

**GLASTONBURY BOARD OF FINANCE
REGULAR MEETING MINUTES
WEDNESDAY, MAY 19, 2021**

The Glastonbury Board of Finance, along with Finance Director, Julie Twilley, and Town Manager, Richard J. Johnson, held a regular meeting at 4:00 p.m. via dial-in conferencing.

Roll Call

Members

Mr. Constantine “Gus” Constantine, Chairman
Ms. Jennifer Sanford, Vice Chairman
Mr. James McIntosh
Mr. Walter Cusson
Mr. James Zeller
Mr. Robert Lynn

1. Public Comment Session - Comments pertaining to the call. *None*
2. Communication:
 - a. Minutes of April 21, 2021 Regular Meeting *Accepted as amended*

Mr. McIntosh noted a correction to be made under Item 11, the second paragraph, the second line from the bottom. The revised sentence should read as follows: “Mr. Johnson stated that they considered that because they do not recommend bid waivers unless there is a very good reason, and time is of the essence here.”

3. Communication: Pension Report – March 2021
Ms. Twilley reviewed the report dated April 26, 2021.
4. Communication: Month End Investments – March 2021
Ms. Twilley reviewed the report dated April 27, 2021.
5. Communication: Financial Summary for 10 months - April 2021
Ms. Twilley reviewed the report dated May 10, 2021.
6. Communication: Capital Projects – April 2021
Ms. Twilley reviewed the report dated May 10, 2021.
7. Communication: Self Insurance Reserve Fund – April 2021
Ms. Twilley reviewed the report dated May 11, 2021.
8. Communication: Transfers Approved by Town Manager Since Last Meeting
 - a. Public Safety – Network Switch (\$880)
 - b. Senior & Social Services – Network Switch (\$880)
 - c. Youth & Family – Database Client Tracker (\$4,900)
 - d. Fire Department – IPAD Docking Stations (\$1,484)
 - e. Engineering – Computer and Office Chairs (\$2,800)

- f. IT – Wireless Access Points (\$2,200)
 - g. Senior & Social Services – Wireless Access Points (\$1,280)
 - h. Physical Services – Wireless Access Points (\$900)
9. Action: Transfers over \$5,000
- a. Sewer Operating Fund – Replacement of Treatment Plant Headworks Grinder (\$30,000)

Motion by: Mr. McIntosh

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$30,000 from the Sewer Operating Fund – Full Time Wages to the Sewer Operating Fund – Repair and Maintenance.

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

- b. Sewer Operating Fund – Supervisory Control & Data Acquisition System (\$11,000)

Motion by: Mr. Lynn

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$11,000 from the Sewer Operating Fund – Equipment and Furniture to the Sewer Operating Fund– Repair and Maintenance.

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

- c. Police Department – Range (\$45,000)

Motion by: Mr. Cusson

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$45,000 from the General Fund – Police Department – Wages Full Time to the General Fund – Police Department – Improvements (Land and Building).

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

- d. IT – Town Hall Cabling (\$52,500)

Ms. Twilley amended the motion to reflect the quote that was received from the vendor, which is \$4,000 less than was projected. Therefore, the amended transfer amount will be for \$48,500, of which \$12,500 will come from Town Clerk Full Time Wages.

Motion by: Mr. Zeller

Seconded by: Mr. Lynn

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$48,500 from the General Fund – Financial Administration, Town Clerk, and Accounting to the General Fund – Information Technology – Land/Building.

Result: Amended motion passed unanimously {6-0-0}.

10. Action: Recommend the transfer of certain uncollected taxes to the Suspense Tax Book

Ms. Twilley stated that every reasonable effort will be made to collect the back taxes in full. The uncollectible accounts that move to this list are still due for 15 years. In comparison to last year, there are six more accounts and \$25,000 more. Ms. Sanford stated that they were very worried about what the pandemic would do, so those numbers sound relatively mild. She asked what the comparisons are to previous years. Mr. Johnson stated that collections remain very strong. They remain close to their target collection rate, at around 99.3%.

Motion by: Mr. Zeller

Seconded by: Mr. Lynn

BE IT RESOLVED, that the Glastonbury Board of Finance hereby recommends the transfer of certain uncollected taxes to the Suspense Tax Book.

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

11. Action: Funding Report & Recommendation of 2± Acres of Lombardo Farm

Mr. Johnson explained that these are two acres from the Lombardo Farm and five acres from the Bush Hill Preserve. The Manchester Land Trust (MLT) will grant to the Town a permanent conservation easement over both areas, should the Town contribute the \$34,000. Mr. McIntosh asked why the Town does not just buy the land. Mr. Johnson stated that the MLT has a deadline of acquiring the funds by June 30, and they are not prepared to go back through the state grant process to indicate that Glastonbury is buying two acres and they are buying 100 acres. He spoke to the land trust yesterday, and they were not enthusiastic about opening that up, knowing that they would not be able to complete it by the end of June.

Mr. Zeller asked about the funding ratio: of what the land trust is putting up versus the state versus the town. Mr. Johnson explained that the DEEP grant is \$300,000, the Town of Manchester is funding \$900,000, a fund in Manchester has proposed \$50,000, and the Hartford Foundation for Public Giving has pledged \$50,000. All in, they are at about \$1.3 million or so, and they need another \$400,000 by June 30 because the purchase price is \$1.7 million. When Mr. Johnson spoke to the land trust yesterday, they were confident that they would be able to bridge the gap by the deadline to acquire these 102 acres.

Mr. Zeller asked if the Council was comfortable with this process. Mr. Johnson stated that the Council had some questions about the ownership, but he believes that the Town will be supportive of the permanent conservation easement in lieu of the fee ownership. Irrespective of what happens with the state grant, there will be a permanent easement granted to Glastonbury. Ms. Sanford asked to discuss the funding. Mr. Johnson explained that the Capital Project Account for land acquisition currently has \$83,000. Historically, it was common for the fund to

draw land acquisitions of \$50,000 or \$100,000 from this account. He cannot recall the last time that this fund was accessed. However, for small land acquisitions, in a number of cases, it has gone to this cash account because it does not make sense to take out a bond anticipation note for \$34,000.

Mr. Constantine asked about access. Mr. Johnson stated that the site will be open to the general public. The Bush Hill Preserve is now accessible, and because the two parcels adjoin each other, there will be access points for the general public to enjoy both properties. Mr. Cusson asked that, in the unlikely event that the land trust does not acquire the money by the deadline, this action would not occur. Mr. Johnson stated, that is correct. The Town funding is conditional on the sale going through. Mr. Zeller asked if they would replenish the Capital Project account with a future bond. Mr. Johnson explained that it has been primarily funded by going through the capital improvement program. He does not think that they would issue debt to fund this account.

Motion by: Mr. McIntosh

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance hereby recommends to the Town Council funding of \$34,000 from the Capital Project Account for land acquisition for the purchase of 2± acres of the 102-acre Lombardo Farm.

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

12. Communication: Capital Program Presentation and Discussion Scheduled for May 25

Mr. Johnson explained that the Council's plan is to discuss this at a capital planning workshop in early fall. It is not on the agenda for their May 25 meeting. Ms. Sanford stated that bonding has been an important issue for her on the BOF, and it just keeps getting dismissed for various factors. She suggested the Board do their own work on this, and then take it to the Council for consideration. Mr. McIntosh stated that he was under the impression that Mr. Johnson and Ms. Twilley were looking at options to present to them. Mr. Johnson stated that they have looked at options, and continue to do so, but it does not appear that there was an appetite from the Council at this time. By having a workshop with the BOF and possibly the BOE in September, the Council feels that there will be adequate time to fully vet this matter with everyone.

Mr. Zeller asked if the delay would take some of the capital projects that Mr. Johnson was looking to consider bonding off the table. Mr. Johnson stated no because, generally, he looked at projects for FYs 2023-2025. Mr. Zeller asked about sidewalks. Mr. Johnson stated that there might be \$300,000 of new sidewalk projects over the 2021 construction season. Mr. Zeller expressed frustration that the Council does not consider the BOF's opinion on the importance of looking at bonding to be important. Ms. Sanford remarked that it is strategic for the BOF to discuss this soon. Mr. Lynn echoed Ms. Sanford. At their next meeting, he proposed that the BOF have a strategic outlook on where bonding could go, so that come September, they could have a productive conversation with the Council. Ms. Sanford pointed out that it is not the Council's priority to understand the importance of bonding, but it should be the BOF's priority to give the Council the tools to express what the Board is saying. That would be a more effective approach than just telling them in words, "go bond."

13. Board of Finance Committee Reports, comments and remarks (no action to be taken)

Mr. Constantine stated that the PBC has not yet met. He also noted that they have received a letter from Dr. Mozzochi about the uranium in well water. Mr. Johnson stated that experts have indicated that certain levels of uranium in public water is a public health issue. They looked at the two clusters of high levels of uranium that had been reported to them, which are in the Chestnut Hill corridor and Minnechaug Mountain. They have identified how public water could be extended by MDC and Manchester Water. Pending now is state legislation for an analysis on uranium levels in wells, which will be reported out in January 2022. The Council will wait for that report from the state. In the meantime, though, there are treatment systems that homeowners can put in.

Mr. Zeller stated that they are only earning 2/10 of a percent on their savings in their Unassigned Fund Balance. He would like to think about low or minimum risk alternatives where they could put that money, beyond the required \$29 million minimum. Mr. Johnson explained that most towns and municipalities are asking the same question, and they have not found a way to do it yet. Ms. Twilley concurred, stating that she has spoken to many other towns and consultants and that is what they have heard. Mr. Johnson noted that, right now, the statutes regulate how they can invest municipal funds. The risk-reward scenario is just not worth it for gains as small as \$20,000 to \$25,000 while taking on increased risk.

Mr. Lynn commented that if they are not going to use their AAA-rated bonding to their advantage and will just leave the \$32 million sitting in the Unassigned Fund Balance, then they are not doing everything they should, from a fiduciary standpoint. Mr. Johnson pointed out that they have looked at options and discussed with Mr. Kachmar and others, which they can present at the Board's next meeting. The Board agreed. Mr. Johnson will add to the agenda that they will present broad stroke concepts on options.

Ms. Sanford asked about the status of the BOE migrating to the hybrid plan. Mr. Johnson stated that they are in collective bargaining discussions right now, but he does not know details. Ms. Sanford asked about the format of the next BOF meeting. Mr. Johnson stated that it will be in-person, but Meeting Room A is quite small, so they are looking at other options for rooms. The ability to call-in, like pre-COVID times, will still be in place, but using Zoom will become unavailable after the Executive Order expires.

14. Adjournment

Motion by: Mr. McIntosh

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance moves to adjourn their meeting of May 19, 2021, at 5:11 p.m.

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

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.