

**BOARD OF FINANCE  
REGULAR MEETING MINUTES  
APRIL 25, 2016**

**I. CALL TO ORDER**

The meeting was called to order at 7:04 p.m. at the Avon Town Hall by Chairman Thomas Harrison. Members present: Chairman Thomas Harrison, Vice Chairman/Secretary Thomas Gugliotti, Jeff Bernetich, Margaret Bratton, Catherine Durdan, Dean Hamilton, and Michael Oleyer. A quorum was present. Chairman Harrison acknowledged and welcomed Ms. Durdan's return to action after surgery.

**II. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Cathy Durdan.

**III. COMMUNICATION FROM THE AUDIENCE**

(Including Board of Education Liaison Report)

Given the opportunity to comment by Mr. Harrison, James Tosti of Wellington Heights Road stated he would like to give his reaction at the appropriate time to the budget discussion as a member of the community. Mr. Gugliotti clarified that the Public Hearing for the budget was held on April 11<sup>th</sup>, tonight is a business session for the Board of Finance. He described the budget process for Mr. Tosti and stated that the appropriate forum for his comments may be on May 2 at the Annual Town Meeting. May 11<sup>th</sup> is the referendum on the budget, voting is 6 am to 8pm at the Senior Center. Mr. Harrison reviewed the importance of voter turnout reminding everyone that unless 9% of the eligible voters turn out to vote, the budget will automatically pass, even if all votes are cast against it. Mr. Tosti stated that based on his calculations the budget increase is too high and should not exceed 2%. Mr. Gugliotti responded most the increases in the budget are contractually driven. He stated most of what the Board does is on a bipartisan basis, party affiliation does not play a significant role. He stated Avon does very well with the revenues collected and they try to keep the tax burden as low as they can. He added the contract negotiations for the Board of Education favor the Union. Mr. Tosti stated because the surrounding towns have higher taxes, that does not mean it is the benchmark for Avon. In response to a question from Mr. Gugliotti, he stated he would like to have control over the contract process. Mr. Gugliotti responded we can't have that control because it is governed by state statutes. He added the only way this will change is by taxpayers contacting their legislators and working through them to change the statutes. In response to a question from Mr. Tosti, Mr. Harrison stated the Governor appoints members to the Arbitrator's Board. Mr. Tosti was concerned that both budget increases (Town and Board of Education) are higher than inflation. Mr. Harrison stated the public hearing held in April or the annual town meeting on May 2<sup>nd</sup> are the places to make this case.

Ken Birk, liaison for the Board of Education, stated the Financial Summary Report dated March 31, 2016 was included in the meeting packet. He reported the board is in great shape. The expected unexpended balance is \$371,000 or .7% of the approved budget. The Business office began a full year end review of all open purchase orders as well as beginning year end purchasing. There was a reduction in the State of Connecticut cost sharing grant of \$473,000 which was offset by \$125,000 of revenue as stated by Mr. Robertson at the three Board meeting. At the April Board of Education meeting it was voted to add a family engagement specialist position. The Board also approved budget reductions from the operating accounts. They confirmed Noam Sturm for the next principal of Roaring Brook School. Graduation is set for June 9<sup>th</sup>. In response to a question from Mr. Bernetich, Mr. Birk stated the Family Engagement Specialist is a liaison with open choice students and to create an atmosphere of diversity. The

salary and benefits for this position is \$125,000. In response to a question from Mr. Harrison, Mr. Birk state this position was not in Mr. Mala's original budget proposal. Mr. Gugliotti stated he looks at this as a defensive measure to create a link between out of district parents and the school system. Mr. Birk added the school psychologist will stay on. In response to a question from Ms. Bratton, Mr. Birk responded the Family Engagement Specialist position is a social worker. Mr. Birk confirmed Ms. Durdan's statement that to get this new position a part-time elementary school librarian position will be eliminated (current person is retiring and the position will not be filled).

#### **IV. MINUTES OF PRECEDING MEETING:**

##### **March 28, 2016 Regular Meeting**

On a motion made by Thomas Gugliotti, seconded by Cathy Durdan, it was voted:

**RESOLVED:** That the Board of Finance approves the minutes of the March 28, 2016 Meeting as drafted.

Messrs: Gugliotti, Bernetich, Hamilton, Oleyer and Mmes: Bratton and Durdan voted in favor. Messr Harrison abstained.

#### **V. OLD BUSINESS**

##### **15/16-05 Review and Discussion: FY16/17 Budget Process**

Mr. Harrison stated the next item under the Charter is the Annual Town Meeting to be held on May 2<sup>nd</sup>. The three boards will present the adopted budgets. In response to a question from Mr. Gugliotti, Mr. Robertson stated Ms. Hornaday will probably be nominated as moderator.

##### **15/16-06 Auditing Services – Request for Proposals**

Mr. Harrison stated bids were received from four firms. They were reviewed and Mr. Robertson recommended the town select BlumShapiro who had the most competitive bid. Ms. Colligan added we have been with BlumShapiro for 12 years, then another the town was with another firm, then with BlumShapiro again for the last 10 years. There was in house concern on appearances of staying with the same firm and this was discussed during the selection process. The second closest competitor was \$50,000 more expensive than BlumShapiro. Ms. Bratton asked Ms. Colligan to clarify some of the bid details.

On a motion made by Thomas Harrison, seconded by Thomas Gugliotti, it was voted:

**RESOLVED:** That the Board of Finance appoints BlumShapiro to provide auditing services as specified in their response to the Town's Request for Proposal for the 2015/2016 through 2019/2020 audits.

Messrs: Harrison, Gugliotti, Bernetich, Hamilton, Oleyer and Mmes: Bratton and Durdan voted in favor.

Mr. Harrison requested recommendations from Mr. Robertson for fraud protection services. He stated BlumShapiro has a Chinese-wall between their auditing and fraud assessment divisions. On a request from Mr. Oleyer, it was decided to move the discussion on fraud assessment to the next board meeting. Mr. Bernetich stated he is in favor of moving the discussion to the next meeting, but he is not comfortable having the same firm do the audit and fraud assessment.

On a motion made by Thomas Harrison, seconded by Margaret Bratton, it was voted:

**RESOLVED:** That the Board of Finance designate BlumShapiro to audit the books and

accounts of the Town for Fiscal Year 2015/2016, per Chapter 5, Section 3.1 of the Town Charter. Messrs: Harrison, Gugliotti, Bernetich, Hamilton, Oleyer and Mmes: Bratton and Durdan voted in favor.

## **VI. NEW BUSINESS**

**15/16-16** Supplemental Appropriation: Professional Services for Avon High School Synthetic Turf Field Project, \$30,000

The background material was included in the meeting packet. Mr. Robertson stated at the last Council meeting a subcommittee was appointed. A copy of the Charge is in the packet. In response to a question from Mr. Harrison, Mr. Robertson stated the first meeting is scheduled for May 2<sup>nd</sup>. In response to a question from Ms. Bratton, Mr. Robertson stated the new field would be where the existing multi-purpose field is located. In response to a question from Mr. Bernetich, Mr. Robertson stated to date there had been approximately \$65,000 spent on this project including this appropriation.

On a motion made by Margaret Bratton, seconded by Thomas Gugliotti, it was voted:

**RESOLVED:** That the Board of Finance hereby appropriates a sum not to exceed \$30,000 from Account #01-0390-43914, General Fund, Other Financing Sources, Assigned To Capital Reserve and transfer from Account #01-8700-58000, General Fund, Other Financing Uses, Interfund Transfers Out

to

Account #02-4827-51012, Capital Projects Fund (Facil & Equip), Synthetic Field Project, Reg Part Time, in the amount of \$1,000, Account #02-4827-51031, Capital Projects Fund (Facil & Equip), Synthetic Field Project, FICA, in the amount of \$100, Account #02-4827-52184, Capital Projects Fund (Facil & Equip), Synthetic Field Project, Service and Consultant, in the amount of \$28,900, for a total of \$30,000, and Account #02-0390-43918, Capital Projects Fund (Facil & Equip), Other Financing Sources, Interfund Transfers In, in the total amount of \$30,000, for the purpose of funding professional services and other costs related to design development and cost estimating for a synthetic turf field at Avon High School.

Messrs: Harrison, Gugliotti, Oleyer and Mmes: Bratton and Durdan voted in favor. Mr. Bernetich opposed. Mr. Hamilton abstained.

**15/16-17** Supplemental Appropriation: Refunding Bonds Issuance Costs, \$110,051.47

The background material was included in the meeting packet. Mr. Robertson stated the savings was \$385,413.

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

**RESOLVED:** That the Board of Finance hereby amends the FY 15/16 Budget by increasing:

### REVENUES

Capital Projects Fund (Facil & Equip), Other Financing Sources, Premiums for Bond and BAN Issues, Account #02-0390-43919, in the amount of \$110,051.47 and increasing

### APPROPRIATIONS

Capital Projects Fund (Facil & Equip), Refinancing Debt Expenses, Refinancing Town and School Debt, Account #02-4700-57720, in the amount of \$110,051.47, for the purpose of recording a portion of the net budgetary savings that will cover the refunding bond issuance costs.

Messrs: Harrison, Gugliotti, Bernetich, Hamilton, Oleyer and Mmes: Bratton and Durdan voted in favor.

**15/16-18** Supplemental Appropriation: High Risk Rural Road Grant, \$7,464.72

Mr. Robertson stated this is a reimbursement as stated in the memo included in the meeting packet.

On a motion made by Thomas Gugliotti, seconded by Cathy Durdan, it was voted:

**RESOLVED:** That the Board of Finance hereby amends the FY 15/16 Budget by increasing:  
REVENUES

General Fund, Intergovernmental, Speed Enforcement Program, Account #01-0330-43315 in the amount of \$7,464.72,  
and increasing

## APPROPRIATIONS

General Fund, Patrol Services, Equip. Maint-Other, Acct. #01-2107-52209 in the amount of \$3,990.00 and General Fund, Patrol Services, Overtime, Acct. #01-2107-51015 in the amount of \$3,474.72, for a total of \$7,464.72, for the purposes of purchasing two (2) Truspeed radar units and for the payment of overtime expenses relative to traffic enforcement.

Messrs: Harrison, Gugliotti, Hamilton, Speich, Stoll and Mmes: Bratton 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 March 31, 2016 prepared and reported by Margaret Colligan. We are still on a positive trajectory. Most areas are still running ahead of schedule. Intergovernmental is still behind, the state is just slow in releasing funds. None of the areas are scheduled for cuts. She stated we may exceed projected interest income revenue. On the expenditure side, there are no large budget stressors. Unassigned fund balance is at 9.47% after reimbursements it is 10.82%. The only area of weakness is police over-time.

**B. Miscellaneous Items**

Mr. Robertson stated he and Mr. Mala met with Senator Witkos and Representative Tim LeGeyt to get their prognosis on ECS funding and any revenue issues they see on the horizon. He stated hearing what's going on at CCM, there is a lot going on and in flux. There are strong discussions on allowing firefighters a presumption of causality, similar to heart and hypertension. He is not sure if they can finish their work by the end of the session. No one can say where ECS will fall out. In response to a question from Mr. Harrison, Mr. Robertson stated there has been a lot of discussion of the statute limiting municipality budget increases to a 2.5% soft cap. He thinks this will stick with some exemptions added. In response to a question from Ms. Bratton, Mr. Robertson stated increases in school salaries may affect the willingness to go to arbitration as a result of the new statute, but we need to wait and see what the regulations will be. He doesn't see it as a benefit to the town. Mr. Harrison asked about the Avon Center project. The developer purchased land. Mr. Robertson stated there is a planning & zoning meeting tomorrow in this room. The developer is looking to remove a lot of fill. The commission will have some very pointed questions. The engineer has been retained, but we have yet to receive anything beyond the conceptual phase. Mr. Harrison asked about the Avon Old Farms Road project. Mr. Robertson stated we do have draft of feasibility study. The purpose of the study was to determine if the relocation of the road could fall under category 1 army corps of engineers permit. The other deliverable was a cost estimate

between improving the road in its current location versus moving it. The school will be required to participate in that difference. It has not been discussed with council yet, it will be on the June agenda. Mr. Robertson is meeting with the Avon Old Farms School board of directors this Friday.

**VIII. OTHER BUSINESS**

There was none

**IX. EXECUTIVE SESSION**

There was none

**X. ADJOURN**

On a motion made by Thomas Gugliotti, seconded by Cathy Durdan, it was voted:

**RESOLVED:** That the Board of Finance adjourn the meeting at 8:18 p.m.

Messrs: Harrison, Gugliotti, Bernetich, Hamilton, Oleyer and Mmes: Bratton and Durdan voted in favor.

Respectfully Submitted,  
Thomas A. Gugliotti, Secretary

Attest: Mary Marinello, Clerk

All referenced material will be available to the public in the Town Clerk's office.