

**BOARD OF FINANCE
REGULAR MEETING MINUTES
March 28, 2016**

I. CALL TO ORDER

The meeting was called to order at 7:04 p.m. in the Avon Town Hall by Vice Chairman/Secretary Thomas Gugliotti. Members present: Vice Chairman/Secretary Thomas Gugliotti, Jeff Bernetich, Margaret Bratton, Catherine Durdan and Dean Hamilton. Chairman Thomas Harrison and Michael Oleyer were absent. 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 stated the Financial Summary Report dated January 31, 2016 was included in the meeting packet. A newer report was forwarded, but did not make it into the meeting packet. The only notable change is that approximately 1.02% instead of 1.05% of the budget is estimated to be remaining at June 30, 2016. Ms. Zirolli reported that the Board of Education discussed using Kelly Services for providing substitutes which is expected to produce savings in the benefits line due to the Affordable Care Act. The potential avoided exposure is approximately \$400,000 according to Heather Michaud. In response to a question from Mr. Gugliotti, Ms. Zirolli stated that choice of substitute personnel has not been an issue. At the last Board meeting she stated there was an excellent presentation on the Alternative Learning Program from a group of its students.

Bruce Corbett, 171 Huckleberry Hill Road, passed out a hand out entitled The Avon Citizenship Endeavor. He stated that since the teacher settlement was approved in December, he has written to the Town Council and the Board of Education. He stated he believes the next step is for a hearing by the Finance Committee. He stated he is a retired teacher of 37 years. He served for 7 years as president of the Association. He knows teacher's salary settlements. The frustrating aspect of this issue and previous issues is that only 4% of the voters turn out for this very important budget business. He feels that a 2.5% general wage increase, (\$2,500,000 in new money) on already excessive salary schedule is too much. His goal to inform more voters about this situation and to encourage them to get out to vote. Mr. Gugliotti stated anything that Mr. Corbett can do to get voters out to vote is appreciated. He also stated that teachers' salaries are negotiated through arbitration and this Board nor the Board of Education can do anything about the contract once it has gone through arbitration and has been agreed upon. Finally the prerogative of the Board of Finance in the budget process is only to recommend a total budget to the voters. If sufficient voters are upset with that salary increase, they will vote the budget down. Mr. Bernetich stated he has known Mr. Corbett for a long time and discussed this issue with him by phone. He reiterated a lot of what happens behind closed doors is based on the ability to pay. It is not what is right or wrong, Ms. Zirolli concurred. She added that going to arbitration does not produce much savings while at the same time the Board would lose contract wording. Mr. Gugliotti added that going to arbitration poses significant risk for the town based on the Town's ability to pay. Mr. Corbett stated he had a long conversation with Mr. Harrison. He stated one of the five elements of the arbitration is the well-being of the group that's bringing the case. Our teachers are well taken care of and this contract provides \$9,000 - \$10,000 more per maximum than teachers in touching or ERG towns. Ms. Durdan stated that unless 9% of the eligible voters turn out for the referendum on the budget, it will automatically pass per the Town Charter.

IV. MINUTES OF PRECEDING MEETING:**February 22, 2016 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 February 22, 2016 Meeting as drafted.

Messrs: Gugliotti, Bernetich, and Hamilton and Mme: Bratton and Durdan voted in favor.

V. OLD BUSINESS**15/16-05** Review and Discussion: FY 16/17 Budget Process

The Public Hearing is April 11th, 7:00 pm at the Senior Center. The first workshop is April 13th at the Avon Senior Center. The packets include a draft of the slides that will be used. Mr. Hamilton reworked the graphics on some of the slides in an effort to make them more graphical rather than tabular. Mr. Gugliotti thanked him for his work. Ms. Colligan noted that slide 15 is slightly different than the slide she received due to software version differences. In response to a question from Ms. Bratton, Ms. Colligan stated a definition of per capita can be added to slide 15.

15/16-06 Review and Discussion: Auditing Services – Request for Proposals

Mr. Gugliotti reported that 4 responses to the RFP for auditing services were received; PKF O'Connor Davies, RSM, Cohen Resnick and Blum Shapiro. It was confirmed that the Board is part of the committee. Score sheets for each vendor will be completed prior to viewing the pricing quotes. The score sheets should be completed and e-mailed to the Town Managers office by April 8th. A short procedural discussion took place among the Board and Ms. Colligan. Questions will be directed to Mr. Robertson and he will compile a list of all questions and disseminate the answers. Board members are not to contact the firms directly. Requests for a face to face meeting with a vendor; the procedure will be to put it in writing to the Board Chair and he will forward it to Ms. Colligan to schedule the appearance at the April meeting.

VI. NEW BUSINESS**15/16-14** Supplemental Appropriation: Paving Founders Way, \$74,765

A memo was included in the meeting packet from Larry Baril to Brandon Robertson dated February 11, 2016. Mr. Robertson stated a developer provides the funds and the town performs the work. The theory behind this is that the Town can make the money go further than the builder by taking advantage of competitive bidding. The town has been holding these funds in a revenue account.

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

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

Capital Projects Fund (Facil and Equip), Other Local Revenue, Payment in Lieu of Road Improvements, Account #02-0360-43659, in the amount of \$74,765.00 and increasing:

APPROPRIATIONS

Capital Projects Fund (Facil and Equip), Town CIP-Facil/Road Overlay, Road Overlay, Account #02-4831-53003, in the amount of \$74,765.00, for the purpose of paving Founders Way, per an agreement with JZMAR, LLC and the Town of Avon.

Messrs: Gugliotti, Bernetich, and Hamilton and Mme: Bratton and Durdan voted in favor.

15/16-14 Supplemental Appropriation: Groomer for DPW, \$20,096.87

A memo was included in the meeting packet from Alex Trujillo to Bruce Williams dated February 9, 2016. The machine creates the sharp lines on the ball fields. In response to a question from Mr. Gugliotti, Mr. Robertson stated an existing machine will be sold, a nominal amount is expected, and it will be returned to the fund. The engine has a 3 year warranty. In response to a question from Mr. Gugliotti, Mr. Robertson stated the equipment should fit on the town's existing trailer.

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

RESOLVED: That the Board of Finance hereby appropriates a sum not to exceed \$20,096.87 from General Fund, Other Financing Sources, Assigned to Capital Asset Purchase, Account #01-0390-43928; and increasing General Fund, Building & Grounds, Equipment, Account #01-3401-52194 in the amount of \$20,096.87 for the purpose of purchasing one replacement Ball Diamond Groomer.

Messrs: Gugliotti, Bernetich, and Hamilton and Mme: 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 February 29, 2016, prepared and reported by Margaret Colligan. Ms. Colligan reported that we continue to do well on our revenue side, tax collections are at 99%. Intergovernmental is running behind compared to prior years, however, we anticipate receiving them by next month's report. In response to a question from Ms. Bratton about the state cutting funds to cities and towns, Mr. Robertson stated he expects an announcement from the state later this week after the appropriations committee meets. Mr. Gugliotti clarified that the state monies in the current budget are safe and the projected state revenue in the pending budget is what is at risk. He added that we are not very dependent as a town on state money. Ms. Zirolli stated the Board of Education does rely on money from the state. Mr. Robertson discussed the efforts of CCM and changes Avon is likely to be subject to it in FY 18. He discussed the negatives the legislative proposal will have on the town based on the language that does not consider revenue sources.

Ms. Colligan reported Other Local Revenue Unassigned Fund Balance is tracking at 9.47% (10.82% after reimbursements). There were no negative variances in expenditures.

B. Avon High School-Synthetic Turf Field Project

Mr. Robertson stated there was discussion on this issue at the last council meeting. They endorsed the Board of Education's decision to locate the field at Avon High School subject to a number of caveats. There are a numbers of questions to be answered that are typical for the permitting stage. Mr. Robertson has been tasked to draft a charge for a committee to work on the issues and talk with the architect to discuss what additional funding will be necessary to bring the project to full design/development. It will require an appropriation from the board. In response to a question from Mr. Gugliotti, Mr. Robertson stated the next phase will continue to include concerns about public health issues related to the crumb fill. Ultimately the Council will determine if the project moves forward to referendum. It will not occur prior to the November election.

C. Rating Agency Reports

A report from Moody's and Standard and Poor's were included in the meeting packet. Net savings of all issuance costs of \$384,000 this will come off the debt service schedule. The bond refunding did not change the maturity dates or debt schedule. The refunding refines the outstanding portion at a better rate.

D. Miscellaneous Items

VIII. OTHER BUSINESS

Mr. Bernetich asked Ms. Colligan and Mr. Robertson, what is the succession plan for their positions given the vast amount of material they produce. Mr. Gugliotti asked that they comment on this at the April meeting. Mr. Robertson stated that the manual that was produced for the Finance Department is a good road map. In response to a question from Ms. Durdan, Mr. Robertson stated that there are interviews tomorrow for the Assistant to the Town Manager position.

IX. EXECUTIVE SESSION

There was none.

X. ADJOURN

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

RESOLVED: That the Board of Finance adjourn the meeting at 8:03p.m.

Messrs: Gugliotti, Bernetich, and Hamilton and Mme: 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.