

**GLASTONBURY BOARD OF FINANCE
REGULAR MEETING MINUTES
WEDNESDAY, APRIL 20, 2022**

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 the option for Zoom video conferencing. The video was broadcast in real time and via a live video stream.

Also present was Narae McManus, Controller.

Roll Call

Members

Mr. Constantine “Gus” Constantine, Chairman
Mr. Jared Soper {arrived at 4:40 p.m.}
Mr. James McIntosh
Ms. Susan Karp
Mr. Robert Lynn
Mr. James Zeller

1. Public Comment Session: Comments pertaining to the call. ***None***

2. **Action:** Elect a Vice Chairman

Nomination by: Mr. Zeller

Seconded by: Ms. Karp

Jared Soper for Vice Chairman.

There were no further nominations. Mr. McIntosh moved to close the nominations. Mr. Zeller seconded.

Result: Mr. Soper was elected Vice Chairman {5-0-0}.

3. Communication:

a. Minutes of March 16, 2022 – Regular BOF Meeting

Minutes accepted as presented.

b. Minutes of March 21, 2022 – Special BOF Meeting (Mill Rate Setting)

Minutes accepted as presented.

4. Communication: Pension Report (February 2022) and Flash Report (March 2022)

Ms. Twilley reviewed the pension report and the flash report. She spoke with Mr. Kachmar yesterday who informed her that, as of now, Fiducient Advisors does not suggest any changes to the Town’s asset allocation. However, no recommendation right now does not mean that they are not actively watching the plan.

5. Communication: Month End Investments – February 2022

Ms. McManus reviewed the report dated March 11, 2022. Mr. McIntosh asked if rates are going up. Ms. McManus stated that rates are indeed going up, especially STIF rates. Therefore, they have been moving a lot of money there.

6. Communication: Financial Summary for 9 months - March 2022

Ms. Twilley reviewed the report dated April 7, 2022. Mr. McIntosh asked about the \$400,000 for the Fire Department's Self-Contained Breathing Apparatus. Ms. Twilley explained that the Town made the payment in one year and reimbursed the General Fund for that expense.

7. Communication: Special Revenue Funds Q3-2022 Reports

a. Sewer Operating and Sewer Sinking Funds

Ms. Twilley reviewed the report dated April 8, 2022. Ms. Karp asked if there is a balance requirement in the sewer sinking fund. Mr. Johnson stated that the balance is through the aggregate assessments over the years. It is available for large-scale system maintenance and to offset projects that might be part of the master plan. Mr. Zeller stated that the master plan is a large number, but they do not have to do everything all at once. Mr. Johnson stated that is correct. Mr. McIntosh believes that those who benefit from town services should pay for it, but present taxpayers should not pay for future assets from which they will never receive a benefit. The cost of that large number should fall on the people who will benefit from it, not the present users. That is why he finds the number to be realistic.

b. Recreation Activities and Police Private Duty Funds

Ms. Twilley reviewed the report dated April 8, 2022.

8. Communication: Capital Projects – March 2022

Ms. Twilley reviewed the report dated April 7, 2022.

9. Communication: Self Insurance Reserve Fund – March 2022

Ms. Twilley reviewed the report dated April 4, 2022. She noted that there is a typo. It should read that the balance is as of March 31. Mr. Zeller asked why there are different individual stop-loss limits. Mr. Johnson explained that it is based on the size of the pool on both sides. Based on the size of the Town, it was recommended that their stop-loss limit be lower than that of the BOE. Mr. Lynn asked when they will look again at the reserves because once the pandemic recedes and elected procedures resume, the true number from an actuarial standpoint will be different. Mr. Johnson explained that, on the Town side, they have kept premiums flat for the past three years. He is not sure what the BOE does.

Ms. Karp believes that the BOE made a one-year decision to reduce their reserve and make use of that money, but she would feel more comfortable hearing directly from the Superintendent on what the conversation was. Mr. McIntosh stated that, if the BOE did reduce the amount they paid for health insurance by that amount, he sees two problems: it does not benefit the employees and their contributions, and secondly, it benefits present employees, but it is the prior employees who paid the money in, so this shifts the burden away from people who made the payments to those who will not. Mr. Zeller noted that the BOE goes above what the Town's policy requires for the reserve. Ms. Karp stated that they should get that information from the BOE.

10. Communication: Transfers Approved by Town Manager Since Last Meeting
 - a. \$260 Human Resources – Printer
 - b. \$3,820 RCC - Network Switch
 - c. \$510 Parks & Recreation - Network Switch
 - d. \$1,325 Facilities – Laptop Computer
 - e. \$4,950 Physical Services – Hose Replacement
 - f. \$1,800 Information Technology – Cabling
 - g. \$2,400 Community Development/Fire Marshal – Tablet Computers

11. **Action:** Transfers over \$5,000

- a. \$7,542 Youth & Family Capital Outlay - Office Equipment & Furniture

Mr. Johnson explained that they have funded some of this in savings achieved this year because of the continuing slowdown due to the pandemic.

Motion by: Mr. Zeller

Seconded by: Mr. Lynn

BE IT RESOLVED, that the Glastonbury Board of Finance hereby approves a transfer of \$7,542 from Youth & Family Services - Part Time Wages to Youth & Family Capital Outlay - Office Equipment & Furniture.

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

12. **Action:** Recommend to Town Council Auditor for Fiscal Year Ending June 30, 2022

Ms. Twilley stated that RSM has served as the Town’s auditor for the last three years, so this would be the fourth year.

Motion by: Mr. Zeller

Seconded by: Mr. McIntosh

BE IT RESOLVED, that the Glastonbury Board of Finance recommends to the Town Council the appointment of RSM as the Town Auditors for the fiscal year ending June 30, 2022.

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

13. Communication: Would the BOF like to have the Fiducient Advisors Research Specialist attend a meeting?

Ms. Twilley stated that Mr. Kachmar offered to have the head of their research group come in to discuss how they conduct their research and answer any questions the Board may have. She noted that the Board did this about two years ago, over Zoom, and it was quite helpful. The Board is in favor. Ms. Twilley will ask if the specialists are available to attend the Board’s next regularly scheduled meeting. Mr. Lynn asked if there are other advisers who may perform better. Mr. Johnson stated that Fiducient Advisors is very well regarded, with a broad municipal client base within Greater Hartford. He noted that FIA (the former name) was selected through a Request for Qualifications process about ten years ago. The Board can press them on their metrics, methodology, and how they choose managers when they come in at the next meeting. Mr. Lynn stated that, while it may not be the time right now, the Town may be better served with another institutional adviser in the future.

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

Mr. Constantine stated that the PBC has not yet met but they are close to opening the library. Mr. Johnson stated that is correct. The library is close to completion, and they will arrange a tour for BOF members to see the site. Mr. Constantine asked about Phase 3 of the sidewalk project. Mr. Johnson explained that four options were identified. Next Tuesday, the Council will hold a public information hearing to hear from residents and review options, given the DOT's response. Ms. Karp asked if there has been any update regarding the motor vehicle tax. Mr. Johnson stated that, right now, a couple options have been discussed, but the mill rate will likely be something different than 29. If the State does change that number, they will put in statutory notwithstanding language to allow for adjustments as necessary.

Mr. Soper arrived at 4:40 p.m.

Mr. Zeller stated that he recently saw a sign advertising that the MDC is selling land on the Manchester side of Kenney Street. Mr. Johnson was not aware of that. He will speak with his counterpart in Manchester.

15. Adjournment

Motion by: Mr. McIntosh

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance moves to adjourn their meeting of April 20, 2022, at 4:45 p.m.

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

Respectfully submitted,

Lilly Torosyan

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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.