

**BOARD OF FINANCE
REGULAR MEETING MINUTES
MARCH 26, 2018**

I. CALL TO ORDER

The meeting was called to order at 7:03 p.m. in the Avon Town Hall by Chairman Thomas Harrison. Members present: Chairman Thomas Harrison, Vice Chairman/Secretary Cathy Durdan, and Ken Birk, Dean Hamilton, Michael Oleyer, Katrina Marin, and Margaret Bratton. A quorum was present.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Katrina Marin.

III. COMMUNICATION FROM THE AUDIENCE

(Including Board of Education Liaison Report)

David Cavanaugh, liaison for the Board of Education (BOE), reported that last week's BOE meeting was the first with the new Superintendent and noted that a matter in executive session regarding a lawsuit was settled for \$62,500 and the net impact to the Town is \$5,000 as the rest was covered by insurance. In response to a question from Mr. Harrison, Mr. Cavanaugh responded that it is going to be at least another month before the BOE knows where their budget will finish at the end of the fiscal year; unless the State throws a curve ball we should be okay. He reported that a new School Resource Officer (SRO), an Avon police officer, was hired and already started for Avon High School. In response to a question from Ms. Durdan, Mr. Cavanaugh responded that there are still other security guards there ongoing and there are other security improvements that are being discussed, i.e. entrances to the building and careful checking of IDs, etc. In response to a question from Ms. Durdan, Mr. Cavanaugh responded that funding for the SRO was negotiated by the Superintendent and the Police Department contributed the position and costs through the end of this fiscal year. The Town Manager noted that there will likely be a cost that the Town will absorb in our overtime budget for the balance of this year, all of FY 19; for FY 20 there may be some cost but the Town may continue to absorb it.

Cathy Salchert, 32 Woodhaven Drive, commented that her kids go to Avon High School and was talking to the head guard who didn't understand why Avon got rid of the SRO; the guards are not authorized to carry weapons in the building. She commented that she is not against funding for school security but it seems like a lot of money. Mr. Robertson responded there is nothing in the current fiscal year budget for it; there is \$265,000 in the FY 19 capital budget. Mr. Birk noted the \$667,412 allocated is sitting in cash and not being deployed for the AMS Science Lab Project. Ms. Salchert commented that folks are troubled about the AMS Science Lab Project going out the window, having that money used for something else; the BOE will come back and ask for it again. Mr. Birk responded that it was a project without full agreement by staff and costs were not within budget; in the short term it made sense to pivot the money to something else. Mr. Cavanaugh commented that the project scope changed and costs escalated rapidly. He noted that we have a long way to go with security improvements in five schools that need security upgrades and the money will be well spent.

IV. MINUTES OF PRECEDING MEETING:

February 26, 2018 Regular Meeting

Page 1, Sec. III, 3rd to the last line in the paragraph, insert "shatter resistant" before "film."

On a motion made by Margaret Bratton, seconded by Katrina Marin, it was voted:

RESOLVED: That the Board of Finance approves the minutes of the February 26, 2018 Regular Meeting as amended.

Messrs: Harrison, Hamilton, Birk, Oleyer and Mmes: Bratton, Durdan, and Marin voted in favor.

V. OLD BUSINESS**17/18-07 Review and Discussion: FY 18/19 Budget**

Mr. Robertson reported that the Council adopted a proposed budget which is now before the Board; the mill rate increase would be 2.48%, from 30.59 to 31.35; the General Fund plus Special Revenue Funds came in at 3.81%; the Public Hearing and Budget Workshop are next week; we will look at tax and non-tax revenues and intergovernmental grants for anything to add back but not likely. The Board went through their draft presentation for the Public Hearing and discussed revisions, including an explanation of the Grand List (slides #7-8). Mr. Robertson noted that the Grand List year is as of October 1st. He noted that based on our current zoning configuration the Town is largely built out at about 85%; there are some significant parcels we continue to wait for, i.e. Avon Village Center Project; as applications come before the Planning and Zoning Commission and if approved the Grand List would be positively impacted. In response to a question from Ms. Bratton, Ms. Colligan responded there is a formula, the Grand List dollar difference multiplied by current mill rate divide by 1,000 and is a function of the current levy. Mr. Hamilton inquired about showing dollar/percentage growth of Grand List over the last decade. Ms. Colligan will gather data from the Assessor. Mr. Oleyer recommended including the formula in the presentation. Mr. Harrison noted the Grand List is essential to how we can raise money; in the current fiscal year budget about 88% of our revenue comes through the Grand List in mill rate. He noted the Revaluation is required by State law; this summer is the next one, then appeals, and a year from now we will work with the new Grand List. Mr. Birk inquired about showing what can change the Grand List. Mr. Robertson responded that detail could be included on slide #7. Ms. Bratton commented that a question that comes up is what we are doing to attract businesses. Mr. Harrison responded that the Avon Village Center Project may draw interest and would ask Mr. Robertson to address that. Mr. Robertson noted that the Avon Village Center Project is not a Town project; we work with the developer who comes up with a plan. He added that for every parcel you can look at it in Town there is a story of why it is in the condition it is, but just because there is no tenant we are still collecting the taxes. Ms. Durdan noted that the Town did lose money when the CREC School was built. Mr. Robertson responded that there was a productive revenue asset that is no longer driving the revenue. He noted that any Town facility in the community is owned by the Town of Avon; Board of Education has care custody and control of facilities for educational purposes. In response to a question from Ms. Durdan, Mr. Robertson responded that the Town owns the Fire Department facilities with the exception of Secret Lake. Mr. Robertson highlighted slide #9 regarding intergovernmental revenues. Mr. Hamilton suggested spelling out acronyms and combining Grand List/Mill Rate slides into one area. In response to a question by Ms. Bratton, Ms. Colligan responded that tax calculation pages will be included in the handout; a slide with a few scenarios could also be added to the presentation. Mr. Harrison asked that all presentation changes be submitted to Ms. Colligan by noon Wednesday or sooner.

17/18-13 828 West Avon Road

Mr. Robertson reported that we have a signed purchase and sale agreement with the Severnis. He noted that we will be acquiring 38.5 acres opposed to 39.64 acres with utility easement access and an interest of 1.75% which will likely be on the lower side. In response to a question from Mr. Harrison, Mr. Robertson responded that Council was okay with that. He noted that Council opened the public hearing at their March meeting and kept it open until their April meeting and discuss timing of the Town Meeting, either in May or first week in June; assuming everything continues moving forward, the Board will see two action requested in bond counsel resolutions to authorize the acquisition of the property and to authorize the issuance of the debt privately held by the Severnis and avoid issuance costs and rating agency presentations. In response to a question from Mr. Harrison, Mr. Robertson responded it is the first type of financing we have done this way. In response to a question from Mr. Harrison, Mr. Robertson responded that the risk is more on the seller's side; no land use restrictions; sellers will have continued residency for up to 18 years and lease back a portion and lease out the balance to a farmer. He noted that if the Town doesn't purchase it, we lose control and the owner will most likely turn around and maximize the greatest economic value.

VI. NEW BUSINESS**17/18-18 Board of Education Request to Repurpose Funding from Avon Middle School Science Laboratory Renovations to Security Upgrades for Board of Education Facilities, \$667,412**

Mr. Harrison noted that the Town Council has approved this request. Mr. Robertson reported that a staff meeting was recently held; \$667,412 and \$265,000 effective July 1st would be for security upgrades and prepare a plan within the next month and if approved work will begin this summer. In response to Mr. Hamilton's question, Mr. Robertson responded that not all of it is for cameras; they will be a significant part of it along with locking mechanisms and physical barriers. He noted that we want to prioritize the projects. Mr. Oleyer inquired why that couldn't happen before we potentially approve an almost \$1 million expenditure since installing cameras with no one manning them is a terrible idea as mentioned at last month's meeting. Mr. Robertson responded that the Town Council had the same concern, yet approved the funding with a request for a presentation under executive session to understand school security in a broader context. He recommended that the Board of Finance do the same. Ms. Bratton requested a list of items in priority order. Mr. Hamilton cannot support this request as it stands; the majority of this is going towards three hundred cameras that no one is watching and not save his kid if there is a problem in the school. He would like the money moved out of capital to hire some resource officers who can act. Mr. Birk commented as a former member of the BOE capital budget subcommittee this was a top priority to spend \$265,000 for Phase I to install electronic locks, adding visitors' doors at Avon Middle School (AMS) and Avon High School (AHS), replacing entrance doors at Central Office, etc. Mr. Hamilton responded that none of that is in this Board's materials. Mr. Oleyer clarified the \$265,000 is for FY 19. Mr. Birk noted there were Phase II and III items for this project that were not scoped out and also has questions on the itemization of the market research done to identify the project costs. He noted that while the BOE Finance Subcommittee may be the oversight for the deployment of these funds, right now it is sitting in cash losing to inflation every year.

Mr. Cavanaugh reported that there is a confidential security plan which is only discussed in executive session and should arrange for a briefing and more detailed plan in terms of how the money would be spent. Mr. Robertson commented that the plan has not been developed so we don't know how the money will be spent. Ms. Marin responded similar to the AMS Science Labs which was never done. Mr. Robertson noted when the first round of funding was done in 2013 the Town worked with the BOE on long range plans subject to additional funding forthcoming from the Board of Education but never came; some security upgrades were completed after Sandy Hook; additional money was not requested until FY 19; initial discussion was to revisit the plans done in 2013, part will be for cameras and some will be for locksets, entryway to AMS and AHS, etc. He noted that the BOE had discontinued the School Resource Officer (SRO) program and has been agreed on to put in back in place. Mr. Harrison commented that he is not comfortable approving this and being told after the fact what they did with the funds. The Board agreed. Mr. Oleyer commented on camera operation. Mr. Robertson responded that the cameras go to the Annex and connected by fiber to the Police Department. Mr. Hamilton commented that there are 300 cameras/screens and asked if someone would be paid to watch that. Mr. Robertson responded absolutely not; you recognize that something is happening in a specific area of the school and then turn on that camera. Ms. Marin commented that if the monitor is wireless and does not work it has to be manually reset, as what happened at one of the elementary schools. Mr. Hamilton noted being more comfortable about spending this amount of money on actual people onsite who can respond. She noted that this week Groton implemented an officer onsite at every school. Mr. Robertson recognizes where the Board is coming from, we have a timeframe and has been through the BOE and Town Council; typically with this Board doesn't get into this level of operational detail; the funds are in place and based on the subject matter experts being Town and BOE staff, BOE and Town Council, if the funding is available and if prior approvals are in place the Board approves it. He noted that if the Board wants to have a larger operational discussion we can put the stop on everything, nothing will get done this summer, and might need to have a three-board meeting in executive session to dig into this. Mr. Harrison responded that our role is watching what we do with the

taxpayers' money and he is not convinced tonight about how the money will be used. He recommended the item be tabled until the next Board meeting. Mr. Oleyer recalled having a discussion about this at last month's meeting and members having some sort of concern but nothing has changed. Mr. Robertson responded needs to provide direction to staff. The Board indicated that staff should continue its work on this. Mr. Harrison commented we need more assurance as this is a lot of money. Ms. Marin commented the money is there, we will approve it, but first we want to see how it is going to be done. She noted that the work will not be done until the summer so schools are still unsafe whether we approve the funds tonight or not; we can still move forward with the plan. Ms. Bratton commented that the plan should be discussed under executive session. Mr. Hamilton is looking for a more detailed list of upgrades to be completed with this amount of money. Mr. Birk suggested the Superintendent of Schools and the Director of Facilities attend the next meeting and provide a presentation. Ms. Bratton attended the last BOE meeting where detail was discussed about the security upgrades that perhaps could be shared. Mr. Cavanaugh responded that it would be better to address this under executive session; much of this is coming from the Police Department. Mr. Harrison noted that the Board wishes to have more details regarding the use of these funds. There was discussion about whether or not to hold a special meeting sooner than the Board's next regular meeting. Mr. Cavanaugh commented more time would help to request additional information from BOE/School staff. In response to a question from Ms. Durdan, Mr. Robertson responded that elements of this project may go out to bid. It was agreed to wait until the next regular meeting to receive an itemized project list with estimates. Mr. Harrison noted that the issue is legitimate and we can get the information to assist the Board with its decision to approve this item; we are not comfortable committing taxpayers' funds on not having sufficient information but the expectation is that we will approve it after receiving such.

On a motion made by Dean Hamilton, seconded by Michael Oleyer, it was voted:

RESOLVED: That the Board table item 17/18-18 to the April 23, 2018 meeting, pending subsequent information to resolve issues that have been raised.

Messrs: Harrison, Oleyer, Birk, Hamilton, and Mmes: Bratton, Durdan, and Marin voted in favor.

17/18-19 Supplemental Appropriation: Rails to Trails Fence Replacement, \$2,500

Mr. Hamilton complimented the look of the new fencing along the trail. In response to a question from Ms. Bratton, Mr. Robertson responded the fence material is a vinyl composite.

On a motion made by Ken Birk, seconded by Katrina Marin, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 17/18 Budget by increasing:

REVENUES

Forest Park Management Fund, Other Local Revenues, Donations & Grants, Private Sources, Account #04-0360-43651, in the amount of \$2,500 and increasing

APPROPRIATIONS

Forest Park Management Fund, Parks, Fence Replacement- Rails to Trails, Account #04-5201-53920, in the amount of \$2,500, for the purpose of recording funding received to replace portion of fencing on the Rails to Trails path.

Messrs: Harrison, Birk, Hamilton, Oleyer and Mmes: Bratton, Durdan, and Marin voted in favor.

17/18-20 Supplemental Appropriation: Consulting Services-Avon Village Center, \$20,000

Mr. Robertson noted there is an ordinance that allows the Town to request that developers pay for the Town's services in reviewing complex land use applications.

On a motion made by Cathy Durdan, seconded by Dean Hamilton, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 17/18 Budget by increasing:

REVENUES

General Fund, Other Local Revenues, Refunds & Reimbursements, Account # 01-0360-43612, in the amount of \$20,000 and increasing:

APPROPRIATIONS

General Fund, Planning, Service & Consultant, Account #01-7101-52184, in the amount of \$20,000, for the purpose of recording funding received from Avon Town Center LLC for consulting services/peer review by Amenta/Emma Architects for planning studies in connection with the November 17, 2015, approved Carpiato Group LLC's Master Plan for Avon Village Center.

Messrs: Harrison, Birk, Hamilton, Oleyer and Mmes: Bratton, Durdan, and Marin voted in favor.

VII. TOWN MANAGER'S REPORT

A. Monthly Financial Summary Report

Details were included in the packet report dated period ended 2/28/18 prepared and reported by Margaret Colligan. Ms. Colligan noted the following items: collections are doing well, building permit numbers are up from prior year; Intergovernmental is in the 75% range, if we don't receive 100% from the State we should do okay; Charges for Services are running in line. She noted two new items being included in her report: the interest rate under Other Local Revenues and a note about the Quarterly Financial Report being available online. She noted that Fund Balance is still in excess of 10%; Public Works expenditures related to winter storms are under budget. Mr. Hamilton commented that Legal seems more active than usual. Mr. Robertson responded that the Wetlands Violation Injunction and Fraudulent Transfer Litigation are part of the same issue.

B. Synthetic Turf Field(s) Project

Mr. Robertson reported that Town Council continues to receive input regarding this project with extensive discussion at their last meeting; at that time a suggestion was made to update our overall debt management plan and longer term all projects that might require the issuance of debt, have our Financial Advisor do some modeling and depending on timeframes what the tax impact might look like, looking at affordability. He noted that the Town Council asked the BOE for a re-affirmation letter of interest with the project and continue to work the State regarding any possible funding including a meeting with OPM tomorrow; local fundraising is going nowhere fast; if there is no other funding source a potential \$5 million project will need to be scaled back.

C. Miscellaneous

Mr. Robertson reported that on Fraud Assessment; we went through an RFP process without much success; this has been a management recommendation for a few years; we would like to contract with Blum through their consulting services for this service; we have funding in place. In response to a question from Mr. Harrison, Ms. Colligan responded that we have about \$28,000 in reserve for this item. The Board agreed it should be done.

VIII. OTHER BUSINESS – No items discussed.

IX. ADJOURN

On a motion made by Cathy Durdan, seconded by Katrina Marin, it was voted:

RESOLVED: That the Board of Finance adjourn the meeting at 8:53 p.m.

Messrs: Harrison, Birk, Hamilton, Oleyer and Mmes: Bratton, Durdan, and Marin voted in favor.

Respectfully Submitted,
Cathy Durdan, Vice Chair/Secretary

Attest: Jennifer Worsman, Clerk

All referenced material is available to the public in the Town Manager's Office.