

**Board of Finance  
February 14, 2017**

**Regular Meeting**

**MINUTES**

**Board Members Present:** Chairman Jim Fitzgerald, Reggie Smith, Steven Tuxbury, Bart Baxter, Dan Charest, Ben Witte; Alternate Member Maria Moore.

**Others Present:** Many members of the Public including: Bud Butler, Jean Cronauer, Bill Michaud, Rusty Warner, Karen Nelson, Jean Darlington, Ed Marchena, Caren Ross, Peter Anderheggen, Paul Mahoney, Jen Benaitis, Superintendent of Schools Brian Murphy, Ellen Childs, Bookkeeper Annie Witte, Adam Choquette, First Selectman Dan Jerram, Selectman Alesia Kennerson, Selectman Laura Garay, Town Treasurer Gordon Ross, Arnie Helt, Lou Helt, Polly Pobuda, Tim Goff, Tom Buzzi; Martha Steenburgh, Chris Brooks, Doug Roth, Member of the Press Kathryn Boughton, Administrative Assistant Christine Hayward.

Chairman Fitzgerald called the meeting to order at 7:01 PM. He announced that members of the Open Space Preservation Commission were in attendance to present information pertaining to the Michael Butler Farm Preservation initiative. Mr. Fitzgerald announced that there would be an opportunity for public comment on this particular matter directly following the presentation. He asked for a show of hands from those who would like to have an opportunity to speak at that time. Based on number of responses, he set a timeframe for public comment on that topic to a total of 20 – 30 minutes.

**Seating of Alternates:**

All regular members present, no need to seat any alternates ; Chairman Fitzgerald invited alternate member Maria Moore to be an active participant in any discussion that occurred, but noted that she would not be able to participate in any votes taken.

**Adoption/Revision of Agenda:**

No changes to the agenda

**Approval of Minutes: January 12, 2107 BOF Special Meeting:**

**MOTION:** by Smith to approve the minutes of the Board of Finance meeting dated January 12, 2017 as presented; seconded by Charest.

*Unanimous.*

**Open Space – Jean Cronauer, Butler Property (pending outcome of a tentative Board of Selectmen Special Meeting prior to this BOF meeting)**

Chairman Fitzgerald welcomed Jean Cronauer, Chairman of the Open Space Preservation Commission to the meeting and offered her the floor to conduct her presentation regarding the Butler Property. Mrs. Cronauer gave some background regarding the establishment of the Open Space Commission. She stated that the Commission had been instrumental and successful in past years in bringing forth 3 large Open Space parcels for consideration; Jones, Goula and Phillips Properties. In 2008, the economy began a downward trend creating a lull in bringing forth any additional proposals for consideration of preservation by the Town. At this point in time, however, a valuable piece of Farmland consisting of soils considered to be prime in nature is being brought forth to the Board of Finance for consideration of financing. The rich soils found on the parcel makes this parcel an immense natural resource. The purchase of the development rights of this land consisting of 93.6 acres is strongly supported and recommended by the Open Space Commission. The Department of Agriculture and the Town of New Hartford would be partners in this endeavor due to the fact that the State Department of Agriculture has promised grant funding in the amount of 55% of the total cost. The purchase of the development rights has been approved by the Planning and Zoning Commission and the Board of Selectmen. Mrs. Cronauer noted that she had two letters of support to present to the Board for the record; one from the Conservation Commission and one from the Farmington River Watershed Association.

At this point, Mrs. Cronauer turned the microphone over to Open Space Commission member Bill Michaud who shared a power point presentation with the Board. Mr. Michaud began his presentation with a brief explanation of what drew him and his family to choose New Hartford as a place to live. They were drawn by the appreciation of natural resources exhibited by the residents and town government. They were excited by the opportunities in the area for hiking and the commitment that had been made to preserve Open Space. Mr. Michaud noted that towns have different views regarding preservation of land; and he was pleased that New Hartford had embraced an Open Space Plan and sought opportunities to preserve unique parcels and hopes that they continue to do so.

Mr. Michaud stated that the Community Farms Preservation program was created by the Department of Agriculture and was geared to preserve smaller (less than 100 acres) farms. Mr. Michaud showed some photographs of the area being considered and lauded the benefits of preserving this land. He repeated the statement made by Mrs. Cronauer regarding the soils that are found on the parcel. He reiterated that 55% of the purchase price would be funded by a State of CT grant, while 45% would be the town's share. A trail along the Farmington River on the western edge of the parcel of land would provide recreational activities for residents and visitors to New Hartford. Preservation of the parcel would preserve local agriculture, provide access to the River, support wildlife and would promote family and community outdoor activities. Additionally, procuring the development rights to preserve the farmland would help to promote the "Town for All Seasons" branding currently underway.

Mr. Michaud explained that a conservation easement means that the landowner retains ownership of the land but is prohibited from developing the parcel. Mr. Michaud further explained that there are two options for the trail: outright ownership or an easement (which allows access). Mr. Michaud also

explained that the approval for such an acquisition is done by either a Town Meeting vote or by referendum.

Chairman Fitzgerald allowed for public comment regarding the matter:

Martha Steenburg of Main Street , a member of the New Hartford Land Trust, announced that the Land Trust has voted to endorse the purchase; stating that it is a fantastic opportunity to aid in the protection of the Wild and Scenic Farmington River. She added that the Land Trust would request that a riparian buffer be present.

Chris Brooks of West Hill Road stated that he spoke on behalf of himself and his wife. They support the acquisition especially in light of the current broadened development along Route 44 in this area. This parcel would allow for accessibility to the Farmington River for recreational purposes.

Doug Roth of Ratlum Road echoed Mr. Brooks support for recreational use of the property, adding that it would be a beautiful fishing spot.

First Selectman Dan Jerram of Willow Lane, New Hartford stated that it is a nice piece of property and has the unique amenity of allowing people to get to the spot where the east and west branches of the Farmington River come together. He added that the Board of Selectmen are in support of this acquisition and noted that having secured Grant funding for this purchase makes the deal all the more attractive.

Karen Nelson of Stedman Road spoke with emotion to those gathered. She stated that she has had a long history with Land Use and finds that this property is a beautiful piece of property. She noted that "the humble landowner wants this property to be farmland in perpetuity." "It is unique and the precious agriculture soils that are there need to be preserved."

Hearing no other public comment, the Board of Finance Chairman asked his Board members if they had any comments or questions.

Member Smith asked First Selectman Jerram "who will own the development rights? And what can the State do with the property?" Mr. Jerram explained that the land can only be used for farming; no development can occur. The property owner retains ownership of the land. Another question was posed regarding payments. Mr. Jerram answered that the property owner has agreed to accept payments over two years.

Member Charest asked if a survey has been completed; to which Mr. Jerram replied that it has.

Member Tuxbury asked what the current zoning is for that parcel of land. Mr. Jerram replied that it is a mix of Farm and Open Space. Member Tuxbury asked if there would be potential to change that and what a change would have on taxes. Mr. Jerram stated that improved farmland designation could actually be an increase in revenue.

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Alternate Member Moore asked if there was a potential for this proposed trail to tie in to the trail that is being considered to go into Canton. Mr. Michaud replied that these are two separate initiatives, noting that the Economic Development Commission is working on the Rails To Trails which is planned to be accessible by Route 44. This trail, however, could be a spur trail with Mr. Michaud stating that all trails have the potential to bring people to town.

Member Baxter asked where the starting point of the trail would be. Mr. Michaud explained the location, off of Blackbridge Road. Mr. Baxter also asked about the current condition of the path. Mr. Michaud stated that it is already fairly well defined and is useable in its current state for the majority of the length of the trail. A final question from Mr. Baxter was regarding the status of a budget for trail improvement; to which Mr. Michaud replied that there is currently no budget for this.

Member Witte asked if there were time constraints with respect to the approval. Mr. Jerram explained that the State had caused some delay with completion of the final survey, which exceeded the original suggested timeline, and as of now, there are no firm timelines for completion of the approvals needed .

Mr. Witte asked if this acquisition funding would be a capital project. Mr. Jerram answered that the Board of Selectmen had not specifically addressed how this project would be funded. They have discussed the use of Land Preservation Funds as an option. Jerram recounted that the Philips Farm acquisition was funded by the Land Preservation Fund; although noting that it took longer than originally anticipated to pay back the general fund (payment was made by borrowing from the General fund and then reimbursing as funds were replenished into the Land Preservation Fund.) Mr. Witte replied that the Board of Finance needs to keep in mind the option of using the Land Preservation Fund for this project.

Member Charest asked for the specifics of how this funding could work for the Butler property.

Jerram explained that when subdivisions come before Planning and Zoning, there is an option to ask for "fees in lieu of" donating open space to the Town. These fees are collected when individual lots are sold and the fees are deposited into an account to be used for Land Preservation.

Mr. Fitzgerald questioned if the town was able to get a share of the income that might be generated from the rental of the preserved property to a farmer. He noted that if the landowner continues to make a profit by leasing his land that the town paid for, it would seem reasonable that the town should get some of the revenues. Jerram replied that the town would not get revenues as the property is still owned by the Landowner and remains his.

Member Smith asked who valued the property. Mr. Jerram replied that the State of Connecticut hired appraisers to determine the value and made the offer based on the appraisal.

Alternate Member Moore asked if the owners had been asked if they would be willing to be paid as money comes into the fund. She noted that if there are no funds in that account now, perhaps they would be willing to wait and get paid as the funds accrue.

Mrs. Cronauer replied that due to the current low volume of sales of properties, it may be several years before the property owner would receive payment and she did not think he would be in favor of waiting for payment indefinitely.

Mr. Witte commented that he thought the project was worth the voters having the opportunity to approve or not approve the purchase, but that it should not be done outside of the budget. He felt that voters need to understand the budget and the challenges being faced in order to make decisions.

Mr. Smith stated that it was his opinion that this project should be laid on the table until after July. He would prefer to pick this up after the State has finalized its budget and everyone knows what the ramifications are to the local budget. He stated that there is too much uncertainty as to what the town is going to be able to afford and this should wait.

Discussion on this matter ended, with the Board reserving the right to revisit this agenda item toward the end of the meeting , if time permitted additional discussion.

**Bookkeeper's Report:**

Town Bookkeeper Mrs. Witte asked if there were any questions regarding the revenue and expenditure reports that had been sent to Board members. There were no questions.

**Treasurers Report:**

Treasurer Gordon Ross informed the Board of Finance members that the newly opened Platinum Money Market account gives a higher interest yield and asked if there were any questions regarding that account.

Mr. Ross gave his opinion regarding the Butler Farm proposal, stating that from a financial standpoint, it was a good capital investment. He felt that if development were to occur on that parcel, the costs associated with development would be more costly to the town.

Alternate Member Moore stated her concerns with the town being asked to take on more costs. She noted her concern with spending, using the current Antolini School Building project as an example of her concern. She said that the initial work was completed under budget and the School Building Committee had originally decided to return unspent monies to the general fund. However, the Board of Selectmen has since approved \$695,000 in additional expenditures and has added to the project.

Mr. Ross replied that he is also concerned with spending; but noted that some positives have occurred. The Town has recently refinanced some debt which will result in savings of \$10,000 - \$15,000 per year. He stated that the school renovation project will still come in under the approved budget which will result in having to bond for less than originally anticipated.

Ms. Moore stated her concern that the addition of a portico to the Antolini School without seeking formal approval from the taxpayers could cast a different light on future projects that come along.

**First Selectman's Report:**

First Selectman Jerram gave a quick report, noting that the sand and salt expenditures increased slightly the last few weeks due to the burst of storms that occurred. Overtime has also seen a slight increase in

the past couple of weeks, while repairs to equipment are down in relation to past years.

Contract negotiations will begin soon with all of the 3 town unions.

LED light fixtures have been installed and this should result in energy savings.

Mr. Jerram noted that the Governor's budget proposal is a "shocker" but does not seem to have a lot of support. He mentioned that uncertainty of the State budget may be a reason to adjust the normal cycle of budget approvals.

**FY 2017-2018 budget:**

Chairman Fitzgerald stated that the impact to New Hartford is still uncertain as there are no details on some of the proposals. He announced that the reimbursement for the Teachers Pensions will be a big hit at \$800,000. Mr. Jerram interjected that many questions remain as to the implementation of the proposals made by the Governor. Mr. Jerram has been in contact with Senator Witkos who is watching the budget development closely. Mr. Fitzgerald noted that New Hartford has already taken a big reduction in Educational Cost Share funding. The Grand List has risen marginally, with an increase of only .45%.

Mr. Fitzgerald reviewed the budget timeline, noting that the Board of Finance will review the Board of Ed and Town Capital Expenditure requests at the Board of Finance meeting on March 14. March 18 will be the Saturday budget workshop; followed by other budget meetings including a Special Board of Finance Meeting on April 4 which is the Public Hearing.

Mr. Fitzgerald questioned Mr. Jerram on a comment made regarding changing the timeline of the budget proposal. Mr. Jerram replied that it is hard to make decisions when no one is sure what the Governor will do. It may take some creative solutions.

Mr. Jerram noted that the Cap-Ex Advisory Commission has not met yet. A brief discussion occurred regarding who will represent the Board of Finance. Chairman Fitzgerald commented that Mr. Smith had volunteered to serve last year and noted that no other board member had stepped forward; therefore Mr. Smith will remain as the representative. Jerram cautioned that the P&Z representation to the Committee had been challenged and urged Chairman Fitzgerald to follow the terms of the existing ordinance and codify the position by a vote.

**MOTION:** by Charest to appoint Reggie Smith as the Board of Finance representative to the Capital Expenditures Committee; seconded by Witte.

*Unanimous.*

Mr. Fitzgerald questioned who will take responsibility for gathering the group together, noting that the time line was getting short. Mr. Fitzgerald wanted to make sure that this would get moving. Mr. Jerram responded that he would take responsibility for sending an email to coordinate the meeting and would do that by the end of the week.

On another note, Alternate Member Moore asked if the town budget could be sent to Board of Finance prior to the Budget workshop on March 18, 2017. First Selectman Jerram replied that he would do that.

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**Return to Item IV – Open Space:**

Member Baxter asked if Open Space had a timeframe regarding the Butler Farm.

Mrs. Cronauer replied that the project, for various reasons, has already stretched out endlessly. She would have preferred to have had this resolved before “the bomb dropped in Hartford.” She was unaware of any timeline imposed by the State, but was concerned that at the last minute, they might notify the town that “this needs to be finalized.” Mr. Jerram interjected that the original thought of the Board of Selectmen was to have this as an agenda item at the Annual Town Meeting held in April.

Mr. Fitzgerald noted that a recent correction to the audit report (page 24) shows that the General Fund balance was lower than originally thought. He stated that the General Fund balance is something to keep in mind, noting that the Board still has not determined a policy for what the optimal fund balance should be.

Member Charest opined that a referendum on the Butler matter would seem to be the best way to go. He stated that the Townspeople need to make their own decisions as to what direction to go in, regardless of what the Governor’s budget may be. They need to make their own choices regarding what they would like to do.

Mr. Witte asked if bonding should be considered; with Mr. Ross replying that borrowing could be investigated, but the costs are too small to bond.

Mr. Fitzgerald would like to see how this would be if it were included in the budget.

Mr. Tuxbury said he wanted to let this matter ride until March; Mr. Charest would like to continue to look at this next meeting. Mrs. Moore stated that she felt this should be put off until July; due to too many unknowns with the State budget. Mr. Charest reiterated that this is a question for the public to consider. Mr. Smith wants to wait until it is clear what the tax impact due to loss of State Revenues will be.

**CapEX:**

No Discussion; Mr. Fitzgerald reiterated the importance gathering the Committee together so that the Board of Finance would have the Capital Expenditures information in order to review at the next meeting.

**Opportunity for Public Comment:**

Member of the Public (but not a resident of New Hartford) Don Krug urged support of the Butler Farm acquisition. He noted that he has personally been on the property and it is a beautiful property. He stated that it would be advantageous to market New Hartford for tourism and to focus on trail development to attract the dollars tourism can bring in

**MOTION:** by Smith to adjourn at 9:00 PM; seconded by Witte.

*Unanimous*

*Respectfully Submitted, Christine Hayward, Administrative Assistant  
Substitute Recording Secretary*