

**GLASTONBURY BOARD OF FINANCE
SPECIAL MEETING MINUTES
MONDAY, MARCH 25, 2019**

The Glastonbury Board of Finance with Finance Director, Julie Twilley, and Town Manager, Richard J. Johnson, in attendance, held a regular meeting at 4:00 p.m. in the Meeting Room A, 2155 Main Street, Glastonbury, Connecticut.

Roll Call

Members

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

1. Public Comment Session None

2. Communication: Adopted Budget

Mr. Johnson stated that the Council took action last Thursday night and returned \$650,000 to the BOE and \$450,000 to the Town, enacted the capital program as originally presented, and sustained the \$6 million transfer to the Capital Reserve Fund.

Mr. McIntosh asked for a history of the collection rate. Ms. Twilley stated that the collection rate in the model is 99.1%, but the Town has been at around 99.4% over the last few years. She also noted that one-tenth of a percentage point increase is worth roughly \$150,000 in revenue. Mr. Soper inquired if the 99.4% includes autos. Ms. Twilley said yes, that is the combined rate. Mr. McIntosh added that the rate also includes a collection of overtaxes on prior grand lists. Ms. Twilley stated that every year, there will be taxes that go uncollected, but she does not believe there has been a material change in trend to move the needle on the 99.4%.

Mr. Constantine asked the Town Manager about updates to the ECS grant. Mr. Johnson explained that Governor Lamont is proposing to accelerate the reduction of the original legislation, though it might land somewhere in the middle. The Town Manager stated that the ESC being funded at a higher level could possibly offset some of the \$500,375 for the Teacher Retirement System that is not budgeted, but he does not know at this time. Mr. Zeller asked if the Council talked about where to go for that money, since it seems like an education expense and he hopes that they are aware of the possible liability in the near future. Mr. Johnson replied that if the \$500,000 goes forward and if the ECS is sustained at a higher level, that could offset it, but these are big “ifs”, though he did agree that this would likely be considered an education expense. Mr. Zeller remarked that he wished the Council would be a bit clearer in the future about where the mill rate increase funding will come from.

Ms. Sanford expressed concern over the long term assumption of the pension rate of return at 6.5% in some of the financial modeling. Mr. Johnson explained that today, the Board's sole role is to set the mill rate based on revenues and expenditures that was set by the Council, but the Board could address the projections at a later date, should they choose to do so. Mr. Constantine stated that the only thing the Board can change today is the collection rate and asked if the Board would like to go to 99.4% to save half a mill.

Mr. Zeller raised a question about whether the funds needed to support the budget could be generated by increasing the transfer from the General Fund. Mr. Johnson explained that the revenue budget that was enacted includes the transfer to the fund balance, so there is no option to increase it. Mr. Zeller says that he does not see anything precluding one from increasing the transfer in, if the mill rate was not raised to cover the rest, but he acknowledged that this is a conversation for a later date. Mr. Zeller also acknowledged that the Council was clear that they wanted it to come out of higher taxes.

Mr. Soper commented that, using the numbers Ms. Twilley provided, if the collection rate were to be changed from 99.1% to 99.4%, that would raise about \$450,000, and he does not feel comfortable both increasing the collection rate and pulling out \$500,000 from the general fund as part of the budget. He added this has historically worked well for the Town Manager, so he suggested continuing this way. Mr. Cusson agreed, noting that the Board has had a good track record for the past several years.

3. **Action: Mill Rate Setting**

Motion by: Mr. McIntosh

Seconded by: Mr. Soper

BE IT RESOLVED, that the Glastonbury Board of Finance moves that financing the adopted budget for Town, Debt/Transfers and Education appropriation of \$166,007,626 will require a current tax levy of **\$151,996,767**, and that the Glastonbury Board of Finance sets a Real Estate, Personal Property and Motor Vehicle mill rate of **36.36** calculated at a **99.10%** collection rate for the 2019/2020 adopted budget.

Result: Motion passes (5-0-0).

Ms. Sanford's call was dropped, so she did not partake in voting.

4. **Adjournment**

Motion by: Mr. Cusson

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance moves to adjourn their meeting of March 25, 2019, at 4:20 p.m.

Result: Motion passes (5-0-0).

Ms. Sanford's call was dropped, so she did not partake in voting.

Respectfully submitted,

Lilly Torosyan

**Lilly Torosyan
Recording Clerk**

For anyone seeking more information about this meeting, a video on demand is available at www.glastonbury-ct.gov/video; click on Public Broadcast Video On Demand, and an audio recording is available in the Finance and Administrative Services Office.