

**BOARD OF FINANCE
REGULAR MEETING MINUTES
DECEMBER 17, 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, Dean Hamilton, Ken Birk, Katrina Marin, and Margaret Bratton. Mr. Oleyer was absent. A quorum was present.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Dean Hamilton.

Mr. Harrison reported that Mr. Oleyer has advised the Board that he has moved to Simsbury and will be resigning from this Board; we acknowledge his departure, wish him all the best, and thank him for his very positive contributions, good personality, quick wit and intelligence, and the Board will miss him. Mr. Harrison shared that Ms. Bratton's mother-in-law passed and on behalf of the Board we extend condolences to the family.

III. COMMUNICATION FROM THE AUDIENCE
(Including Board of Education Liaison Report)

David Cavanaugh, liaison for the Board of Education (BOE), reported that Town Council opted not to act on the teacher's contract and is on track to pass by default; the turf project referendum passed and the BOE will work out with Town Council representation on the Building Committee and there will also be minor changes to the BOE's capital budget requests. In response to a question from Ms. Durdan, Mr. Cavanaugh responded that he was not sure if the Superintendent's budget presentation is on the agenda for tomorrow's BOE meeting. In response to a question from Mr. Harrison, Mr. Cavanaugh responded that he does not expect the FY 19/20 budget to be done for tomorrow's BOE meeting.

IV. MINUTES OF PRECEDING MEETING:

October 22, 2018 Meeting

On a motion made by Ken Birk, seconded by Dean Hamilton, it was voted:

RESOLVED: That the Board of Finance approves the minutes of the October 22, 2018 Meeting as drafted. Messrs: Harrison, Birk, Hamilton and Mmes: Bratton and Durdan voted in favor. Ms. Marin abstained. The motion carried.

V. OLD BUSINESS

18/19-09 Review and Discussion: FY 19/20 Budget

Mr. Robertson reported that we are on track for the Town Council budget workshop in February. In response to a question from Mr. Harrison, Mr. Robertson responded that capital budget presentations are complete. Mr. Robertson noted that we are waiting until we get past the referendum to determine cash capital for next year. In response to a question from Mr. Harrison, Mr. Robertson responded that the Grand List is still tracking a 2% decline. In response to a question from Mr. Harrison, Mr. Robertson responded that at the State level the new administration is broken out into working groups working on different issues; he thinks we will be where we were in 2016 and we'll have to make some guesses. In response from a question from Mr. Harrison, Mr. Robertson responded that in terms of capital there are no significant items and have between \$1.8 and \$2 million in cash for next year but have \$12 million worth of request including roads; it is hard to keep debt service and capital level to stay ahead of the curve with respect to those needs; for \$2 million we have to address our equipment, floor space, HVAC systems, boilers, etc.; we will have to set priorities with capital requests; for the Town's operating budget we will try to stay ahead of annual

required pension contributions and over the last eight years we have been reducing the interest rate, deal with our OPEB funding and on the staffing side there are a few needs, i.e. new full-time Maintainer. In response to a question from Mr. Harrison, Mr. Robertson responded that with the negative revaluation and new money for the teacher's contract and assuming no other increases and all other revenue streams are stable you are at a 2.9% tax increase; the Avon Village Center Project is going to have the most significant impact on the Grand List going forward but is not moving quickly and doesn't expect it to hit the FY 19 Grand List (FY 21 budget). Ms. Durdan noted that she read Carpionato Group is busy in Glastonbury.

VI. NEW BUSINESS

18/19-10 Review, Discussion & Approval: FY 17/18 Year End Transactions

Mr. Robertson noted that it was a quiet year, the collection rate was strong, we did not have any unplanned draw down from Fund Balance and added to Unassigned Fund Balance, and revenues beat projections and nothing out of line with expenditures; the process working with staff and the BOE was pretty smooth.

Ms. Colligan reviewed the Final Fiscal Year Transactions FY 2017-2018. She noted a new report detailing Fund expenditures and all resolutions are standard that Town Council and BOF need to approve for Charter compliance. She reviewed entries in Tab D – Transfer and Fund Balance Assignments. She noted that with the referendum passing credit rating agencies will look at Fund Balances and we want to be in a positive position. In response to a question from Mr. Harrison, Mr. Robertson responded that in 2013 Farmington advised they would be expanding their plant and the estimate which is based on a formula in our contract would be about \$5 million but they updated that in June 2018 to \$12 million; we are reviewing the data generated through flow meters which feeds into the infiltration and inflow process; it is highly likely we will have to make assumptions about the EDU rate charged to support the debt service for Farmington and some increases in operating and maintenance costs. In response to a question from Mr. Birk, Mr. Robertson responded there is capacity to work with other towns. Ms. Colligan noted our Fund Balance will be brought up to just over 11%. In response to a question from Mr. Hamilton, Ms. Colligan responded that is how the BOE reports summary numbers to us and rolling up within the Town Chart of Accounts; she can show in the Quarterly Report what rolls up to that number and will provide further clarification to the Board. She noted that it was a good year and is hopeful the auditors will have positive comments.

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

RESOLVED: That the Board of Finance hereby approves the Fiscal Year End Transactions: Transfers and Encumbrances, Supplemental Appropriations, and Assignments, Appropriations from Fund Balance, as outlined in the booklet Final Fiscal Year Transactions FY 2017-2018, and as described in the memoranda from the Director of Finance to the Town Manager.

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

18/19-11 Supplemental Appropriation: Youth Services Bureau Grant, \$19,753.00

On a motion made by Margaret Bratton, seconded by Ken Birk, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 18/19 Budget by increasing:

REVENUES

General Fund, Intergovernmental, Youth Services Bureau Grant, Account #01-0330-43383 in the amount of \$19,753.00 and increasing

APPROPRIATIONS

General Fund, Human Services, Service & Consultant, Account #01-4203-52184 in the amount of \$19,753.00 for the purpose of funding expenditures, which will be reimbursed through approved State of Connecticut Department of Education Youth Services Bureau Grants.

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

18/19-12 **Supplemental Appropriation: Consulting Services for Sewer Study-Avon Gardens Apartment, \$2,700.00**

On a motion made by Ken Birk, seconded by Dean Hamilton, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 18/19 Budget by increasing:

REVENUES

Sewer Fund, Other Local Revenues, Refunds & Reimbursements, Account # 05-0360-43612, in the amount of \$2,700 and increasing:

APPROPRIATIONS

Sewer Fund, Sewage Coll. and Disp., Services – Other, Account # 05-3205-52189, in the amount of \$2,700, for the purpose of recording funding received from Lee Land Development, LLC for consulting services by Fuss & O'Neill for a sewer capacity study in connection with the November 5, 2018, proposed development for Avon Gardens.

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

18/19-13 **Supplemental Appropriation: Avon Volunteer Fire Department-Fire Police, \$250.00**

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

RESOLVED: That the Board of Finance hereby amends the FY 18/19 Budget by increasing:

REVENUES

General Fund, Other Local Revenues, Donations & Grants, Private Sources, Account #01-0360-43651, in the amount of \$250.00 and increasing:

APPROPRIATIONS

General Fund, Fire Fighting, Town Organizations, Account #01-2203-52161, in the amount of \$250.00, for the purpose of funding activities of the Avon Volunteer Fire Department, related to the Fire Police.

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

VII. TOWN MANAGER'S REPORT

A. Monthly Financial Report Summary

Details were included in the packet report dated period ended 10/31/18 prepared and reported by Margaret Colligan. Ms. Colligan noted that we are moving up some revenue appropriations incrementally to take some stress off the levy and the mill rate.

B. Miscellaneous

Mr. Hamilton noted it is nice to see the action happening on Old Farms Road near Fisher Meadows. Mr. Robertson commented that project was originally identified in 1983 as a need; it is very positive; construction costs are \$14.6 million and being paid for by the State. He referred the Board to the Town's web site for more information on the project.

Ms. Bratton noted the new lanes at Country Club Road and West Avon Road. In response to a question from Ms. Bratton, Mr. Robertson responded that is about the best we could do now; the State will re-evaluate the intersection in a few years.

Mr. Robertson reported that he will be presenting the annual CCM Municipal Budget Workshop on January 5th as well as participating in a podcast on the 6th. He noted he was elected to the CCM Board of Directors.

In response to a question from Mr. Harrison, Mr. Robertson responded that wind screens have been installed at the Avon Middle School tennis courts.

Ms. Bratton shared that her son Neil's Eagle Scout ceremony will be held on January 5th at 2 p.m. at West Avon Congregational Church and invited all to attend. She also expressed thanks to the Town Clerk's Office following a recent incident with a customer regarding absentee ballot voting for the referendum. Mr. Harrison complimented the Department of Public Works for quickly handling damage to his mailbox.

VIII. OTHER BUSINESS – No other items were discussed.

IX. ADJOURN

On a motion made by Ken Birk, seconded by Dean Hamilton, it was voted:

RESOLVED: That the Board of Finance adjourn the meeting at 8:13 p.m.

Messrs: Harrison, Birk, Hamilton, 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.