Mr. Constantine “Gus” Constantine, Chairman
Mr. Jared Soper, Vice Chairman *{arrived late}*
Mr. Walter Cusson
Mr. James McIntosh
Ms. Jennifer Sanford *{arrived late}*
Mr. James Zeller

1. Public Comment Session

No one spoke

2. Communication:

a. Minutes of June 20, 2018

Mr. McIntosh asked that the footnote indicate where the tapes can be obtained (Town Clerk’s Office) and they should reflect that Ms. Cousins was not present. Hearing nothing further, Chairman Constantine declared the minutes accepted as amended.

Ms. Sanford arrived at the meeting at 4:05pm and Vice Chairman Soper at 4:07pm.

3. Communication: Chris Kachmar of FIA to provide review of select topics (to be distributed at meeting)

Mr. Kachmar introduced a colleague, Mr. Rob Lowery, and reviewed a report he called high level flash reporting in advance of the quarterly report they would likely have at the next meeting. Vice Chairman Soper questioned why they should wait to delve into potential changes until the next meeting. Mr. Kachmar indicated there was no urgent issues with the investments and they would be fully prepared for the discussion in September. Vice Chairman Soper asked that the Board Members get the report well in

advance of the meeting so they could fully prepare to take action at the meeting, if appropriate. He indicated he may be interested in pursuing a greater tilt to domestic investments.

4. Communication: Pension Report – June 2018

Ms. Twilley reviewed her report to the Board dated June 14, 2018.

5. Communication: Month End Investments – June 2018

Ms. Cousins reviewed her report to the Board dated July 11, 2018.

6. Communication: Financial Summary (Revenue & Expenditure) for 12 Months - June 2018

Ms. Twilley reviewed her report to the Board dated July 11, 2018.

7. Communication: Education Reconciliation – June 2018

Ms. Cousins reviewed her report to the Board dated July 5, 2018.

8. Communication: Capital Projects – June 2018

Ms. Twilley reviewed her report to the Board dated July 13, 2018. Mr. Cussons asked about the MDC purchase. Mr. Johnson said that he was told it would be on the agenda at the state for September. Mr. Zeller asked about the dollars authorized for use but not yet encumbered and Mr. Johnson said he would double check.

9. Communication: Self Insurance Reserve Fund – June 2018

Ms. Twilley reviewed her report to the Board dated July 13, 2018.

10. Communication: Transfers Approved by Town Manager Since Last Meeting

a. Registrar of Voters - \$1,400

Mr. Johnson briefly reviewed the transfer approved since the last meeting.

11. Action: Transfers over \$5,000 – General Fund and Capital Projects

- a. Transfer between capital projects for conceptual review of intersection realignment**
- b. Capital Projects - \$9,000 Townwide Boiler/HVAC Replacement**
- c. Transfer between capital projects for the Bulky Waste Scale**

Mr. Johnson briefly reviewed the proposed transfers.

Motion By: Vice Chairman Soper

Seconded By: Mr. Cussons

BE IT RESOLVED, that the Glastonbury Board of Finance hereby recommends the transfer between capital projects for conceptual review of intersection realignment, Capital Projects - \$9,000 Townwide Boiler/HVAC Replacement and transfer between capital projects for the Bulky Waste Scale.

Disc: Mr. McIntosh asked about the state project to eliminate a ramp into town which Mr. Johnson explained.

Result: Motion passes unanimously. {6-0-0}

12. Action: Bond resolution for the Welles-Turner Library

- a. Draft Motion: BE IT RESOLVED, that the Board of Finance recommends to the Town Council the adoption of the following entitled resolution, the full text of which is attached to the copy of these minutes: “RESOLUTION APPROPRIATING \$6,500,000 FOR THE WELLES-TURNER LIBRARY RENOVATION AND EXPANSION PROJECT AND AUTHORIZING THE ISSUE OF \$6,500,000 BONDS AND NOTES TO FINANCE SAID APPROPRIATION.”**

Mr. Johnson reviewed his memo to the Council on the subject dated July 13, 2018 and reviewed the plans. Mr. Cussons asked about the amount of parking and whether the town owns the spaces on the side. Mr. Johnson said that parking would be reduced a little by the project but will still exceed what is required and that they are researching the boundaries as well as working with the bank on some shared parking. Vice Chairman Soper conveyed that he was uncomfortable with the CIP given they were on the edge of

being unaffordable looking into the future. He continued saying that they were told that some school projects were being eliminated or pushed back and would get an updated plan but they haven't. He said he would like the updated plan before voting.

Mr. Johnson reviewed his understanding of the Board of Ed projects being pushed off, eliminated or eligible for grant money that would impact the financial picture into the future. He said that they don't have the updated plan but the Board of Education was comfortable recognizing those changes. Mr. Zeller noted that the Board of Education also had expressed comfort with the locker rooms and that changed quickly. He was concerned about the mil rate. A discussion ensued. Mr. Zeller said he would support it because they can afford it but reiterated his concern about paying for projects on a cash basis as the resulting mil rate would be unsustainable. He said that if he is reading the charter correctly, he doesn't believe the Board of Finance is obligated to set a mil rate that balances any budget passed by the Town Council.

Motion By: Vice Chairman Soper

Seconded By: Mr. Cussons

BE IT RESOLVED, that the Board of Finance recommends to the Town Council the adoption of the following entitled resolution, the full text of which is attached to the copy of these minutes: "RESOLUTION APPROPRIATING \$6,500,000 FOR THE WELLES-TURNER LIBRARY RENOVATION AND EXPANSION PROJECT AND AUTHORIZING THE ISSUE OF \$6,500,000 BONDS AND NOTES TO FINANCE SAID APPROPRIATION."

Disc: Mr. Cussons said that they could afford this project and this isn't the straw that will break the camel's back but that he does have concerns about mil rates in the high 30's or 40's. He expressed support for bundling projects and going to referendum and endorsed the voters being able to make the decision. Ms. Sanford said that she felt like they were being asked to vote on something without the full information on their finances adding she was uncomfortable the Board of Education conveyed they were okay on the fieldhouse and now it's a crisis. Mr. McIntosh expressed support noting the citizens will be able to vote. Vice Chairman Soper said he agreed with Mr. Cussons that this isn't the straw that will break the camel's back but expressed a desire to have more timely information.

Result: Motion passes unanimously. {6-0-0}

13. Communication: Bond Sale and Refunding

Ms. Twilley reviewed her report to the Board dated July 13, 2018.

14. Communication: Elderly homeowners tax credit update

Ms. Twilley reviewed her report to the Board dated July 6, 2018.

15. Communication: Follow-up Items from June 20, 2018 Meeting

Ms. Twilley reviewed her report to the Board dated July 12, 2018.

16. Board of Finance Committee Reports

Chairman Constantine asked why the library project didn't go to PBC. Mr. Johnson said he could send it along.

Mr. Cussons asked for mil rates over the last 10 or 20 years for the next meeting.

17. Adjournment

Motion By: Vice Chairman Soper

Seconded By: Mr. Cussons

BE IT RESOLVED, that the Glastonbury Board of Finance hereby adjourns their meeting of July 18, 2018, at 6:08pm.

Result: Motion passes unanimously {8-0-0}.

Respectfully submitted,

Kimberly Meanix Miller

**Kimberly Meanix Miller
Recording Clerk**

Audio recording available in the Town Clerk's Office, for anyone seeking more information about the meeting.

RESOLUTION APPROPRIATING \$6,500,000 FOR THE WELLES-TURNER LIBRARY RENOVATION AND EXPANSION PROJECT AND AUTHORIZING THE ISSUE OF \$6,500,000 BONDS AND NOTES TO FINANCE SAID APPROPRIATION

RESOLVED,

(a) That the Town of Glastonbury appropriate SIX MILLION FIVE HUNDRED THOUSAND DOLLARS (\$6,500,000) for design and construction of renovations and additions to the Welles-Turner Memorial Library located on Main Street, Glastonbury, Connecticut including an approximately 3,746 square foot addition, and provision for a Children's Services Area, a Children's Terrace, a Maker Space, a Teen Area, additional shelving and seating, and a centralized area for public computers and other amenities, substantially in accordance with the plans of TLB Architecture, LLC, entitled "Space Planning and Design Study Report" prepared by Welles-Turner Memorial Library and dated November 24, 2015, and on file in the Town Manager's Office and the Welles-Turner Memorial Library. The appropriation may be spent for design and construction costs, demolition, equipment, furnishings, materials, land acquisition, site improvements, architects' fees, engineering fees, legal fees, net temporary interest and other financing costs, and other expenses related to the project and its financing. The Town Council is authorized to determine the scope and particulars of the project. The Town Council may reduce or modify the scope of the project, and the entire appropriation may be spent on the project as so reduced or modified.

(b) That the Town issue bonds or notes in an amount not to exceed SIX MILLION FIVE HUNDRED THOUSAND DOLLARS (\$6,500,000) to finance the appropriation for the project. The amount of bonds or notes authorized to be issued shall be reduced by the amount of grants received by the Town for the project, unless the Town approves an additional appropriation to spend such grants. The bonds or notes shall be issued pursuant to Section 7-369 of the General Statutes of Connecticut, Revision of 1958, as amended, and any other enabling acts. The bonds or notes shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town.

(c) That the Town issue and renew temporary notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds or notes for the project. The amount of the notes outstanding at any time shall not exceed SIX MILLION FIVE HUNDRED THOUSAND DOLLARS (\$6,500,000). The notes shall be issued pursuant to Section 7-378 of the General Statutes of Connecticut, Revision of 1958, as amended. The notes shall be general obligations of the Town and shall be secured by the irrevocable pledge of the full faith and credit of the Town. The Town shall comply with the provisions of Section 7-378a of the General Statutes if the notes do not mature within the time permitted by said Section 7-378.

(d) That the Town Manager and the Treasurer of the Town shall sign any bonds or notes by their manual or facsimile signatures. The Town Manager and the Treasurer are authorized to determine the amounts, dates, interest rates, maturities, redemption provisions, form and other details of the bonds or notes; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the bonds or notes; to provide for the keeping of a record of the bonds or notes; to designate a financial advisor to the Town in connection with the sale of the bonds or notes; to sell the bonds or notes at public or private sale; to deliver the bonds or notes; and to perform all other acts which are necessary or appropriate to issue the bonds or notes.

(e) That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that (except to the extent reimbursed from grant moneys) the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized above for the project. The Town Manager and the Treasurer are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(f) That the Town Manager and the Treasurer are authorized to make representations and enter into written agreements for the benefit of holders of the bonds or notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds or notes.

(g) That the Town Manager, on behalf of the Town, is authorized to apply for and accept federal and state grants to help finance the appropriation for the project, and to enter into any grant agreement necessary to obtain such grants. Any grant proceeds may be used to pay project costs or principal and interest on bonds, notes or temporary notes.

(h) That the Town Manager or his designee shall administer and supervise the project. The Town Manager, the Treasurer and other proper officers of the Town are authorized to take all other action which is necessary or desirable to complete the project and to issue bonds, notes or other obligations to finance the aforesaid appropriation.

(i) That this resolution shall not become effective until approved at referendum pursuant to Section 312 of the Town Charter. The wording of the question for the referendum ballot shall be:

“SHALL THE TOWN OF GLASTONBURY APPROPRIATE \$6,500,000 FOR THE WELLES-TURNER LIBRARY RENOVATION AND EXPANSION PROJECT AND AUTHORIZE THE ISSUE OF \$6,500,000 BONDS AND NOTES TO FINANCE SAID APPROPRIATION?”