

**BOARD OF FINANCE
REGULAR MEETING MINUTES
SEPTEMBER 21, 2015**

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, Margaret Bratton, Catherine Durdan, Dean Hamilton and James Speich. A quorum was present.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Margaret Bratton.

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

Kathy Zirolli, liaison for the Board of Education reported that it is Spirit Week. There is a Field Hockey game tonight under the lights, Friday will be Football and other sports will hold their games earlier in the day due to the holiday. There will be no school on Wednesday. As included in the Financial Summary report dated June 30, 2015, there is approximately \$120,000 escrowed and the remaining funds will revert to Town surplus. ECS will revert to the Town as well. All accounts have been reconciled to the Town. The Central Office and Town accounting departments both like their computer systems and it is going smoothly. Enrollment did not dip as expected; there was a realized decrease of 50 students. A new hire at PGS was required as well as for the STEM (Science, Engineering, Technology and Math) program at AHS due to enrollment. She reported Special Ed always has movement and is usually handled internally.

Mr. Harrison informed the Board that last week there was a message that the State wanted to do an audit of the Board of Education's use of the Choice Grant funds. One of Representative Becker's constituents requested his help in obtaining the Board of Ed's audit information on the Choice Grant program. The request was not for a new audit, but for any audit of that program that has been completed. His aide passed the request to Avon. The aide mentioned that the request was unusual because they have never done one of these audits. Mr. Harrison conveyed this information to Chairman Roell and Mr. Robertson. He stated these documents are public and available to anyone. Ms. Zirolli stated she is aware of this request as well as other numerous FOI requests. All requests are being met.

IV. MINUTES OF PRECEDING MEETING:

June 22, 2015 Regular Meeting

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

RESOLVED: That the Board of Finance approves the minutes of the June 22, 2015 Meeting as drafted.

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

V. OLD BUSINESS

There was none.

VI. NEW BUSINESS

15/16-01 Supplemental Appropriation: Emergency Management Performance Grant, \$9,056.50

There were no questions based on the background memo dated September 18, 2015.

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

RESOLVED: That the Board of Finance hereby appropriates a sum not to exceed \$9,056.50 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, Hamilton, Speich and Mmes: Bratton and Durdan voted in favor.

VII. TOWN MANAGER'S REPORT

A. Monthly Financial Report Summary

Details were included in the packet titled Monthly Financial report dated period ended 7/31/15 prepared and reported by Ms. Colligan. She highlighted that the State is going to be rescinding about \$106,000 of expected revenue. We do not know the detail of affected funds at this time. She stated our fund balance number as a percentage of budgeted expenditures is currently under 10% due to two appropriations for funding the Old Farms Road project. Going forward there will be two numbers reported net of the two draw downs and grossing up those two pieces to provide a more accurate picture. One project is subject to 100% reimbursement and the other is subject to 90% reimbursement. In response to a question from Mr. Harrison, Ms. Colligan stated that reimbursement will come in piece meal as we submit for it. Expenditures are currently tracking higher than expected on a 1/12 basis draw-down. This reflects some budgeted transfers out of the General Fund for OPEB, Pension and Capital Projects.

B. Quarterly Financial Report

Details were included in the packet titled Quarterly Financial report dated period ended 6/30/15 prepared and reported by Ms. Colligan. The Town and Board of Education are reconciled through June 2015. The auditors will be on site the last week of October. Based on the information we have we will have positive performing results, especially in the revenue area. We have received the last payment from the State for the High School renovation project that goes back to 2009. The only area that we continue to see some stress is in the investment interest.

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

The memo included in the packet dated July 9, 2015 from Vanessa Rossitto of Blum Shapiro & Co. to the Board of Finance has been received and reviewed.

D. Standard and Poor's Rating Review

Mr. Robertson stated the Town has been contacted by Standard and Poor's to do an interim rating. The last time we went through this process was in 2012 when the Town issued debt for the library. He stated this is normal for the agency to check in if the Town has not issued new debt in a while. There is a written questionnaire and a phone interview. In response to a question from Mr. Gugliotti, Mr. Robertson stated the normal time for this inquiry would be when new debt is issued. We do not anticipate doing so in the near future. Mr. Harrison stated Mr. Colligan reported to him that we are currently carrying \$27,630,000 in debt. We make payments on this throughout the year. The debt service line item of the budget for FY 2017 is expected to decrease by \$500,000. This allows for capacity in the Capital Budget.

E. Miscellaneous Items

Mr. Robertson reported that he will be watching carefully over the next year or two the application that is currently pending before the Planning & Zoning Commission for Avon Park North that has been filed by a group out of Rhode Island. It is a \$200,000,000 project. He stated that it is too soon to determine what affect this will have on the Grand List growth, but he expects a $\frac{3}{4}$ range for 2015 which is the same as last year. Mr. Gugliotti brought up projects in surrounding towns. In response to a question from Mr. Harrison, Mr. Robertson stated the Planning & Zoning Commission meetings have a full attendance on this project.

Mr. Robertson informed the Board that Hiram Peck has been hired as the new Director of Planning and Community Development. He comes to us from Simsbury with a strong background. He started August 24th. Steve Kushner has stayed on to assist with the update to the Plan of Conservation and Development that is required every 10 years as well as to consult on the Avon Park North project.

Mr. Robertson stated that there are two drivers of the State financial rescissions. One is that they are concerned with reduced revenues from the southern part of the state and the second is that expected efficiencies and savings through the Moore Commission have not materialized.

VIII. OTHER BUSINESS

Mr. Harrison noted that the teachers and the Board of Education are currently in negotiations and under the law, the Board of Finance can provide an observer to the process. Dean Hamilton reported that there have been three meetings to date. The majority of items that are non-financial have been tentatively agreed to. Mr. Gugliotti stated that Connecticut Supreme Court has recently entered a ruling that negotiations between the Town and the Board of Education are not open to the public.

IX. EXECUTIVE SESSION

There was none.

X. ADJOURN

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

RESOLVED: That the Board of Finance adjourn the meeting at 7:46 p.m.

Messrs: Harrison, Gugliotti, Hamilton, Speich 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.