

**GLASTONBURY BOARD OF FINANCE
REGULAR MEETING MINUTES
WEDNESDAY, OCTOBER 16, 2024**

The Glastonbury Board of Finance, along with Finance Director, Keri Rowley, and Town Manager, Jonathan Luiz, held a regular meeting at 4:00 p.m. in the Council Chambers of Town Hall at 2155 Main Street. Also in attendance was Christopher Liebel, Controller.

Roll Call

Members

Mr. Constantine “Gus” Constantine, Chairman
Mr. Jared Soper, Vice Chairman
Mr. James Zeller
Mr. Robert Lynn
Ms. Susan Karp
Mr. Kevin Graff {participated via Zoom video conferencing }

1. Public Comment Session: Comments pertaining to the call *None.*
2. Communication: Minutes of September 18, 2024 Regular Meeting

Minutes accepted as presented.

3. Communication:
 - a. Pension Report - August 2024
 - b. Flash Report – September 2024

Ms. Rowley reviewed the reports. Mr. Zeller requested Milliman’s actuarial evaluation of the long-range forecast that was done in 2013. Ms. Rowley agreed to provide it.

4. Communication: Month End Investments – August 2024

Mr. Liebel reviewed the report dated October 16, 2024.

5. Communication: Financial Summary (Expenditures) for 3 months – September 2024

Ms. Rowley reviewed the report dated October 10, 2024. Ms. Karp asked if anything jumps out as being out of the ordinary. Ms. Rowley replied, no.

6. Communication: Capital Projects – September 2024

Ms. Rowley reviewed the report dated October 10, 2024.

7. Communication: Self Insurance Reserve Fund – September 2024

Ms. Rowley reviewed the report dated October 11, 2024.

8. Communication: Review of Capital Projects Close Out

Ms. Rowley reviewed the report dated October 10, 2024.

9. Consideration and Action on appropriation of two supplemental American Rescue Plan Act (ARPA) Grants – 50 Nye Road roof Replacement - \$450,000 and 50 Nye Road Roof Replacement and Renovations - \$500,000 funded through the Office of Policy and Management’s Coronavirus State Fiscal Recovery Fund

Mr. Zeller stated that this project has gone over \$1 million above what it was presented two years ago to total. Mr. Soper asked what rent the Town would receive on an annual basis, if they were to rent 50 Nye Road to tenants today. Mr. Luiz agreed to run some numbers and report back. Mr. Soper asked how long it would take to make the repairs at 50 Nye Road. Mr. Luiz explained that the tenants are scheduled to leave at the end of this month so that adjustments can be made to the parking lot. He anticipates that it should take place in the spring. He also would like for the roof to be replaced as soon as possible. He explained that the plan is to go out to bid and have a purchase order cut prior to January 1, and work would start after, in the winter.

Mr. Soper asked, at what point would the site be occupied. Mr. Luiz stated that it could likely be occupied from May 2025. Mr. Soper asked what 50 Nye Road would be used for. Mr. Luiz stated that the Council has instructed him to work with the Superintendent of Schools to facilitate the Board of Education (BOE) moving into that building. Mr. Luiz thinks that their current contract expires in July 2026.

Mr. Zeller expressed discomfort with the fact that they are going above \$3.4 million. However, if the renovations at 50 Nye Road run below \$3.7 million, then he believed it would make sense to proceed. If it goes beyond that, then he believed that the BOE should continue leasing because it would be cheaper. Mr. Zeller stated reluctant support for this, wishing that the Council had put money into the Special Revenue Fund (in the Unassigned Fund Balance) over the last two budget cycles instead.

Ms. Karp pointed out that the question before them is the use of ARPA funding to fix the roof and, with whatever funds are leftover, to make other improvements to the building. She explained that the Council believed this to be the best use of ARPA funding, and she agreed that this is an acceptable use of the ARPA funding. Mr. Soper clarified that the \$4.9 million is the cost of the project to date, not the cost to the Glastonbury taxpayers. He wondered how much more the cost would run above that. Mr. Luiz stated that there would be some utility and facility maintenance expenses until the BOE moves in.

Mr. Soper remarked that this feels like a greater ask than what was originally proposed to the BOF, and his fear is that the ask would continue to get bigger. Ms. Karp noted that when Nye Road was purchased, it encompassed more than just the two buildings, but also several acres of land. She did not agree with the classification that this is costing the taxpayers \$4.9 million, and found it important to remember that the reason why the Council felt so strongly about doing this was to meet a real affordable housing need in their community.

Motion by: Ms. Karp

Seconded by: Mr. Lynn

BE IT RESOLVED, that pursuant to the Town Charter, the Glastonbury Board of Finance approves and recommends to the Glastonbury Town Council two American Rescue Plan Act Grants supplemental appropriations of \$450,000 and \$500,000 to the ARPA Fund — Nye Road

Roof Replacement and Improvements Project and certifies that the use of funds is consistent with the US Treasury Guidelines, as described in a report by the Town Manager dated October 10, 2024.

Result: Motion passed {5-1-0}, with Mr. Soper voting against.

10. Discussion on the Board of Education Unexpended Fund increasing from 1% to 2%
(requested by Chairman Constantine)

Mr. Constantine stated that he read about this in the paper and thought that the Board should discuss it before budget time. He asked if this change is coming from the State or the Council. Ms. Rowley replied, the State. Mr. Soper asked what would happen to the 1% fund. Ms. Rowley explained that it is accumulative; the auditors informed her that the 1% balance, as of the end of FY23, would fall under the Town Charter's purview, so the BOE would report to them on unexpended funds.

Mr. Zeller noted that, under the old language, the BOE had to report on what they had used the money for. Ms. Rowley stated that is correct, but with this change, they would no longer have to do so, moving forward. Ms. Karp noted that all BOE funds are moved during public meetings, and they also have a page in their public book which explains how money is spent.

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

Mr. Constantine stated that the PBC has not yet met.

12. Adjournment

Motion by: Ms. Karp

Seconded by: Mr. Lynn

BE IT RESOLVED that the Glastonbury Board of Finance moves to adjourn their meeting of October 16, 2024, at 4:52 p.m.

Result: Motion passed 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 link to access the 'Town's Video OnDemand platform.