

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

JOSEPH W. MOONEY, CHAIRMAN

**HARRY DiADAMO, JR.
VICTOR J. CASSELLA
ROBERT IMPERATO
CHARLES F. SHELTON, JR.
JEFFREY E. VAILETTE**



**EX-OFFICIO
JAMES B. COSGROVE,
First Selectman**

**CLERK
LISA E. ARPIN, CMC CCTC
Town Clerk**

BRANFORD TOWN CLERK

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**BOARD OF FINANCE
REGULAR MEETING MINUTES
May 20, 2019**

Chairman Joseph Mooney called the meeting to order at 7:30 p.m. at Branford Fire Headquarters, 45 North Main Street. The full Board was seated—Harry DiAdamo, Victor Cassella, Robert Imperato, Joseph Mooney, Charles Shelton, Jr., and Jeffrey Vailette.

Also in attendance were First Selectman James Cosgrove, Finance Director James Finch, Assistant Finance Director Kathryn LaBanca and Lisa Arpin, Town Clerk. RTM Reps present: Peter Black, Donald Conklin, Linda Erlanger, Dennis Flanigan and Ray Ingraham.

1. To approve the minutes of the February 25, March 18, March 19, March 21 and March 25 meetings. Mr. Shelton made the motion to approve the referenced minutes, seconded by Mr. Vailette. Vote unanimous.
2. Citizens Communications-None
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 March 31, 2019. Rob DeLuca recapped market experiences and economic environment, and Luke Violette touched on performance details in the handout, indicating the 3/31/19 quarter-end market value was \$24,177,708. There is no recommendation for rebalancing at this time.
4. The Board also heard a presentation from GYL Financial Synergies and Hightower Advisors with regard to the performance of the Town's volunteer fire incentive plan for the quarter ended March 31, 2019. The quarter ending market value reported was \$1,094,680, with earnings for the quarter of \$85,449. There is no recommendation for rebalancing at this time.
5. GYL Financial Synergies and Hightower Advisors presented the performance of the Town's Other Post-Employment Benefits (OPEB) Trust for the quarter ended March 31, 2019. Mr. Violette reported the quarter ending market value as \$17,126,924 with earnings for the quarter of \$1,344,082. Mr. DeLuca answered questions from the Board including an inquiry regarding the fee structures/dynamics of the three plans (These will be provided to the Board at a later date.) No recommendation for rebalancing at this time.

6. To discuss changes recommended by the pension advisors with regard to the high yield strategy for the OPEB, Fire Pension, and Police Pension.

After discussions with the Finance Director, Mr. DeLuca suggested that for the high yield component of the fixed income portfolio that the Town migrate to an active manager using an open-end mutual fund to also replace the sleeve that Mesirov has been indexing as well. This recommended change can provide better down side protection in a difficult market while providing participation in an ongoing good market for high yield. The recommendation is to replace the high yield across all three portfolios with the mainstay high yield fund managed by MacKay Shields. Finance Director Jim Finch added comments. Chairman Mooney asked for a motion to move toward the actively managed high yield bond fund with MacKay High Yield Corporate Bond Fund. Moved by Mr. Imperato, seconded by Mr. Cassella. Vote unanimous.

7. The Board heard a request from Scott Denhardt on behalf of General Government Buildings (GGB) for the following FY19 budget transfer:

From:	70041170-579250-09304	Adult DC Condensing Unit	(\$2,410)
	70041170-544300-13318	Regional Energy Task Force	140
	70041170-579410-15313	BELC-Boiler Replacement	3,000
		Total	(\$5,550)
To:	70041170-544300-xxxx	Town Hall Counter Replacement	5,550

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

RESOLVED: That the Board of Finance recommends to the RTM the transfer of \$5,550 as requested by GGB for FY19.

8. Human Services Director Peter Cimino presented the following budget transfer request for FY19:

From:	21844010-555200	Property, Auto, Gen. Liability Ins.	(\$1,100)
To:	21844010-533650	Credit Card Processing Fees	1,100

Mr. Imperato made the motion to approve the transfer, seconded by Mr. DiAdamo. Vote unanimous.

RESOLVED: That the Board of Finance recommends to the RTM the transfer of \$1,100 as requested by GGB for FY19.

9. The Board heard a request from Christine Bjork of ERACE/Branford Adult Education for the following FY19 budget transfer:

From:	25448100-511000	Salaries-Certified	(\$6,300)
	25448100-588200	Memberships, Conferences, Meetings	(310)
		Total	(\$6,610)
To:	25448100-555400	Advertising, Printing	5,670
	25448100-533500	Purchased Services	630
	25448100-51200	Salaries-Non Certified	310
		Total	\$6,610

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

RESOLVED: That the Board of Finance recommends to the RTM the transfer of \$6,610 as requested by ERACE/Branford Adult Education for FY19.

10. Police Chief Jon Mulhern presented a request on behalf of the Board of Police Commissioners for the following FY19 budget transfer:

From:	10142010-566100	Office Supplies	(\$3,115)
	10142010-517000	Regular Wages & Salaries	(72,000)
	10142010-544130	Fuel	(\$35,000)
		Total	(\$110,115)
To:	10142010-579150	Technology	\$3,115
	10142010-518000	Overtime	50,000
	70042010-579350	Vehicles	35,000
	70042010-579250	Vehicle Equipment	22,000
		Total	\$110,115

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

RESOLVED: That the Board of Finance recommends to the RTM the transfer of \$110,115 as requested by the Board of Police Commissioners for FY19.

11. Alex Palluzzi Director of Parks & Recreation presented the following FY19 budget transfer:

From:	10145010-544100	Utilities-Water, Gas, Electric	(\$15,000)
To:	10145010-544300	Purchased Services, R&M	\$5,000
	10145010-544320	Grounds \$&M	10,000
		Total	\$15,000

Mr. Valette 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 \$15,000 as requested by Parks & Recreation for FY19.

12. The Board heard a request from the Town Clerk Lisa Arpin for the following FY19 budget transfer:

From:	10141080-533300	Professional Development	(\$13)
	10141080-555400	Advertising Printing	(335)
		Total	(\$348)
To:	10141080-519025	Education Incentive	\$250
	10141080-579250	Equipment	98
		Total	\$348

Mr. Shelton 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 \$348 as requested by the Town Clerk for FY19.

13. The Board heard a request from Finance Director Jim Finch to recommend the appointment of the accounting firm BlumShapiro to perform the annual audit for the fiscal year ending June 30, 2019, at the proposed fee of \$64,800—an increase of \$800 over FY18. It was suggested to form a sub-committee to review and evaluate future proposals for appointing accounting firms. Mr. Valette made the motion to approve the appointment, seconded by Mr. Cassella. Vote unanimous.

RESOLVED: That the Board of Finance approves the appointment of BlumShapiro to perform the annual audit for the fiscal year ending June 30, 2019.

14. Overview discussion of the changes to the Branford Police Unit #459, Police Pension Agreement effective through June 30, 2031, as approved by the RTM on May 14, 2019.

The Board heard Jim Finch's overview of his memo of April 18th to the RTM (attached). He gave a summary on the experience and negotiations of the plan, risks aside, talked to the benefits of staffing recruiting and retention of police officers. Mr. Finch pointed out that Branford was mentioned in a story in *Pension and Investments* magazine about the change Branford has made in its defined contribution plan. No votes taken, as this was a discussion only item.

15. Chairman Mooney read the following budget transfer for FY2019 pursuant to the collective bargaining agreement for the United Public Services Employees Union (Police), as approved by the RTM on May 14, 2019:

Current year for various wage accounts

<u>From:</u>		
10149040-588802	Contingency	(\$229,663)
<u>To:</u>		
10142010-517000	Wages & Salaries	\$199,656
10142010-518000	Overtime	11,789
10142040-518010	Overtime Public Events	3,576
10142010-518050	Vacation	5,436
10142010-518150	Holiday	5,899
10142010-518200	Sick Pay	2,593
10142010-518490	Shift Differential	744

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

RESOLVED: That the Board of Finance recommends to the RTM the transfer of \$229,663 for FY19 for wages re the Police collective bargaining agreement.

Current year for wages earned in previous fiscal years

<u>From:</u>		
10149040-588802	Contingency	(\$129,259)
<u>To:</u>		
10142010-519070	Retroactive Wages	\$129,259

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

RESOLVED: That the Board of Finance recommends to the RTM the transfer of \$129,259 for wages earned in previous fiscal years re the Police collective bargaining agreement.

16. To act on a request from the Finance Director to closeout the School Ground Road Bridge project and approve the following resolution:

RESOLUTION DECLARING SCHOOL GROUND ROAD BRIDGE PROJECT COMPLETE AND THE REMAINING BONDS AUTHORIZED TO BE ISSUED TO FINANCE SUCH PROJECTS WITHDRAWN.

Chairman Mooney requested to waive the reading of the full resolution by motion from Mr. Vailette, seconded by Mr. Imperato. The reading of the full resolution was unanimously waived. Mr. Finch reviewed his May 17th memo indicating the remaining cash of \$40,220, will revert to the general fund to use to reduce future borrowing, and closeout the authorized but unissued amount (\$729,416) freeing up some debt authorization. A motion to approve the above resolution was made by Mr. Imperato, seconded by Mr. Vailette. The vote was unanimous.

17. To set the mill rate for fiscal 2019-2020.

Chairman Mooney reviewed the RTM's reductions of a total of \$117,248 as outlined in Jim Finch's memo of May 20, 2019, attached. The recommended mill rate of 29.07 results in an overall mill rate increase of 0.43 mills or 1.5% as compared to the current year.

Chairman Mooney read the following resolution to which Mr. Imperato made the motion to approve, seconded by Mr. Cassella. Vote unanimous:

Resolved: That the Board of Finance establishes the mill rate for fiscal year 2019-2020 at 29.07 mills pursuant to the budget adopted by the Representative Town Meeting.

Mr. Finch and Chairman Mooney made closing remarks and thanked all who participated in the budget process.

18. The meeting adjourned at 8:41 p.m. by motion from Mr. Cassella, seconded by Mr. Vailette. Vote unanimous.

Dated this 7th day of June, 2019




Lisa E. Arpin, CMC CCTC
Clerk, Board of Finance

OFFICE OF THE TREASURER
BRANFORD, CONNECTICUT



1019 MAIN STREET
POST OFFICE BOX 150

(203) 315-0663
Fax: (203) 315-3736
www.branford-ct.gov

Date: May 17, 2019
To: Joseph Mooney
Board of Finance
From: James P. Finch
Finance Director 
Re: Resolution School Ground Road.

RECEIVED
2019 MAY 17 P 4: 25
TOWN CLERK'S OFFICE
BRANFORD, CONNECTICUT

I attach for your review and approval a resolution from bond counsel to reduce the existing debt authorization for the School Ground Road Bridge Project. The bridge was opened in December of 2014 at a cost of approximately \$4.2 million. I have attached a worksheet outlining the revenue and expenditure detail which reflects the recent closeout payment from the state. The remaining balance (\$40,220) will revert to the general fund and I will likely use it in the future to reduce a future borrowing.

School Ground Road

<u>Revenue</u>	Revised	Source	%
Grants	3,249,868.25	State	77%
Bond Redesignation	148,874.72	Local	4%
Bond Proceeds	840,000.00	Local	20%
	4,238,742.97		100%

<u>Expenses</u>	
Administrative	1,579.51
Engineering	770,339.68
Construction	3,426,603.47
Total	4,198,522.66
Difference (Cash Balance)	40,220.31
Budget/Authorization	4,975,000.00
Expenses	4,198,522.66
Budget Balance	776,477.34

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 2019 MAY 17 P 4:25
 TOWN CLERK'S OFFICE
 BRANFORD, CONNECTICUT

RESOLUTION DECLARING SCHOOL GROUND ROAD BRIDGE PROJECT COMPLETE AND THE REMAINING BONDS AUTHORIZED TO BE ISSUED TO FINANCE SUCH PROJECTS WITHDRAWN.

Section 1. The Town of Branford at Representative Town Meeting has approved the following Projects to be undertaken and financed by the issuance of Bonds, for which an authorized but unissued bond authorization remains:

Project	Representative Town Meeting Resolution	Authorized	Bonds Issued 9/8/2010 & 8/14/2014	Grants Received	Authorized but unissued	Status
School Ground Road Bridge	4/14/2010; 12/11/2013	\$4,975,000	\$333,875 \$655,000	\$3,249,868	\$729,416	Project Complete

Section 2. It is hereby found and determined that the Project identified in Section 1 and is hereby complete, all expenses incurred for such project have been paid from sources duly appropriated and authorized for such purpose, no further work is to be undertaken thereon pursuant to the authorizing resolution and no further expenditure for such project is required, nor are any Bond's or notes required to be issued for such purposes.

Section 3. NOW, THEREFORE, it is hereby ordered that the project is declared and determined to be complete, and any remaining but unexpended appropriation, and any remaining unissued bonds, notes or other obligations of the Town authorized to be issued pursuant to the authorizing resolutions, are hereby expired and withdrawn.

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BRANFORD, CONNECTICUT

OFFICE OF THE TREASURER
BRANFORD, CONNECTICUT

Item 17

1019 MAIN STREET
POST OFFICE BOX 150



(203) 315-0663
FAX (203) 315-3736
WWW.BRANFORD-CT.GOV

Date: May 20, 2019
To: Joseph Mooney
Board of Finance
From: James P. Finch
Director of Finance
Re: Budget Highlights and Mill Rate

RECEIVED
2019 MAY 20 P 4: 17
TOWN CLERK'S OFFICE
BRANFORD, CONNECTICUT

Please find attached the changes to the Board's recommendations with regard to the FY 2020 budget. The primary changes from the Recommended Budget reflect changes in the wage accounts pursuant to the police contract. These increases were offset by a transfer out of the contingency account of \$355,886. Additionally the RTM sought to reduce the account by an additional \$107,628. In reviewing the budget I also discovered an error in the revenue spreadsheet which is now correct.

The RTM adjustments and the correction decreased the Board's recommended mill rate from 29.17 to 29.07 resulting in an overall mill rate increase of 0.43 mills or 1.5% as compared to the current year.

Therefore assuming no additional changes to estimated revenue the Board's resolution for setting the mill rate is follows:

Resolved: That the Board of Finance establishes the mill rate for fiscal year 2019-2020 at 29.07 mills pursuant to the budget adopted by the Representative Town Meeting.

TOWN OF BRANFORD
RTM Changes
2019/2020 Budget

<u>Committee/Item</u>	<u>Department</u>	<u>BOF Proposed</u>	<u>Change</u>	<u>Revised</u>
Admin Services				
		Total Change	0	
Education				
James Blackstone Memorial Library	JBML	1,453,582	(9,620)	1,443,962
		Total Change	(9,620)	
Public Services				
Salaries	Police Department	4,768,186	304,689	5,072,875
Seasonal & PT Help	Police Department	0		0
Accrued Payroll	Police Department	26,633	2,344	28,977
Overtime	Police Department	297,297	20,096	317,393
Overtime Public Events	Police Department	84,142	6,473	90,615
Vacation	Police Department	141,885	8,257	150,142
Holiday	Police Department	137,815	8,959	146,774
Sick Pay	Police Department	70,413	3,938	74,351
Shift Differential	Police Department	21,251	1,130	22,381
		Total Change	355,886	
Rules & Ordinances				
		Total Change	0	
Ways & Means				
Contingency	Contingency	1,463,512	(463,514)	999,998
		Total Change	(463,514)	
General Fund		Total Changes -General Fund	(117,248)	
General Fund				
Total Expenditure Changes Town		57,120,112	(117,248)	57,002,864
Total Expenditure Changes BOE (With Special Ed)		57,731,600	0	57,731,600
Total Expenditure Changes Cap & Leases		563,000	0	563,000
	Totals	115,414,712	(117,248)	115,297,464
		Total Reductions	(117,248)	

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 BRANFORD, CONNECTICUT

**Town of Branford
Mill Rate Calculation
(RTM Approved)
FY 2019-2020**

RECEIVED
2019 MAY 20 P 4: 17
TOWN CLERK'S OFFICE
BRANFORD, CONNECTICUT

	Amended Budget 2018-2019	Approved Budget 2019-2020	Change Amount	% Change
Budget Requirements				
Less: Annual Receipts Other Than Taxes	\$112,080,371	\$115,297,464	\$3,217,093	2.9%
Interest & Penalties on Back Taxes	\$1,432,300	\$1,466,900	\$34,600	2.4%
State & Federal Grants	\$2,405,113	\$3,188,096	\$782,983	32.6%
Departmental Receipts	\$6,035,089	\$6,534,935	\$499,846	8.3%
Fund Balance Brought Forward	\$2,825,000	\$2,825,000	\$0	0.0%
	\$12,697,502	\$14,014,931	\$1,317,429	10.4%
Net to be raised from Taxation	\$99,382,869	\$101,282,533	\$1,899,664	1.9%
NET GRAND LIST ⁽¹⁾	2018-2019	2019-2020	Change	%
	\$3,551,399,460	\$3,565,164,546	\$13,765,086	0.4%
Mill Rate	28.64	29.07	0.43	1.5%
Gross Taxes Available	\$101,718,930	\$103,650,465	\$1,931,535	1.9%
Less: State Reimbursements	\$270,800	\$270,800	\$0	0.0%
Less: Elderly & Veteran's Tax Relief	\$386,899	\$386,899	\$0	0.0%
Less: Allowance for Uncollectible	1,678,362	1,710,233	\$31,871	1.9%
Net Taxes Available	\$99,382,869	\$101,282,533	\$1,899,664	1.9%
Collection Rate	98.35%	98.35%		

Michael Nardella
Treasurer, Town of Branford
5/21/2018

(1) Reflects anticipated reductions from tax appeals