

**BOARD OF FINANCE
TOWN OF BRANFORD, BRANFORD, CONNECTICUT 06405**

JOSEPH W. MOONEY, CHAIRMAN
VICTOR J. CASSELLA
HARRY D'ADAMO
ROBERT IMPERATO
CHARLES F. SHELTON, JR.
JEFFREY E. VAILETTE



EX-OFFICIO
JAMES B. COSGROVE,
First Selectman

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Town Clerk

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**BOARD OF FINANCE
REGULAR MEETING MINUTES
February 25, 2019**

The meeting was called to order at 7:30 p.m. by Chairman Joseph Mooney at Branford Fire Headquarters, 45 North Main Street. The full Board was present: Victor Cassella, Harry D'Adamo, Robert Imperato, Charles Shelton and Jeffrey Vailette. Also in attendance were First Selectman Jamie Cosgrove, Finance Director Jim Finch, Town Clerk Lisa Arpin and Recreation Director Alex Palluzzi. RTM reps in attendance were Anthony Alfone (7:50 p.m. arrival), Peter Black (7:45 p.m. arrival) Dennis Flanigan, Ray Ingraham, Jim Stepanek and Frank Twohill.

1. Mr. Shelton made a motion to approve the January 28, 2019 meeting minutes, seconded by Mr. Imperato. The vote was unanimous.
2. There were no citizen communications.
3. The Board heard a presentation from GYL Financial Synergies and Hightower Advisors with regard to the performance of the Town's police pension plan for the quarter ended December 31, 2018. Present were Rob DeLuca, Michael Lepore and Luke Violette. Mr. DeLuca gave a recap on the market experience in the fourth quarter. Mr. Lepore touched on performance details of the fund in the handout, indicating the 12/31/18 quarter-end market value was \$22.665 million. The return for the quarter was -7% a little ahead of the benchmark of -7.2%. The value of the portfolio as of 2/22/19 was \$24.0 million—close to an all-time high and the market recovered all it lost in 2018. The asset allocation is close to policy—a bit overweight in fixed income; cash has been depleted for benefit payments and the recommendation for this quarter is to rebalance the portfolio and go above the 2.5% policy to about 2.8% in cash with a target balance of \$700,000. The rationale: 1). The market had a nice recovery and need to raise funds for benefit payments and 2). Raise enough cash to get through the July benefit payments—the time in which the annual contribution is made so there will be another cash inflow in July to use to rebalance. Chairman Mooney asked for a motion to approve the above rebalancing recommendation. Mr. Cassella made the motion seconded by Mr. Imperato. Vote was unanimous.
4. GYL Financial Synergies and Hightower Advisors continued their presentation of the performance of the Town's Other Post-Employment Benefits (OPEB) Trust for the quarter ended December 31, 2018. The value at the end of the year was \$15,787,000, the return for the quarter was -7.5% and the return for the year was -5.25%. Since the end of the quarter there has been nice appreciation and the value as of 2/22/19 is \$16,960,000--much like the

pension, the market recovered the loss in the market in 2018. There is no recommendation to rebalance the OPEB at this time as allocations are on target.

5. GYL Financial Synergies and Hightower Advisors continued their presentation on the performance of the Town's volunteer fire incentive plan for the quarter ended December 31, 2018. The value at the end of the quarter was \$1,020,000—the return was down 6.9% for the quarter, and down 5.7% for the trailing year. As of the close on 2/22/19, the ending market value was \$1,086,000 or a \$71,000 gain since January 1, 2019 to recover the investment losses from 2018, bringing the fund well within target policy parameters. There are no recommended changes or rebalancing at this time.
6. The Board heard a request from Peter Cimino, Director of Human Services for the following FY19 budget transfer and corresponding resolution, and Jim Finch Finance Director gave background on the item noting the current fund balance is \$313,176,000 before approval of this request. Chairman Mooney read the resolution which was approved unanimously, with Mr. Imperato making the motion to approve the resolution, seconded by Mr. Vailette.

From:	21890000-480296	Undesignated Fund Balance	(\$37,775)
To:	21844010-517000	Regular Wages & Salaries	37,775

RESOLVED: That the Board of Finance recommends to the RTM an increase in the appropriation for the Fiscal Year 2019 Human Services Fund Budget from \$1,480,657 to \$1,518,432. This increase will be funded through an appropriation from fund balance.

7. The Board heard a request from Alex Palluzzi, Parks & Recreation Director, for the following budget transfer for FY2019 due to the retirement payout for a 32-year employee:

From:	10145030-518250	Contingency	(\$22,176)
To:	10145010-519030	Accumulated Sick Pay	22,176

Mr. Vailette made the motion to approve the transfer, seconded by Mr. Cassella. Vote unanimous.

RESOLVED: That the Board of Finance recommends to the RTM the transfer of \$22,176 as requested by the Parks & Recreation Director.

8. Agenda item 8 was heard after agenda items 9 & 10. The Board heard comments from First Selectman Cosgrove who requested approval of adjusting the Human Resource Director salary for FY2019, as per the resolution approved by the Board of Finance on November 26, 2018. The HR Director will assume the part-time risk manager position, and the salary of \$103K is in range with other municipalities like Branford. Mr. Shelton made the motion to approve the request, seconded by Mr. Cassella. Approval was unanimous.

Dan McGowan, Solid Waste Supervisor presented a request to approve a two-year contract extension for diversion of Municipal Solid Waste with Covanta Bristol, Inc. to their Preston facility at a cost of \$56.50 per ton for FY2020 and \$59.33 per ton for FY2021. Mr. McGowan indicated this would realize nearly a six-figure savings to the Town. Mr. Imperato made the motion to approve the contract extension, seconded by Mr. Cassella. Vote unanimous.

9. Dan McGowan also presented a proposed amendment to the contract for comingled containers with Murphy Road Recycling LLC. This amendment is for three years with two optional one-year extensions. First Selectman Cosgrove commented that Branford is one of the few remaining towns in Connecticut with multiple stream recycling, and stressed that recycling diligence begins curbside with each residence.

10. The meeting adjourned at 8:10 p.m. via motion from Mr. Cassella, seconded by Mr. Vailette.

Dated this 15th day of March, 2019



Lisa E. Arpin, CCTC
Clerk, Board of Finance