

Board of Finance 3/25/13 Minutes

Printer-Friendly Version

BOARD OF FINANCE

REGULAR MEETING

MONDAY, MARCH 25, 2013, 7:00 P.M.

MINUTES

I. CALL TO ORDER

Vice Chairman/Secretary Thomas Gugliotti called the Board of Finance meeting to order at 7:05 PM at Avon Town Hall. Members present: Vice Chairman/Secretary Thomas Gugliotti, Margaret Bratton, Catherine Durdan, Dean Hamilton, James Speich and Brian Stoll. Chairman Thomas Harrison was absent. There was the presence of a quorum.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Catherine Durdan.

III. COMMUNICATION FROM THE AUDIENCE

Bill Stokesbury (Board of Education liaison) informed the board of the special alert issued by Superintendent Gary Mala about an inappropriate virus going around town on Facebook. He cautioned about sharing videos and the virus threat it poses.

He shared that Pine Grove School principal Gail Dahling-Hench will be leaving Avon to take the Assistant Superintendent position in Madison.

Security reviews at all schools are currently being conducted in conjunction with the Avon Police department.

The last day of the current school year as well as graduation will be on June 27th due to the winter weather conditions we have experienced. The new school year will begin in August.

As a follow up to the last meeting, Mr. Stokesbury said he would follow up to provide Ms. Colligan the January Board of Ed interim financials.

He reiterated, as a follow up to a question asked at the February meeting, that Charter Schools are not part of the public school teachers union. Ms. Bratton restated that Magnet Schools are part of the public system and Charter Schools are not. Mr. Stokesbury added that Charter Schools are supervised by the State Department of Education, but they are given more liberal rules once they are credentialed.

In response to Mr. Speich's question, the Board of Finance should not see any more appropriation requests due to security issues at the schools in this fiscal budget year. Additional funds to address identified issues are included in the proposed 2013-2014 budget under security related capital improvement projects.

Mr. Robertson added that in the current year budget (2012 – 2013) on the operating side we are incurring additional costs associated with security staffing at the High School as well as security assessments. It is possible that as a result of this fiscal year, there may be some operational issues with the budget, but as we always do, we will cover it through intra-fund transfers.

Mr. Gugliotti gave special thanks to Mr. Stokesbury for his time and dedication in his role as liaison.

IV. MINUTES OF PRECEDING MEETINGS: February 25, 2013

Section III.- Page 2, 4th paragraph, change "use to" to "used to"

Section III.- Page 2, 5th paragraph, change "is" to "illustrate"

Section III.- Page 3, 4th paragraph, change "building" to "buildings"

Section III.- Page 4, 2nd paragraph, change "produced" to "run"

Section V.- Page 5, 1st sentence, change "give notice" to "must obtain approval from the Board of Finance Chair"

2nd paragraph, change "GASBY" to "GASB"

2nd paragraph, change "There" to "This"

On a motion by Ms. Bratton, seconded by Ms. Durdan, it was voted:

RESOLVED: That the Board of Finance approves the minutes as amended.

Messrs. Gugliotti, Hamilton, Stoll and Mmes. Durdan and Bratton voted in favor. Mr. Speich abstained.

#### V. OLD BUSINESS

##### 12/13-03 Review and Discussion: FY 13/14 Budget Process

Under the guidance of Mr. Robertson, the slide presentation to be used at the Public Hearing was reviewed and recommended changes from the entire board present were discussed. Mr. Stoll provided a sketch of a new slide he created. A final decision on changes will be made after conferring with Mr. Harrison, to allow his input. Peg Colligan created a marked up copy of the presentation.

Ms. Durdan questioned if the APS Financial report distributed this evening reflected the gross or net budget. Mr. Robertson clarified that it reflected the adopted gross General Fund budget. It does not include special revenue funds.

#### VI. NEW BUSINESS

##### 12/13-10 Use of Capital Reserves – Equipment for Narrow Banding Compliance, \$25,000

The Council has approved the resolution and the Board of Finance is being asked to do the same. The purpose of the resolution is to provide funding to purchase new equipment to meet Narrow Banding Requirements required by the FCC for the Town's various Public Safety Licenses.

The Town was in talks with a prior company who was to provide the equipment, however, they were bought out and discussions have ended. A cost – benefit analysis was done and it was determined by the Town Attorney that it was not worth pursuing with this vendor. Mr. Gugliotti felt a strong letter should be sent to this vendor to see if they would honor some or all of their original commitment. He felt they took advantage of the situation, and not to Avon's benefit. Mr. Stoll asked why we received the MTR quote from NECS, but not the GTR. Steve replied that the radio consultant the town uses has recommended that we go with the more expensive option because it will be compatible with where technology is heading. The less expensive option would be the minimal technology to meet the FCC's requirements, but as technology changes, it would cause us to work from scratch again. For the differential cost, the consultant advises to go with the better equipment. NECS does not provide GTR. Mr. Robertson said a RFP was sent out and Steve said that bids are expected back Wednesday of this week. Mr. Robertson added that there are two funding sources for this appropriation. One is in the current year capital budget. The Town established two capital reserves, one was for equipment and one was for facility, both in the amount of \$25,000. The purpose of which was to deal with these unforeseen contingency items. The equipment reserve is one source that will be used. The second source is an interfund transfer from the Police Department General Fund Operating Budget to this Capital Project account in fund 2. Mr. Speich inquired if these repeaters will be used by the Fire Department as well as others in town. It was confirmed that all emergency services use the same system.

On a motion by Ms. Bratton, seconded by Mr. Gugliotti, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 12/13 budget by transferring from Capital Projects Fund (Facil & Equip), Designated for Capital Reserve, Future Capital Exp. – Equip, Account #02-4873-53053 to Capital Projects Fund (Facil & Equip), Town CIP – Equip, PD Narrow Band Purchase, Account #02-4844-53078 in the amount of \$25,000; and transfer out of General Fund, Admin Services, Other Equip, Account #01-2101-53319 and General Fund, Other Financing Uses, Interfund Transfer-Out, Account #01-8700-58000; to transfer to Capital Projects Fund (Facil & Equip), Town CIP – Equip, PD Narrow Band Purchase, Account #02-4844-53078 and Capital Projects Fund (Facil & Equip), Other Financing Sources, Interfund Operating Transfers In, Account #02-0390-43918 in the amount of \$10,000 for the purpose of narrow banding compliance (narrow banding equipment) for a total amount of \$35,000.

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

## VII.TOWN MANAGER'S REPORT

### A.Monthly Financial Report Summary

Peg Colligan stated that revenues are still running ahead of projections from 2011-2012. Licenses, Fees & Permits is running ahead of 100% due to activity in the Building Department. Looking forward, there is still strong activity in this area. Intergovernmental and Charges for Services continue to track behind projections as expected. When the analysis is run, it is skewed because this is the first year certain funds are tracked in the category and there is no comparison data for 2011-2012. The only note in Intergovernmental is that some of the expected payments are running slower than usual from the State. We have seen this in the past. Other Local Revenue which reflects investment activity is running low as expected. There will be two small appropriations next month to fulfill the commitment to the Board of Education to reimburse them for 100% of storm costs. For expenditures, there are no major variances, but we do expect some budget stressors in some agreed upon services in the janitorial services area. This is expected. A plan to cover this is being worked on. The over expenditures in the safety area is also being examined to see if there are internal ways to cover them. Storm Sandy was not an event for our town and we will not be seeing any FEMA monies as a result. All other areas are running in line with the budget.

### B.Miscellaneous Updates

Mr. Robertson said the conversation about the car tax is still ongoing at the Legislative level.

Everything we are hearing from multiple sources says it is unlikely to pass, but it has gone further than anyone expected.

Mr. Robertson gave testimony at the State Finance, Revenue and Bonding Committee Public Hearing on March 11 in relation to Proposed Raised Bill No. 6577: An act concerning the Real Estate Conveyance Tax. This is a proposed fix to a loophole in the current law. This loophole costs the Town and the State a lot of lost revenue. The Commissioner of Revenue Service stated he fully supported this proposed bill.

Proposed Bill 6577 - Testimony.PDF

## VIII.OTHER BUSINESS

There was none.

## IX.EXECUTIVE SESSION:

There was none.

## X. ADJOURN

On a motion by Mr. Speich, seconded by Ms. Durdan, it was voted:

RESOLVED: That the Board of Finance adjourn the meeting at 8:27 p.m.

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

Respectfully Submitted,

Thomas A. Gugliotti, Secretary

Attest: Mary Marinello, Clerk