



Town of Glastonbury

2155 MAIN STREET • P.O. BOX 6523 • GLASTONBURY, CT 06033-6523 • (860) 652-7500
FAX (860) 652-7505

Jonathan K. Luiz
Town Manager

PUBLIC HEARING
11-02-2023 Special Meeting

October 31, 2023

The Glastonbury Town Council
2155 Main Street
Glastonbury, CT 06033

Re: Appropriation and Transfer – General Fund-Unassigned Fund Balance

Dear Council Members:

On October 18, 2023, the Board of Finance unanimously approved a motion that would move a total of \$2,750,000 from the General Fund-Unassigned fund balance accordingly:

- ✓ \$600,000 to Capital Reserve Fund
- ✓ \$910,000 to pay off the 2012 bond that matures in May of 2025
- ✓ \$1,240,000 to Pension

The Town Council at its meeting of October 24, 2023, scheduled this matter for a public hearing to be held at a special meeting on Thursday, November 2nd at 7:00 p.m. At the conclusion of Thursday evening's public hearing, the Town Council could take action to allocate and transfer the surplus funds in General Fund-Unassigned Fund Balance.

For your reference, attached is a memo from the Director of Finance and Administrative Services along with a presentation, both from the October 24th Council meeting.

The following motion is offered for Town Council consideration:

"BE IT RESOLVED, that the Glastonbury Town Council hereby approves the following appropriation and transfer from the General Fund-Unassigned Fund Balance: \$600,000 to Capital Reserve Fund, \$910,000 to pay off the 2012 bond that matures in May of 2025, and \$1,240,000 to Pension, for a total of \$2,750,000 from the General Fund-Unassigned Fund Balance, as described in a report by the Town Manager dated October 31, 2023 and as recommended by the Board of Finance."

Sincerely,

Jonathan Luiz
Glastonbury Town Manager

JL/sal
Attachments



Town of Glastonbury

FINANCIAL ADMINISTRATION • (860) 652-7586 • FinancialAdministration@glastonbury-ct.gov

ITEM #5(B)
10-24-2023 Meeting

TO: Town Council

PREPARED BY: Keri Rowley, Director of Finance and Administration

REVIEWED BY: Jonathan Luiz, Town Manager

DATE: October 20, 2023

RE: **FY 2023 Preliminary Results and Unassigned Fund Balance (UFB)**

A summary of General Fund Results of Operations through fiscal year end June 30, 2023 is provided below. Unaudited results for the twelve months ended June 30, 2023 show an estimated net change in Fund Balance of \$4.8m, driven by revenues that exceeded the original budget by \$3.8m and expenditures that fell below the original budget by \$1.0m.

Actual revenues are estimated at \$183.0m. Key drivers that net to the \$3.8m favorable revenue variance to original budget include:

- \$1.87m in Investment Income
- \$1.49m in Total Tax Collection
- \$730K Municipal Revenue Sharing Grant
- \$250K Building Inspection Fees
- \$104K Senior Service Program/Rental Fees
- \$50K Refuse Disposal Fees
- Budgeted "opening cash" of \$875k Transferred in from Fund Balance was not necessary

Actual expenditures are estimated at \$178.2m. Key drivers that net to the \$1.0m favorable expenditure variance to original budget include:

- (\$345K) Town Wages, Overtime (\$284k Full Time, \$50k Part Time, \$11k other)
- (\$278K) Capital Outlay
- (\$152K) Change in Carry- Forward Encumbrances
- (\$81K) Contractual & Professional Services
- (\$44K) Data Processing & Technology Use Charges
- (\$67K) Vehicle & Equipment Maintenance
- (\$25K) Utilities

Of the estimated \$4.8m change in Fund Balance, \$939K is estimated to be Assigned (committed to future expenditures, i.e. BOE 1% Fund and Carry Forwards) and \$3.9m is estimated to be Unassigned. Based on these results, the estimated Fund Balance will total \$42.4m, with \$37.1m Unassigned (Prior Year \$33.2m), \$5.0m Assigned and \$0.3m Non-spendable (i.e. inventories / prepayments). An estimated Unassigned Fund Balance (UFB) of \$37.1m would represent 20.3% of the Fiscal Year 2024 budget, and would be roughly \$7.9 million over the minimum mark of 16% or \$29.2m set by the Town's Fund Balance Policy.

Over the past two months, the Board of Finance (BOF) discussed three possible uses of UFB. The first was to call the 2012 GO Refunding bonds. The outstanding bond principal totals \$2.73m and are made up of three issues:

- 1st issue of \$915K with a 5% coupon due May 15th, 2024,
- 2nd issue of \$910K with a 5% coupon due May 15th, 2025,
- 3rd issue of \$905K with a 2.875% coupon due May 15th, 2026

Using UFB to pay all or a portion of these issues would provide budget relief of roughly \$900K a year in the applicable year the issue is due. Savings from calling the bonds early would be recognized in the interest payments due on the issues but offset by interest income earnings that could be earned on the UFB funds used to pay off the bonds early. Attached is the latest cost/benefit analysis of calling the bonds early. Note that the analysis does not include fees associated with calling the bonds. Fees would be charged by bond counsel and the financial adviser.

The BOF also discussed using UFB to make an additional contribution to the Town's (including BOE) Pension Fund. It is estimated that each \$1m contribution to the Pension Fund would result in roughly \$137K of reduced annual Actuarially Determined Employer Contribution (ADEC) payments. The Town's current unfunded liability is around \$60.8m, with the plan being around 76.15% funded as of the updated July 1, 2022 Actuarial Valuation.

The final use of UFB discussed by the BOF was an additional contribution to the Capital Reserve Fund. This Fund is where all the revenue to fund projects in the Capital Program is located. Generally, the Capital Reserve Fund receives funding via the General Fund and from grants. As of the end of FY 2023, there is a deficit in the Capital Reserve Fund of roughly \$3.4m due to the fact we have yet to receive two large state grant payments. A supplemental appropriation of \$629k was recently approved by both the Board of Finance and the Town Council. After factoring in the supplemental appropriation, and assuming the outstanding grant payments will arrive in Fiscal Year 2024, the balance in the Capital Reserve Fund is projected to be roughly \$650K by the end of FY 2024. Transferring UFB into the Capital Reserve Fund will increase the Capital Reserve Fund balance to the \$1mil goal. Capital Reserve Fund balance can be used for new projects or unbudgeted costs of current projects (upon appropriate approval). It should be noted that on the June rating call with Moody's to confirm the Town's Aaa rating, the rating agency was particularly interested in how the Town is proactively addressing inflation's impact on the Capital Program.

At the Board of Finance meeting held October 18th, 2023, a motion was approved unanimously to allocate \$2.75m of Unassigned Fund Balance as follows:

- ✓ \$600k to the Capital Reserve Fund,
- ✓ \$910K to pay off the bond issue that matures May 15, 2025, and
- ✓ \$1.24m to fund an additional contribution to the Pension Fund.

Allocating \$2.75m of UFB would bring the UFB to approximately \$34.35m, which is 18.8% of the Fiscal Year 2024 budget and roughly \$5.11m over the minimum mark of 16% or \$29.2m set by the Town's Fund Balance Policy.

In accordance with Chapter V, Section 501 of the Town Charter, the allocation would take effect upon approval by the Town Council, following a public hearing. The following motion is offered for Town Council consideration:

"BE IT RESOLVED, that the Glastonbury Town Council hereby schedules a public hearing for 7:00 p.m. to be held at a Special Meeting on Thursday, November 2, 2023 in the Council Chambers of Town Hall, 2155 Main Street, Glastonbury and/or through Zoom Video Conferencing to consider the proposed appropriation and transfer as described in a report by the Director of Finance and Administrative Services dated October 20, 2023."

Attachments:

- Callable Bond Analysis for All Outstanding Bonds
- General Fund – Fund Balance Estimated Operational Results
- Twelve Year Unassigned Fund Balance Analysis w/ Completed YE Transfers

UPDATED

**Interest Income vs. Interest Paid on Bonds - adjusted 5/15/2024 bond interest
payment based on January 1st, 2024 payoff**

Callable Bond Analysis for All Outstanding Bonds				
Potential Loss of Investment Income				
Date	Net Investment \$	Est. Interest		
Jan-24	\$ 2,730,000.00	\$ 11,375.00	2012 GO Refunding Bonds \$14,545,000- Outstanding	
Feb-24	\$ 2,730,000.00	\$ 11,375.00	Principal	Total P+I
Mar-24	\$ 2,730,000.00	\$ 11,375.00		
Apr-24	\$ 2,730,000.00	\$ 11,375.00		
May-24	\$ 1,825,000.00	\$ 9,489.58	5/15/2024 \$ 905,000.00	5.000% \$ 43,896.10
Jun-24	\$ 1,825,000.00	\$ 7,604.17	11/15/2024 \$ -	\$ 35,903.13
Jul-24	\$ 1,825,000.00	\$ 7,604.17	5/15/2025 \$ 910,000.00	5.000% \$ 35,903.13
Aug-24	\$ 1,825,000.00	\$ 7,604.17	11/15/2025 \$ -	\$ 13,153.13
Sep-24	\$ 1,825,000.00	\$ 7,604.17	5/15/2026 \$ 915,000.00	2.875% \$ 13,153.15
Oct-24	\$ 1,825,000.00	\$ 7,604.17	Total \$ 2,730,000.00	\$ 142,008.64
Nov-24	\$ 1,825,000.00	\$ 7,604.17		\$ 2,872,008.64
Dec-24	\$ 1,825,000.00	\$ 7,604.17		
Jan-25	\$ 1,825,000.00	\$ 7,604.17		
Feb-25	\$ 1,825,000.00	\$ 7,604.17		
Mar-25	\$ 1,825,000.00	\$ 7,604.17		
Apr-25	\$ 1,825,000.00	\$ 7,604.17		
May-25	\$ 915,000.00	\$ 5,708.33		
Jun-25	\$ 915,000.00	\$ 3,812.50		
Jul-25	\$ 915,000.00	\$ 3,812.50		
Aug-25	\$ 915,000.00	\$ 3,812.50		
Sep-25	\$ 915,000.00	\$ 3,812.50		
Oct-25	\$ 915,000.00	\$ 3,812.50		
Nov-25	\$ 915,000.00	\$ 3,812.50		
Dec-25	\$ 915,000.00	\$ 3,812.50		
Jan-26	\$ 915,000.00	\$ 3,812.50		
Feb-26	\$ 915,000.00	\$ 3,812.50		
Mar-26	\$ 915,000.00	\$ 3,812.50		
Apr-26	\$ 915,000.00	\$ 3,812.50		
May-26	\$ 915,000.00	\$ 1,906.25		
Potential Interest Lost		\$ 188,187.50		

Callable Bond Analysis for 2 of 3 Outstanding Bonds				
Date	Net Investment \$	Est. Interest		
Jan-24	\$ 1,815,000.00	\$ 7,562.50	2012 GO Refunding Bonds \$14,545,000- Outstanding	
Feb-24	\$ 1,815,000.00	\$ 7,562.50	Principal	Total P+I
Mar-24	\$ 1,815,000.00	\$ 7,562.50		
Apr-24	\$ 1,815,000.00	\$ 7,562.50		
May-24	\$ 910,000.00	\$ 5,677.08	5/15/2024 \$ 905,000.00	5.000% \$ 34,031.25
Jun-24	\$ 910,000.00	\$ 3,791.67	11/15/2024 \$ -	\$ 22,750.00
Jul-24	\$ 910,000.00	\$ 3,791.67	5/15/2025 \$ 910,000.00	5.000% \$ 22,750.00
Aug-24	\$ 910,000.00	\$ 3,791.67	Total \$ 1,815,000.00	\$ 79,531.25
Sep-24	\$ 910,000.00	\$ 3,791.67		\$ 1,894,531.25
Oct-24	\$ 910,000.00	\$ 3,791.67		
Nov-24	\$ 910,000.00	\$ 3,791.67		
Dec-24	\$ 910,000.00	\$ 3,791.67		
Jan-25	\$ 910,000.00	\$ 3,791.67		
Feb-25	\$ 910,000.00	\$ 3,791.67		
Mar-25	\$ 910,000.00	\$ 3,791.67		
Apr-25	\$ 910,000.00	\$ 3,791.67		
May-25	\$ 910,000.00	\$ 1,895.83		
Potential Interest Lost		\$ 79,531.25		

GENERAL FUND - FUND BALANCE ESTIMATED OPERATIONAL RESULTS

GENERAL FUND - FUND BALANCE AND ESTIMATED OPERATIONAL RESULTS								
	Includes Completed Year End Transfers							
	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 ACTUALS	2022/23 Estimated	2023/24 PROJECTED	2024/25 PROJECTED	2025/26 PROJECTED	2026/27 PROJECTED
ACTUAL/PROJECTED OPERATING RESULTS:								
JULY 1, FUND BALANCE	\$29,221,140	\$33,330,395	\$34,640,894	\$37,599,351	\$37,095,117	\$36,420,117	\$35,845,117	\$35,270,117
REVENUES & TRANSFERS IN	169,346,480	172,164,787	200,283,053	183,019,697				
EXPENDITURES & TRANSFERS OUT	(165,237,225)	(170,854,288)	(197,324,596)	(178,210,937)				
ACTUAL NET GAIN/(LOSS) ON OPERATIONS	4,109,255	1,310,499	2,958,457	4,808,760				
NET GAIN/(LOSS) ON OPERATIONS	4,109,255	1,310,499	-	-				
MUNICIPAL REVENUE SHARING ACCOUNT (MRSA)								
ACTUAL/ESTIMATED FUND BALANCE ENDING - JUNE 30	\$33,330,395	\$34,640,894	\$37,599,351	\$42,408,111	\$37,095,117	\$36,420,117	\$35,845,117	\$35,270,117
EXPENDITURE ACTUALS & ESTIMATES	\$165,237,225	\$170,854,288	\$172,723,330	\$177,797,562	\$182,705,231	\$188,186,388	\$193,831,980	\$199,646,939
		ACTUAL	ADOPTED BUD	ADOPTED BUD	ADOPTED BUD	Estimated @ 3%		
FUND BALANCE:								
TOTAL FUND BALANCE - JUNE 30	\$33,330,395	\$34,640,894	\$37,599,351	\$42,408,111	\$37,095,117	\$36,420,117	\$35,845,117	\$35,270,117
RESERVES								
<i>Non Spendable (estimated)</i>	(212,291)	(239,651)	(275,802)	(286,083)				
<i>Assigned for Education surplus carried to Subsequent year</i>	(1,513,756)	(2,369,898)	(2,691,878)	(3,645,946)				
<i>Assigned for Capital Outlay in Subsequent year</i>	(234,711)	(204,923)	(38,382)	(256,034)				
<i>Assigned for Continued Appropriations</i>	(320,825)	(410,567)	(501,515)	(349,931)				
<i>Non-spendable & Assigned for EDU Surplus, Capital Outlay, Approp.</i>	(2,281,583)	(3,225,039)	(3,507,577)	(4,537,994)				
<i>Assigned for Subsequent Year BUD (Transfer In from General Fund)</i>	(975,000)	(975,000)	(875,000)	(775,000)	(675,000)	(575,000)	(575,000)	(575,000)
UNASSIGNED FUND BALANCE - JUNE 30	\$30,073,812	\$30,440,855	\$33,216,774	\$37,095,117	\$36,420,117	\$35,845,117	\$35,270,117	\$34,695,117
UNASSIGNED FUND BALANCE AS % OF SUBSEQUENT YEAR REV OR EXP	17.6%	17.6%	18.7%	20.3%	19.4%	18.5%	17.7%	16.9%
ADDITIONAL INFORMATION:								
	2019/20 ACTUAL	2020/21 ACTUAL	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
UNASSIGNED FUND BALANCE AS % OF SUBSEQUENT YEAR REV OR EXP	17.6%	17.6%	18.7%	20.3%	19.4%	18.5%	17.7%	16.9%
% FROM ONE TIME REVENUE SOURCE	4.9%	4.8%	4.7%	4.6%	4.4%	4.3%	4.2%	4.1%
% FROM OPERATIONS	12.7%	12.8%	14.0%	15.7%	14.9%	14.2%	13.5%	12.8%
UNASSIGNED FUND BALANCE:								
FROM ONE TIME REVENUE SOURCES	\$ 8,331,407	\$ 8,331,407	\$ 8,331,407	\$ 8,331,407	\$ 8,331,407	\$ 8,331,407	\$ 8,331,407	\$ 8,331,407
FROM OPERATIONS	\$ 21,742,405	\$ 22,109,448	\$ 24,885,367	\$ 28,763,710	\$ 28,088,710	\$ 27,513,710	\$ 26,938,710	\$ 26,363,710
UNASSIGNED FUND BALANCE	\$ 30,073,812	\$ 30,440,855	\$ 33,216,774	\$ 37,095,117	\$ 36,420,117	\$ 35,845,117	\$ 35,270,117	\$ 34,695,117
TOWN FUND BALANCE POLICY <u>MINIMUM</u> OF 16%	\$ 27,336,686	\$ 27,635,733	\$ 28,447,610	\$ 29,232,837	\$ 30,109,822	\$ 31,013,117	\$ 31,943,510	\$ 32,901,816
UNASSIGNED FUND BALANCE ABOVE TOWN POLICY	\$ 2,737,126	\$ 2,805,122	\$ 4,769,164	\$ 7,862,280	\$ 6,310,295	\$ 4,832,000	\$ 3,326,607	\$ 1,793,301
S&P SUGGESTED <u>MINIMUM</u> OF 15% FOR VERY STRONG RATED COMMUNITIES	\$ 25,628,143	\$ 25,908,500	\$ 26,669,634	\$ 27,405,785	\$ 28,227,958	\$ 29,074,797	\$ 29,947,041	\$ 30,845,452
UNASSIGNED FUND BALANCE ABOVE 15%	\$ 4,445,669	\$ 4,532,355	\$ 6,547,140	\$ 9,689,332	\$ 8,192,159	\$ 6,770,320	\$ 5,323,076	\$ 3,849,665
GFOA BEST PRACTICE <u>MINIMUM</u> OF 2 MO. OPERATING EXPENDITURES (16.7%)	\$ 28,475,715	\$ 28,787,222	\$ 29,632,927	\$ 30,450,872	\$ 31,364,398	\$ 32,305,330	\$ 33,274,490	\$ 34,272,725
UNASSIGNED FUND BALANCE ABOVE GFOA BEST PRACTICE	\$ 1,598,097	\$ 1,653,633	\$ 3,583,847	\$ 6,644,245	\$ 5,055,719	\$ 3,539,787	\$ 1,995,627	\$ 422,393

Twelve Year Unassigned Fund Balance Analysis w/ Completed YE Transfers

Surplus/Deficit Year End Results

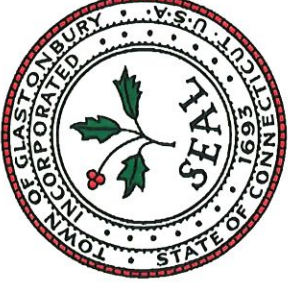
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Estimated FY 2023	Total Surplus/Deficit
Total Revenues	\$ 139,909,104.00	\$ 148,700,058.00	\$ 149,925,652.00	\$ 151,237,401.00	\$ 155,205,657.00	\$ 157,710,345.00	\$ 160,732,546.00	\$ 166,969,493.00	\$ 169,946,480.00	\$ 172,164,787.00	\$ 176,290,722.00	\$ 183,019,696.85	\$ 1,931,811,941.85
Total Expenditures	\$ 141,112,645.00	\$ 142,742,249.00	\$ 146,306,519.00	\$ 152,447,253.00	\$ 153,849,985.00	\$ 158,116,865.00	\$ 161,630,729.00	\$ 163,505,881.00	\$ 165,837,225.00	\$ 170,854,288.00	\$ 173,332,265.00	\$ 178,210,936.74	\$ 1,907,946,840.74
Total Surplus/Deficit	\$ (1,203,541.00)	\$ 5,957,809.00	\$ 3,619,133.00	\$ (1,209,852.00)	\$ 1,355,672.00	\$ (406,520.00)	\$ (898,183.00)	\$ 3,463,612.00	\$ 4,109,255.00	\$ 1,310,499.00	\$ 2,958,457.00	\$ 4,808,760.11	\$ 23,865,101.11

Change in Unassigned Fund Balance

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Estimated FY 2023	Total Change in Fund Balance
7/1 UFB Beginning Balance	\$ 15,958,589.00	\$ 15,890,555.00	\$ 21,881,949.00	\$ 25,648,091.00	\$ 24,339,992.00	\$ 25,843,730.00	\$ 24,315,641.00	\$ 23,876,227.00	\$ 27,601,660.00	\$ 30,073,812.00	\$ 30,440,855.00	\$ 33,216,774.00	\$ 17,258,185.00
Total Surplus/Deficit	\$ (1,203,541.00)	\$ 5,957,809.00	\$ 3,619,133.00	\$ (1,209,852.00)	\$ 1,355,672.00	\$ (406,520.00)	\$ (898,183.00)	\$ 3,463,612.00	\$ 4,109,255.00	\$ 1,310,499.00	\$ 2,958,457.00	\$ 4,808,760.11	\$ 23,865,101.11
Current Year Assignment	\$ (2,386,401.00)	\$ (2,323,703.00)	\$ (1,045,142.00)	\$ (1,143,003.00)	\$ (1,001,234.00)	\$ (2,121,442.00)	\$ (1,678,597.00)	\$ (1,394,049.00)	\$ (3,044,292.00)	\$ (3,960,388.00)	\$ (4,106,775.00)	\$ (5,016,911.00)	\$ (2,640,510.00)
Prior Year Assignment	\$ 3,386,844.00	\$ 2,386,401.00	\$ 2,323,703.00	\$ 1,045,142.00	\$ 1,143,003.00	\$ 1,001,234.00	\$ 2,121,442.00	\$ 1,678,597.00	\$ 1,394,049.00	\$ 3,044,292.00	\$ 3,960,388.00	\$ 4,106,775.00	\$ 2,640,510.00
Change in Non-Spendable	\$ 155,064.00	\$ (29,113.00)	\$ 57,963.00	\$ (886.00)	\$ 6,297.00	\$ (1,361.00)	\$ 15,924.00	\$ (22,727.00)	\$ 13,140.00	\$ (27,360.00)	\$ (36,151.00)	\$ (10,281.00)	\$ (165,345.00)
Restatement	\$ -	\$ -	\$ (1,189,515.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6/30 UFB Ending Balance	\$ 15,890,555.00	\$ 21,881,949.00	\$ 25,648,091.00	\$ 24,339,992.00	\$ 25,843,730.00	\$ 24,315,641.00	\$ 23,876,227.00	\$ 27,601,660.00	\$ 30,073,812.00	\$ 30,440,855.00	\$ 33,216,774.00	\$ 37,095,117.11	\$ 21,204,562.11

Budget to Actual Analysis

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Estimated FY 2023	Total Budget to Actual	% of Budget to Actual
Revenue														
Current Levy	\$ 440,096.00	\$ 265,271.00	\$ 1,320,705.00	\$ 421,799.00	\$ 503,559.00	\$ 206,010.00	\$ 525,880.00	\$ 745,074.00	\$ 588,424.00	\$ 5,580.00	\$ 978,808.00	\$ 183,327.72	\$ 6,188,543.72	25.93%
Penalties and Interest	\$ 129,873.00	\$ 1,257.00	\$ 69,725.00	\$ 115,118.00	\$ 32,797.00	\$ 10,078.00	\$ 48,152.00	\$ 72,931.00	\$ 2,506.00	\$ 116,696.00	\$ 58,022.00	\$ 1,098,520.52	\$ 1,760,675.52	7.38%
Lic + Permits	\$ 264,441.00	\$ 422,065.00	\$ 380,140.00	\$ 265,373.00	\$ 822,067.00	\$ 491,384.00	\$ 391,552.00	\$ 303,380.00	\$ 135,620.00	\$ 425,159.00	\$ 470,690.00	\$ 283,161.00	\$ 4,655,031.20	19.51%
Intergovernmental	\$ 590,638.00	\$ 521,827.00	\$ 888,549.00	\$ 269,067.00	\$ (93,412.00)	\$ (48,345.00)	\$ 100,809.00	\$ 397,489.00	\$ 534,090.00	\$ 423,140.00	\$ 540,146.00	\$ 952,043.20	\$ 5,076,041.20	21.27%
Charges for Services	\$ 132,524.00	\$ 105,045.00	\$ 8,093.00	\$ (179,862.00)	\$ 262,066.00	\$ 246,996.00	\$ (291,203.00)	\$ 133,337.00	\$ (104,405.00)	\$ 161,024.00	\$ 383,003.00	\$ (52,902.00)	\$ 803,716.00	3.37%
Other	\$ 170,484.00	\$ 111,328.00	\$ 279,219.00	\$ 87,965.00	\$ (36,363.00)	\$ (10,600.00)	\$ 722,389.00	\$ 694,650.00	\$ (269,808.00)	\$ (837,779.00)	\$ 60,954.00	\$ 2,158,637.41	\$ 3,131,085.41	13.12%
Less Use of Fund Balance	\$ (1,250,000.00)	\$ (750,000.00)	\$ (750,000.00)	\$ (750,000.00)	\$ (650,000.00)	\$ (575,000.00)	\$ (575,000.00)	\$ (575,000.00)	\$ (575,000.00)	\$ (975,000.00)	\$ (975,000.00)	\$ (875,000.00)	\$ (9,275,000.00)	-38.86%
Total Revenue Surplus	\$ 478,056.00	\$ 676,791.00	\$ 2,196,431.00	\$ 229,460.00	\$ 840,714.00	\$ 320,533.00	\$ 922,529.00	\$ 1,780,870.00	\$ 311,427.00	\$ (681,180.00)	\$ 1,516,623.00	\$ 3,747,787.85	\$ 12,240,093.85	51.71%
Net Saving on Expenditures	\$ 818,403.00	\$ 846,016.00	\$ (2,298.00)	\$ 460,688.00	\$ 554,998.00	\$ 1,414,947.00	\$ 379,238.00	\$ 562,742.00	\$ 2,547,828.00	\$ 2,691,679.00	\$ 1,118,834.00	\$ 1,060,922.26	\$ 12,454,007.26	52.19%
Land Sale Proceeds	\$ -	\$ 3,060,000.00	\$ 1,525,000.00	\$ -	\$ -	\$ 558,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,143,000.00	21.55%
Reinstatements to GF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Repayments of Mid Year Appropriator	\$ -	\$ 2,500,000.00	\$ -	\$ -	\$ 360,000.00	\$ -	\$ -	\$ 1,550,000.00	\$ 2,250,000.00	\$ 1,000,000.00	\$ 546,000.00	\$ -	\$ 8,206,000.00	34.38%
Mid Year Appropriations - Transfers	\$ (2,500,000.00)	\$ (1,125,000.00)	\$ (100,000.00)	\$ (1,900,000.00)	\$ (400,000.00)	\$ (2,700,000.00)	\$ (2,200,000.00)	\$ (430,000.00)	\$ (1,000,000.00)	\$ (1,700,000.00)	\$ (223,000.00)	\$ -	\$ (14,278,000.00)	-59.83%
Total Surplus/Deficit	\$ (1,203,541.00)	\$ 5,957,809.00	\$ 3,619,133.00	\$ (1,209,852.00)	\$ 1,355,672.00	\$ (406,520.00)	\$ (898,183.00)	\$ 3,463,612.00	\$ 4,109,255.00	\$ 1,310,499.00	\$ 2,958,457.00	\$ 4,808,760.11	\$ 23,865,101.11	100.00%



Town Council Meeting

OCTOBER 24, 2023

Board of Finance Approved Motion

BE IT RESOLVED, that the Glastonbury Board of Finance approves to move from the Unassigned fund balance:


- ❖ *\$600,000 to Capital Reserve Fund*
- ❖ *\$910,000 to pay off 2012 bond that matures in May of 2025*
- ❖ *\$1,240,000 to Pension for a total of \$2,750,000 from Unassigned*

Fund Balance



Fiscal Year 2023 In Review

Favorable Revenue Variances totaling \$3.8m with key drivers including:

- \$1.87m in Investment Income
 - \$1.49m Total Tax Collection
 - \$730K Municipal Revenue Sharing Grant
 - \$250K Building Inspection Fees
 - \$104K Senior Service Program/Rental Fees
 - \$50K Refuse Disposal Fees
 - Budgeted “opening cash” of \$875K transferred from Fund Balance was not necessary
- 

Fiscal Year 2023 In Review (cont.)


Favorable Expenditure Variances totaling \$1.0m with key drivers including:

- (\$345K) Town Wages, Overtime (\$284K Full Time, \$50K Part Time, \$11K Other)
- (\$278K) Capital Outlay
- (\$152K) Change in Carry-Forward Encumbrances
- (\$81K) Contractual & Professional Services
- (\$44K) Data Processing
- (\$67K) Vehicle & Equipment Maintenance
- (\$25K) Utilities



Fiscal Year 2023 In Review (cont.)

Year End Results on Fund Balance

- \$4.8m increase in Fund Balance from \$37.6m in FY 2022 to \$42.4m in FY 2023
 - Unassigned Fund Balance (UFB) increased from \$33.2m to \$37.1m
 - Assigned Fund Balance increases by \$939K (committed to future expenditures)
 - UFB is now an estimated 20.3% of FY 2024 budget
- 

Unassigned Fund Balance

Town Policy on Unassigned Fund Balance (UFB) is to maintain a minimum of 16% of the subsequent year's budget:

FY 2023 UFB - \$37.1m

16% Minimum - \$29.2m

UFB Above Town Policy - \$7.9m

Every \$1.8m added or assigned changes the UFB by 1%



Board of Finance Approved Motion

BE IT RESOLVED, that the Glastonbury Board of Finance approves to move from the Unassigned fund balance:

- ❖ *\$600,000 to Capital Reserve Fund*
- ❖ *\$910,000 to pay off 2012 bond that matures in May of 2025*
- ❖ *\$1,240,000 to Pension for a total of \$2,750,000 from Unassigned*

Fund Balance

