

**BOARD OF FINANCE
REGULAR MEETING MINUTES
AUGUST 28, 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 Jeff Bernetich.

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

Ken Birk, liaison for the Board of Education (BOE), reported that as of June 30, 2017 the BOE's unexpended balance is just over \$32,000 which is nearly 0% of the approved budget; Superintendent of Schools Gary Mala's last day is August 30th; the BOE selected Dr. JeanAnn Paddyfote as Interim Superintendent of Schools and her first day is September 1st; a search is underway for the next Superintendent of Schools with various meetings/community forums in September/October along with services of Dr. Joseph Erardi as a consultant for the search, and a selection will be made after Election Day with the newly elected BOE members. In response to a question from Mr. Gugliotti, Mr. Birk responded that the compensation for the Interim Superintendent is \$103,000 (45% of Mr. Mala's annualized salary) through April 2018 and compensation for Dr. Erardi is \$10,000 plus mileage and printing and advertising costs. Mr. Birk noted that enrollment as of August 2017 is 3,246, compared to 3,297 last year and the school year starts on Wednesday, August 30th.

IV. MINUTES OF PRECEDING MEETING:

June 26, 2017 Regular Meeting

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

RESOLVED: That the Board of Finance approves the minutes of the June 26, 2017 Regular Meeting as drafted.

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

V. OLD BUSINESS

16/17-03 FY 17/18 Budget

Mr. Robertson reported that the State has not adopted a budget for FY 18; a revised Executive Order was issued by the Governor last week. He noted that the difference to date would be the loss of another \$1,462,738; there is some consensus that for FY 18 no teacher pension impact; intergovernmental revenues would not likely result in a \$1.4M impact, some Special Education funding would be retained as budgeted, some ECS funding would be added back and the municipal transition grant would probably be zeroed out; in the end it is likely we will see a \$600-\$700K revenue reduction. In response to a question from Ms. Bratton, Mr. Robertson responded that he could not say for sure and won't make much of a difference regarding Pequot and Grants in Lieu of Taxes. In response to a question from Mr. Oleyer, Ms. Colligan responded that regarding the use of Unassigned Fund Balance the amount would be about \$798,000 on the FY 17/18 budget. Mr. Robertson added that it would require a town meeting. Mr. Robertson noted that the legislators could take action on the budget during the week of September 11th as they are feeling a lot of heat from home districts about cash flow for some communities; first ECS payments go out in October. Mr. Gugliotti noted that Hartford has a bond payment coming up. Mr. Robertson noted the situation in Scotland, CT. In response to a question from Mr. Harrison, Ms. Colligan responded that regarding our cash situation our advance payment in taxes received is \$7M (vs. \$5M) and collection rate is at 50%; cash flow

would not be an issue; the first payments we get from the State are in October/November; we hold cash on a combined basis for Town and BOE and invested to the maximum we can and pull out resources to match payroll and accounts payment schedule. Ms. Colligan noted this happened once before with grant payments from the State and if they withheld for six months we would do fine but after that we would probably put a hold on capital projects, etc. Mr. Robertson clarified that net we will get approximately \$600K back from the Governor's second proposed budget instead of losing \$1.4M, compared to the adopted Town budget. In response to a question from Ms. Bratton, Mr. Robertson responded that it is tough to say whether or not we would be judged by the State as being able to handle the hit and then open to something worse in the future. Mr. Robertson noted the letter from OPM seeking information regarding our budget and impact thereof. In response to a question from Ms. Bratton, Mr. Robertson responded that you cannot evaluate the financial position or condition of a Town by looking at one metric; the Governor and Secretary of OPM have talked about towns that have Unassigned Fund Balances and having them contribute more into the State's coffers. In response to a question from Ms. Bratton, Mr. Robertson responded that with regards to "Unassigned per GASB" versus "Assigned" there are end of fiscal year transactions with some assignments recommended by management and approved by Town Council and Board of Finance for various purposes like Pension, OPEB, Capital Projects; they are not available for appropriation but could be converted to Unassigned by appropriate action by the Boards.

16/17-17 **Board of Education Request for 1% Reserve Account**

The Board's general consensus is not to move forward with the BOE's request to establish a 1% reserve account at this time and see if the next Superintendent of Schools brings it back up in the future.

VI. NEW BUSINESS

17/18-01 **Board of Finance Liaison to Negotiations with Avon Administrator's Association**

Mr. Harrison stated under State law, we are entitled to have a representative to observe these negotiations. Mr. Birk noted that Peggy Roell, Deb Chute, and Jason Indomenico are part of that sub-committee. The Board designated Mr. Oleyer to be its representative, contingent upon his availability for future meeting dates (9/11, 9/18, 9/28-mediation).

17/18-02 **Appropriations: Rails to Trails Improvement Project** **a. Forest Park Management Fund Unassigned Fund Balance, \$35,000**

Mr. Gugliotti stated that the trail is a phenomenal asset to the Town. In response to a question from Mr. Gugliotti, Mr. Robertson responded that we are going to get pricing for white and brown PVC; the same questions came up with the Town Council.

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

RESOLVED: That the Board of Finance hereby appropriates a sum not to exceed \$35,000 from Forest Park Management Fund, Other Financing Sources, Unassigned Fund Balance, Account #04-0390-43913 and to Forest Park Management Fund, Parks, Fence Replacement – Rails to Trails, Account #04-5201-53920, for the purpose of fencing replacement for Rails to Trails.

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

b. Fisher Meadow Maintenance Fund Unassigned Fund Balance, \$8,000

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

RESOLVED: That the Board of Finance hereby appropriates a sum not to exceed \$8,000 from Fisher Meadow Maintenance Fund, Other Financing Sources, Unassigned Fund Balance, Account #12-0390-43913 and to Fisher Meadow Maintenance Fund, Parks, FM Trail-Clear Trail, Account #12-5201-52244, for the purpose of clearing the trail from Old Farms Road south to the Farmington town line.

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

17/18-03 Appropriation: Emergency Management Performance Grant, \$9,141.50

On a motion made by Margaret Bratton, seconded by Dean Hamilton, it was voted:

RESOLVED: That the Board of Finance hereby appropriates a sum not to exceed \$9,141.50 from General Fund, Other Financing Sources, Unassigned Fund Balance, Account #01-0390-43913 to General Fund, Fire Prevention, Reg Part Time, Account #01-2201-51012 for the purpose of funding the increase of part-time support staff wages to supplement the Emergency Management Director's duties.

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

17/18-04 Supplemental Appropriation: Consulting Services for Avon Village Center Project, \$30,000

On a motion made by Tom Gugliotti, 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 \$30,000 and increasing:

APPROPRIATIONS

General Fund, Planning, Service & Consultant, Account #01-7101-52184, in the amount of \$30,000, for the purpose of recording funding received from Avon Town Center LLC for consulting services/peer review by Amenta/Emma Architects and Weston & Sampson for planning studies in connection with the November 17, 2015, approved Carpionato Group LLC's Master Plan for Avon Village Center.

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

Mr. Robertson noted that the Avon Village Center developer was issued a cease and desist order due to incorrect tree removal at the site; they will be on the next Planning and Zoning Commission agenda; site evacuation is complete and will be stabilized for the winter.

VII. TOWN MANAGER'S REPORT

A. Monthly Financial Report Summary

A report summary for period ended 7/31/17 was not provided by Margaret Colligan but she mentioned that Collections are at 50% and we continue to monitor Permits and Conveyance numbers.

B. The Auditor's Communication with Those Charged with Governance

The memo included in the packet dated June 22, 2017 from Ronald Nossek of Blum Shapiro & Co. to the Board of Finance has been received and reviewed.

C. Miscellaneous

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

On a motion made by Tom Gugliotti, seconded by Dean Hamilton, it was voted:

RESOLVED: That the Board of Finance adjourn the meeting at 8:00 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.