

**GLASTONBURY BOARD OF FINANCE  
REGULAR MEETING MINUTES  
MONDAY, SEPTEMBER 12, 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 4:00 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  
Mr. Walter Cusson  
Mr. James McIntosh  
Ms. Jennifer Sanford  
Mr. James Zeller

**1. Public Comment Session**

*No one spoke*

**2. Communication: Pension Quarterly Investment Review (Chris Kachmar, Fiduciary Investment Advisors) *Note that material was previously mailed to Board Members. Please bring material with you.***

Mr. Kachmar provided an overview of the Investment Review. Vice Chairman Soper noted poor performance for international and said he favored increasing their allocation to value and domestic. Mr. Kachmar noted that poor performance could mean they are prime for an upturn. Vice Chairman Soper said that he had previously taken the tact that if they hired the firm, they should follow the advice, but felt this allocation should change toward domestic to better match their liabilities and move away from international investments that are more volatile. He added that US banks have undergone reforms where they haven't in Europe and that they should reduce international investments significantly. He noted that 40% of the sales for the S&P come from international buyers so they have that market covered.

Ms. Sanford said they should vote to reduce the allocation and let Mr. Kachmar determine how to accomplish the request. A consensus was reached to reduce the international allocation in favor of value domestic. Mr. McIntosh said he was

uncomfortable trying to predict future performance. Mr. Kachmar said he could swap out Aberdeen to KPAN with a target international from 24% to 20% in favor of value domestic, still a meaningful percentage. He agreed to come back to the Board with a plan in line with the information conveyed.

**3. Communication:**

a. **Minutes of July 18, 2018** *Accepted as presented*

b. **Special Meeting August 20, 2018** *Accepted as presented*

**4. Year-End Items:**

**a. Communication: Preliminary Year End Review 2017-2018 After Year End Close**

Ms. Twilley reviewed her report dated September 6, 2018.

**b. Communication: Review of Sewer Operating and Sewer Sinking Funds**

Ms. Twilley reviewed her report dated August 24, 2018.

**c. Communication: Review of Capital Outlay Carry Forwards**

Ms. Twilley reviewed her report dated September 6, 2018.

**d. Action: Review and Approval of Encumbrance Carry Forwards**

Ms. Twilley reviewed her report dated September 7, 2018.

**Motion By:** Mr. McIntosh                      **Seconded By:** Vice Chairman Soper  
BE IT RESOLVED, that the Glastonbury Board of Finance hereby recommends to the Town Council the approval of the FY 17/18 carry forward encumbrances of \$219,821.38 for General Fund and \$1,400.00 for Sewer Operating Fund as appropriations from Fund Balance.  
**Result:** Motion passes unanimously. {6-0-0}

**e. Communication: Review of Capital Projects to be Closed**

Ms. Twilley reviewed her report dated September 7, 2018.

**f. Communication: Review of Intra-Department Transfers Under \$5,000**

Ms. Twilley reviewed her report dated September 6, 2018. Mr. McIntosh asked about the transfers to full-time wages. Mr. Johnson said that it is due to separation pay.

**g. Action: Review and Approval of Intra-Department Transfers Over \$5,000**

Ms. Twilley reviewed her report dated September 6, 2018.

**Motion By:** Mr. McIntosh                      **Seconded By:** Vice Chairman Soper  
BE IT RESOLVED, that the Glastonbury Board of Finance hereby approves the June 30, 2018 intra-department transfers over \$5,000 in the amount of \$1,009,929.  
**Result:** Motion passes unanimously. {6-0-0}

**h. Communication: No FY17/18 Inter-Departmental Transfers. No Action needed.**

**5. Communication: Pension Report – July 2018**

Ms. Twilley reviewed her report dated August 15, 2018.

**6. Communication: Month End Investments – July 2018**

Ms. Cousins reviewed her report dated August 31, 2018.

**7. Communication: Financial Summary for 2 months - August 2018**

Ms. Twilley reviewed her report dated August 15, 2018.

**8. Communication: Education Reconciliation – July 2018**

Ms. Cousins reviewed her report dated August 31, 2018. Vice Chairman Soper noted the articles in the paper about the Board of Education using their 1% fund for library air conditioning asking if that was true and if it is allowed. Mr. Johnson said he believed they used the 1% but would read the regulation to further answer the question.

**9. Communication: Capital Projects – August 2018**

Ms. Twilley reviewed her report dated September 5, 2018.

**10. Communication: Self Insurance Reserve Fund – August 2018**

Ms. Twilley reviewed her report dated September 5, 2018.



### **13. Communication: Request BOF member to participate on panel for Auditor RFQ**

Ms. Sanford volunteered but if unable, Mr. Zeller agreed to participate as her back-up.

### **14. Communication: Board Members Requested the Following Items be Discussed**

#### **a. Request of Jim Zeller**

- i. Update on the status of discussions with the Superintendent of Schools to facilitate amending the ToG budget process such that Health Care and Pensions for BoE and ToG Employees are funded directly by the Town Council in a manner similar to OPEB.**

Mr. Zeller noted the request to take health out of both the town and board side of the budget and handle like OPEB. Mr. Johnson said that the Town Council asked him to get an opinion from the Town Attorney but he has not yet heard back. He hoped to have information at the next meeting.

- ii. Discussion on how to best achieve an analysis of the current value of the 2007 Grand List in order to better determine the desirability and/or limits of future mill rate increases.**

Mr. Zeller noted that he doesn't believe that the property values have rebounded and wanted to remove the new properties so he can compare value of the same set of properties over the period. Mr. Johnson and Ms. Twilley indicated that the data is not available in the level of detail needed for such an analysis.

- iii. Discussion on whether the BoF wishes to have the BoE present its 19/20 budget in the format requested for the current budget (i.e., inclusion of a column showing the BoE's initial approved expenditure not simply its actual expenditure for at least one previous fiscal year for all lines).**

Mr. Zeller asked if he should make this request again as he still would like to see it. Mr. Cusson asked that it be on the budget next time.

**b. Request of Gus Constantine**

**i. Report on Riverfront Park – Phase II; See Memo From Town Manager**

Mr. Johnson reviewed his report saying that they have moved beyond the breakeven point for revenues over expenditures. Vice Chairman Soper asked for more detail on income and expenses for both the boathouse and Minnechaug. Mr. Johnson said he could and questioned how it is different from the tennis courts or any other recreation facility. A discussion ensued.

**15. Board of Finance Committee Reports**

*None*

**16. Adjournment**

***Motion By:*** Mr. McIntosh

***Seconded By:*** Mr. Cusson

BE IT RESOLVED, that the Glastonbury Board of Finance hereby adjourns their meeting of September 12, 2018, at 6:18pm.

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

**Respectfully submitted,**

*Kimberly Meanix Miller*

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**Recording Clerk**

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