

DRAFT

BOARD of FINANCE
Executive Session Meeting Minutes
July 9, 2015

ATTENDANCE: The meeting was convened at 7:32 pm by Chairman Ezzes in the Town Hall meeting room with members Mr. Ferguson, Mr. Sargent, Mr. Grauberd, and Mr. Bochinski present. Also present were Town Administrator Landry and Finance Director Darling.

VEHICLE SINKING FUND: Mr. Landry presented the request from DPW to access the Vehicle Sinking Fund for the purchase of two pieces of equipment. The first is a backhoe/loader in the amount of \$116,810 (with trade). This will become the front line DPW piece of equipment, with the current piece (2004 John Deere) then moved to the transfer station, and the transfer station equipment (1989 Case) provided as trade in. The second piece is a new snow plow truck which will take its place in the fleet. It will replace a ten year old vehicle which will become a backup piece, and the current backup piece will be sold at auction. Both pieces were included in the appropriation for the Fund. The truck at \$160,000 and the backhoe/loader at \$140,000. The request was unanimously approved (Mr. Sargent motion, Mr. Grauberd second).

INVESTMENT POLICY: Mr. Darling referred to three documents that he distributed to members prior to the meeting. He reviewed investment earnings results through May, 2015. He said that our bank money market results are better than expected driven primarily by a money market account with People's United Bank. Cash earnings continue to remain consistent, and are strong as compared to our budget projections. However, unrealized paper losses within the Flynn, UBS, and Janney portfolios which must be booked as of June 30th will result in investment earnings coming up short of budget. Mr. Sargent asked if our intent was to hold these securities to maturity, in which case the unrealized loss was less concerning. The Board members confirmed holding to full maturity was its intent.

Mr. Ezzes asked if the Flynn portfolio included bonds with debt tied to Puerto Rico. Mr. Darling said he didn't know the details, but will ask for a breakdown of the items included.

Mr. Darling asked the Board to consider revising the Town's Investment Policy Statement regarding the \$1 million limit for certificates of deposit with a maturity date longer than six months. After discussion, the Board di vote unanimously to amend the limit stated in the Policy from \$1 million to \$2 million (Mr. Ferguson motion, Mr. Bochinski second).

The Board then discussed a suggestion from Flynn that the Town consider structured certificates of deposit. The Board determined not to pursue such investments at this time.

Mr. Ferguson requested that Mr. Darling provide Board members with additional information regarding rates of yield for all of the Town's current investments. The Board also asked that Mr. Darling provide a list of all of the securities included in the Town's three investment portfolios.

MINUTES: A motion (Mr. Ferguson, Mr. Bochinski second) to approve the meeting minutes of June 11 as presented passed by unanimous vote.

ADJOURN: At 8:05 pm, a motion (Mr. Bochinski, Mr. Grauberd second) to adjourn the meeting passed by unanimous vote.