

**GLASTONBURY BOARD OF FINANCE
REGULAR MEETING MINUTES
WEDNESDAY, JUNE 16, 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. in the Council Chambers of Town Hall at 2155 Main Street, with an option for attendance through Zoom video conferencing. The video was broadcast in real time and via a live video stream.

Also in attendance was Narae McManus, Controller.

Roll Call

Members

Mr. Constantine “Gus” Constantine, Chairman
Ms. Jennifer Sanford, Vice Chairman {participated remotely via Zoom}
Mr. James McIntosh
Mr. Walter Cusson
Mr. Robert Lynn
Mr. James Zeller {excused}

1. Public Comment Session: Comments pertaining to the call. *None*
2. Communication: Minutes of May 19, 2021 Regular Meeting *Accepted as presented*
3. Communication: Pension Report – April 2021

Ms. Twilley reviewed the report dated May 19, 2021. Mr. McIntosh observed that a \$43 million increase is very favorable.

4. Communication: Month End Investments – April 2021

Ms. McManus reviewed the report dated May 27, 2021. Mr. McIntosh asked if they see the investments trending up at all. Ms. McManus stated that, unfortunately, it keeps going down.

5. Communication: Financial Summary for 11 months - May 2021

Ms. Twilley reviewed the report dated June 4, 2021.

6. Communication: Capital Projects – May 2021

Ms. Twilley reviewed the report dated June 4, 2021.

7. Communication: Self Insurance Reserve Fund – May 2021

Ms. Twilley reviewed the report dated June 7, 2021. She noted a \$4.9 million gain, with 16 large loss claims: 10 from the BOE and 6 from the Town, of which 3 have exceeded the individual stop-loss claim: 2 from the BOE, 1 from the Town. Mr. Cusson asked if their guidelines include an upper limit. Ms. Twilley stated no, there is a minimum reserve number but not a maximum limit. Right now, they are \$8.8 million over the minimum reserve, which can fluctuate depending

on claim volume, and there is still a concern that the pandemic may have backed up medical procedures, which may begin to increase.

8. Communication: Transfers Approved by Town Manager Since Last Meeting
 - a. Town Clerk – Map Project (\$4,100)
 - b. Facilities – Asbestos Removal (\$750)
 - c. PD – Asbestos Removal (\$2,500)
 - d. IT – Munis Multi-Server Environment (\$250)
9. Action: Transfers over \$5,000
 - a. Insurance – Reallocate to LAP Account (\$7,000)

Motion by: Mr. Cusson

Seconded by: Mr. McIntosh

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$7,000 from the General Fund – Insurance/Pensions – Employee Related Insurance to the General Fund – Insurance/Pensions – Casualty Insurance.

Result: Motion passed unanimously {5-0-0}.

- b. Facilities – Maintenance Repairs and Youth & Family A/C (\$9,500)

Motion by: Mr. Cusson

Seconded by: Mr. Lynn

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$9,500 from the General Fund – Facilities – Part Time Wages to the General Fund – Facilities – Maintenance.

Result: Motion passed unanimously {5-0-0}.

- c. Debt Service to Capital Reserve Fund (\$179,500)

Motion by: Mr. Lynn

Seconded by: Mr. McIntosh

BE IT RESOLVED, that the Glastonbury Board of Finance hereby recommends to the Glastonbury Town Council the transfer of \$179,500 from the General Fund – Debt Service to the General Fund – Transfers – Capital Reserve Fund.

Disc: Mr. Johnson explained that this is an action that the Board and the Council typically consider at this time of year. When actual costs run below budgeted projections, they typically transfer the available balance to the Capital Reserve Fund. Ms. Sanford asked what the level of the Capital Reserve Fund is now. Mr. Johnson stated, in broad strokes, it is a little over \$2 million.

Result: Motion passed unanimously {5-0-0}.

- d. STEAP Grant – Tree Management Program (\$128,205)

Motion by: Mr. Cusson

Seconded by: Mr. McIntosh

BE IT RESOLVED, that the Glastonbury Board of Finance hereby recommends to the Glastonbury Town Council the transfer of \$128,205 from the Capital Reserve – Unassigned Fund Balance to the Capital Projects – Tree Management.

Disc: Mr. Johnson explained that there is a street tree management program, which has been supplemented by CIP. They have received a state grant, which is provided on a reimbursable basis.

Result: Motion passed unanimously {5-0-0}.

- e. CIP Transfer for Smith Middle School Gym Floors (\$15,000)

Motion by: Mr. Cusson

Seconded by: Mr. Lynn

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$15,000 from the Capital Projects– School Energy Audit to the Capital Projects – Smith Middle School Gymnasium Floors.

Disc: Mr. Johnson explained that this project is funded through the CIP. There has been an ongoing issue with the floors at Smith Middle School. An engineering analysis revealed that it is likely due to moisture, so they will be changing the floors to a laminate flooring system. They received two respondents, but only one vendor was responsive to the Town’s specifications, and their cost runs a little above the \$300,000 budget. The contract needs to be awarded this summer, and rebidding is not considered a viable option.

Mr. McIntosh stated that they have had a lot of trouble with these floors. He asked if the vendor would include a warranty. Mr. Johnson stated that it will be a typical warranty, and he will double-check on the duration of that. He noted that the Town has used a similar flooring system in other areas throughout town, which has performed well, so the expectation for the middle school is the same. Ms. Sanford asked where the available funds were coming from. Mr. Johnson explained that the funds were available following an energy audit that was budgeted for, executed, and completed.

Result: Motion passed unanimously {5-0-0}.

- f. CIP Transfer for Splash Pad

Motion by: Mr. Cusson

Seconded by: Mr. McIntosh

BE IT RESOLVED, that the Glastonbury Board of Finance hereby transfers \$50,013 from the Capital Reserve Projects – Grange Pool, Mower 16’ Rotary Mower Replacement, and Library Renovation to the Capital Reserve Projects – Splash Pad.

Disc: Mr. Johnson explained that this is a project that the Town is executing with the Rotary Club, which has committed to donate \$250,000. They have already purchased the splash pad equipment, in order to save some money. They have received 3 or 4 bid respondents. The general estimate for the project was budgeted at \$500,000. However, the bids have run about \$50,000 over that. There is additional funding from projects that were completed below budget, and they can redirect some monies from the library funds. In order to execute the work, this transfer would make up the difference. Mr. Johnson will advise the Town Council on this matter during their meeting next week.

Ms. Sanford asked why they are transferring money from one account to another. Mr. Johnson explained that the competitive bid for the construction phase, combined with the cost of the features of the splash pad, exceeded the available budget by approximately \$44,000. He has allocated, in broad strokes, another \$6,000 for a small contingency for unknowns. If everything goes smoothly, this \$50,000 would be allocated to award the bid, and the splash pads would be completed this fall.

Mr. Constantine asked about the Grange Pool. Mr. Johnson explained that it was completed and opened on Monday.

Result: Motion passed unanimously {5-0-0}.

10. Action: Wastewater Treatment Grinder Bid Waiver

Mr. McIntosh asked if this is a single source. Mr. Johnson stated yes.

Motion by: Mr. McIntosh

Seconded by: Mr. Cusson

BE IT RESOLVED, that the Glastonbury Board of Finance provides a favorable report recommendation for a waiver for the competitive bid process for purchase of replacement headworks grinder equipment for the Wastewater Treatment Plan.

Result: Motion passed unanimously {5-0-0}.

11. Communication: Transfer to Education for supplemental funding [SS10-222a]

12. Action: Approval of Financial Institutions

Ms. McManus explained that, every year, they provide a list of financial institutions for the Board's review and possible recommendation to the Town Council and Town Manager. They have added Windsor Federal Savings to the list.

Motion by: Mr. Cusson

Seconded by: Mr. McIntosh

BE IT RESOLVED, that the Glastonbury Board of Finance recommends to the Town Council for approval the investment pool and the securities broker-dealer listed on the attached sheet, effective June 2021 to June 2022.

Result: Motion passed unanimously {5-0-0}.

Motion by: Mr. Cusson

Seconded by: Mr. McIntosh

BE IT RESOLVED, that the Glastonbury Board of Finance recommends to the Town Manager for approval the banking institutions and broker-dealer listed on the attached sheet, effective June 2021 to June 2022.

Result: Motion passed unanimously {5-0-0}.

13. Communication: Bank Collateralization Report

Ms. Twilley explained that they have not received the most current collateral report from Webster Bank. Currently, the Town does not have any investments with Webster, but if they decide to invest with them in the coming year, they will make sure to receive their new collateral report beforehand to ensure required limits are met.

14. Communication: Investment Options

Ms. Twilley explained that this memo provides additional information on how the Town invests their funds.

15. Communication: Funding of Capital Projects (material to be discussed/reviewed at meeting)

Mr. Johnson explained that they have prepared a series of questions, with several different options that the Board can pursue, depending on what they hope to accomplish. His suggestion is to schedule a special meeting where all members could participate in-person. Mr. Lynn stated that if this is a special educational discussion on the cost benefit of bonding, perhaps Town council members could be included in the discussion. Mr. Johnson noted that the Council has advised that they plan to consider taking up this topic in September. The Board agreed to a tentative meeting date of June 23 at 10:00 a.m., with an alternate date of June 30 at 10:00 a.m. They will get final input from Mr. Zeller before moving forward on a date for the special meeting.

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

Mr. Constantine stated that PBC has not yet met. There were no other reports, comments, or remarks.

17. Adjournment

Motion by: Mr. Cusson

Seconded by: Mr. Lynn

BE IT RESOLVED, that the Glastonbury Board of Finance moves to adjourn their meeting of June 16, 2021, at 4:52 p.m.

Result: Motion passes unanimously {5-0-0}.

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.