

**BOARD OF FINANCE
REGULAR MEETING MINUTES
APRIL 24, 2017**

I. CALL TO ORDER

The meeting was called to order at 7:00 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.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Thomas Harrison.

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

Ken Birk, liaison for the Board of Education (BOE), reported that since last month the BOE's estimated unexpended balance at March 31, 2017 increased by \$365,000 to \$700,000 or 1.27% of the approved budget due to the final calculations for the Open Choice funds to be received and verification of funds received to date is included in your packet. At the BOE's April 18th monthly meeting reductions to the previously approved BOE budget, in light of the anticipated State funding loss, was discussed but no decision was made; feedback was taken from the Board and there is a meeting tomorrow night to review those details and possibly vote on a revised budget. Enrollment is at 3,320 as of April 7th versus 3,323 in June 2016; the AHS Principal search continues; a Public Information Session on how public schools are financed in CT and locally was rescheduled to Tuesday, May 30th at the AHS Community Room.

IV. MINUTES OF PRECEDING MEETING:

March 27, 2017 Regular Meeting

Page 2, Sec. VI, item 16/17-11, 5th line, replace "are" with "is."

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

RESOLVED: That the Board of Finance approves the minutes of the March 27, 2017 Regular Meeting as amended.

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

V. OLD BUSINESS

16/17-03 Review and Discussion: FY 17/18 Budget Process

Mr. Harrison reported that turnout at the Public Hearing was light with nine speakers and no signals taken away from it. Drafts of the Board's presentation for the Town Meeting were distributed. Mr. Harrison highlighted the Town Meeting process. Mr. Gugliotti gave an historical prospective on why we hold a Town Meeting on May 1st, an equivalent as to whether to support or oppose the budget before going to referendum. Mr. Harrison noted that it is required by the Charter. Mr. Gugliotti noted that we will likely get asked about the State scenario and effect on our budget. There was discussion regarding process if the budget goes to a second referendum. The last time was 2008. The Charter was referred to which clarified the steps taken. Mr. Robertson will prepare

a proposed budget timeline if the referendum is defeated and circulate it to the Board. Mr. Harrison asked the Board to send him changes regarding the Town Meeting presentation by Wednesday.

16/17-13 Supplemental Appropriation: Avon Board of Education, \$170,183

Mr. Harrison commented that the missing numbers have been filled in from last month's meeting. In response to a question from Mr. Gugliotti, Heather Michaud, Director of Fiscal Operations, responded that the Town received the additional funds in February with the \$170,000 supplemental appropriation and the second portion was received by the Town on April 5th. In response to a question from Mrs. Bratton, Ms. Michaud responded that the \$58,500 arrived in the fall via the Early Beginnings Grant and was deposited in November; you will see a second supplemental appropriation clearing it all up after the Town Council receives it next month. In response to a question from Mrs. Bratton, Ms. Michaud responded that the Open Choice tuition portion that was tabled last month was \$111,683 and would have matched up with the Open Choice Attendance K-12 line item. Mr. Gugliotti noted that these appropriations will result in three checks received totaling \$377,411.

On a motion made Tom Gugliotti, seconded by Michael Oleyer, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 16/17 Budget by increasing:

REVENUES

General Fund, Intergovernmental, Education Programs Grants, Acct # 01-0330-43343, in the amount of \$170,183 and increasing

APPROPRIATIONS

General Fund, Board of Education, BOE Expenses, Acct # 01-9401-55000 in the amount of \$170,183, for the purpose of providing special education tuition, professional development, and personal services, for the District.

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

VI. NEW BUSINESS

16/17-14 Appointment of Auditor

A memo from Ms. Colligan to Mr. Robertson dated April 17, 2017 was included in the meeting packet. She commented that in the future we will include this item on the same evening that the auditors are presenting the CAFR.

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

RESOLVED: That the Board of Finance authorize the execution of an agreement with Blum Shapiro to serve as the Town's auditor for the FY 16/17 audit.

Messrs: Harrison, Gugliotti, Bernetich, Hamilton, Oleyer 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 3/31/17 prepared and reported by Margaret Colligan. In response to a question from Mr. Harrison, Ms. Colligan responded that revenues are on track, expenditures are in line, we are not aware of any inter-fund transfers, and we are not anticipating seeing any LoCIP funds, we budgeted for them but have no expenditures charged against it.

B. Miscellaneous

Mr. Robertson provided a memo dated April 24, 2017 regarding statements that could appear on tax bills; there is no opportunity to amend it in any way. In response to a question from Ms. Bratton, Mr. Robertson responded that there is nothing that precludes a separate sheet of paper from being included in the envelope. In response to a question from Mr. Gugliotti, Ms. Bratton suggested including a note to address the net effect on the mill rate due to the State's funding problems. Mr. Gugliotti commented that for the \$700,000 in grant money not being received he would suggest not placing something in the envelope. This item was tabled for future discussion.

Mr. Robertson reported that the Appropriations Committee comes out with their proposed budget by Thursday. He plans to attend a hearing tomorrow in front of Finance, Revenue, and Bonding. He mentioned House Bill 7322 which proposes increasing sales tax from 6.35% to 6.99%, a portion of that funding will go to municipalities as unrestricted general aid, the amount is calculated based on the same formula used to calculate LoCIP, and a piece would go to the Council of Governments of which we are part of CRCOG, to further their planning for supporting and interlocal initiatives. 10% of that amount would be available to award to member municipalities for innovative projects to encourage interlocal cooperation. The State would continue to cap the mill rate that applies to motor vehicles but the real property would be assessed at 100% of the value versus 70%. Legislation expects to be in session over the summer and not finished until September/October. The balance of communities are approaching it the same way Avon is. In response to a question from Mrs. Bratton, Mr. Robertson responded that 70% assessment is statutory. He noted that there is an option for the Town to assess every motor vehicle an additional \$50 annual fee and based on CCM's calculation would generate about \$730,000 for Avon. In response to a question from Ms. Durdan, Mr. Robertson responded that the motor vehicle cap is at 32% and something we may have to talk about next year.

VIII. OTHER BUSINESS – No items discussed.**IX. EXECUTIVE SESSION – No items discussed.****X. ADJOURN**

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

RESOLVED: That the Board of Finance adjourn the meeting at 7:57 p.m.

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

Respectfully Submitted,
Thomas A. Gugliotti, Secretary

Attest: Jennifer Worsman, Clerk

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