

**BOARD OF FINANCE
REGULAR MEETING MINUTES
JANUARY 22, 2018**

I. OATH OF OFFICE

Ann Dearstyne, Town Clerk, administered the Oath of Office to the new or returning Board of Finance members: Ken Birk, Margaret Bratton, Cathy Durdan, and Katrina Marin.

II. CALL TO ORDER

The meeting was opened at 7:04 p.m. in the Avon Town Hall by Ann Dearstyne, Town Clerk. Members present: Thomas Harrison, Ken Birk, Dean Hamilton, Margaret Bratton, Cathy Durdan, Michael Oleyer, and Katrina Marin. A quorum was present.

III. NOMINATIONS AND ELECTION OF BOARD OF FINANCE CHAIR AND VICE CHAIR/SECRETARY

Ann Dearstyne, Town Clerk, requested nominations from the Board for a Chairperson.

On a motion made by Cathy Durdan, seconded by Margaret Bratton, it was voted:

RESOLVED: That the Board of Finance vote to elect Tom Harrison as the Chairman of the Board of Finance.

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

Mr. Harrison moved that the Board nominate and elect a Board Vice Chair/Secretary.

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

RESOLVED: That the Board of Finance vote to elect Cathy Durdan as Vice Chair/Secretary of the Board of Finance.

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

Mr. Harrison expressed gratitude to Ann Dearstyne, Town Clerk, and Sgt. Williams, Avon Police Department, for being present at tonight's meeting for the swearing in and taking the Board's group photo.

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Dean Hamilton.

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

David Cavanaugh, new liaison for the Board of Education (BOE), was in attendance. He reported that Deb Chute is the new Chairperson, Jay Spivak-Vice Chair, and Jeff Fleischman-Secretary on the BOE.

VI. MINUTES OF PRECEDING MEETING:

December 18, 2017 Regular Meeting

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 December 18, 2017 Regular Meeting as drafted.

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

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

Mr. Robertson reported that a proposed FY 19 budget has been received from the Board of Education; he is working through all Town department budget requests; budget books will be in production by early February; Town Council budget workshop is scheduled for Saturday, 2/24. In response to a question from Ms. Durdan, Mr. Robertson responded that we will start looking at the State's detailed budget numbers in February and the development of the Town's FY 19 budget will be a mirror image of FY 18 with a lot of uncertainty. In response to a question from Mr. Birk, Mr. Robertson responded that the revaluation will impact the Grand List as of October 1, 2017 and impact the FY 20 budget.

VIII. NEW BUSINESS**17/18-13 Review and Discuss Potential Acquisition of Property Located at 828 West Avon Road and Buffer Zone Lease Back**

Mr. Robertson reported that the Town has reached a tentative agreement with the Severniss, property owners at 828 West Avon Road, and Town would acquire approximately 39.3 acres in fee, no development rights or restrictions; it is open space; Town would pay \$2 million for the acquisition over eight budget years through a private placement bond and capital budget appropriation every year at 1.75% interest to the amount outstanding per year. He noted the leaseback provisions – approximately 23 acres, Town would own but the seller would use the property as is now and can be extended up to 18 years; Town would issue an RFP for the remaining 18 acres for an agricultural function with a farmer, similar to Fisher Farm property. He noted that the Plan of Conservation and Development (POCD) lists this property for acquisition; Town Council issued a soft yes at their last meeting and at their next meeting will take a number of actions to formally move it along. He added this will come back before the Board for the tax impact statement and a supplemental appropriation from Unassigned Fund Balance to fund the soft costs, approximately \$70,000. He noted the acquisition approval would require a vote at a Town meeting, as well as contingency funding in FY 19 capital budget for the first payment if approved. In response to a question from Mr. Harrison, Mr. Robertson responded that there are no infrastructures on the property. In response to a question from Mr. Harrison, Mr. Robertson responded that regarding rating agencies we are not going to the markets but does count towards our debt limit and will have to disclose it in the financial statements; from a tax impact perspective we have been maintaining debt service and capital as a fixed percent of our capital budget and now we move more into capital to cover this. In response to a question from Mr. Oleyer, Mr. Robertson responded that any fee received from the agricultural piece would be de minimis. In response to a question from Mr. Birk, Mr. Robertson responded that there is currently no vision for the property, being kept for municipal purposes. In response to a question from Mr. Birk, Mr. Robertson responded that there is some liability with property acquisition but the impact to our policies will be very insignificant; the lease agreement with the farmer will protect the Town. In response to a question from Mr. Birk, Mr. Robertson responded that with regards to State or Federal funds it restricts future use of the property; you could recover up to 50% of the property purchase price through a Department of Environmental and Energy Protection (DEEP) grant program but there are deed restrictions for only passive/active recreation. In response to a question from Mr. Harrison, Mr. Robertson responded that we have not gone to the Planning and Zoning Commission yet for the 8-24 referral.

IX. TOWN MANAGER'S REPORT**A. Monthly Financial Summary Report**

Details were included in the packet report dated period ended 12/31/17 prepared and reported by Margaret Colligan. Ms. Colligan noted the following items: 71% collected level and taxpayers were also asking to pay ahead for FY 19 which we were not accepting, intergovernmental revenue will need to be reviewed for FY 18/19, interest income projections are coming in higher. In response to a question from Mr. Birk, Ms. Colligan responded that we are pretty restricted in what we can invest in because we have a responsibility

with people's tax dollars so we are currently using an investment pool at 1.4% return; we do not anticipate any large request for Fund Balance in the current year; all capital projects are within their budget appropriations. In response to a question from Ms. Bratton, Mr. Robertson responded that regarding the Old Farms Road Relocation the legal fees outside the retainer pertain to a cost-sharing agreement between the Town and Avon Old Farms School and for the section between Thompson and Scoville Roads the School has agreed to pay for any escalation in costs to move the road.

B. Miscellaneous – No items discussed.

X. OTHER BUSINESS – No items discussed.

XI. EXECUTIVE SESSION – Pending Claim

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

RESOLVED: That the Board of Finance go into Executive Session at 7:51 p.m.

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

The Town Manager, Director of Finance, and Clerk also attended the session.

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

RESOLVED: That the Board of Finance come out of Executive Session at 8:20 p.m.

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

XII. ADJOURN

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

RESOLVED: That the Board of Finance adjourn the meeting at 8:20 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.