

AVON TOWN COUNCIL

MEETING MINUTES

January 3, 2013

I. CALL TO ORDER

The meeting was called to order at 7:30 p.m. at the Avon Town Hall, in the Avon Room by Chairman Zacchio. Members present: Mrs. Samul and Messrs: Evans, Pena, and May.

II. SERVICE AWARD: Presentation of Natural Resource Award

Bob Breckinridge, member of the Natural Resources Commission, presented the National Resource Award. He reported that this award is given periodically by the Natural Resources Commission to an individual who has had a unique and positive influence on the natural resources in the Town of Avon. He noted that their recipient is Chrissie D'Esopo. He added that anyone living in Avon knows Chrissie's home; driving by her house on West Avon Road in the summer is like the transition from black and white to color in the movie The Wizard of Oz, a rather drab scene suddenly explodes with infinite color, the flowers, the bushes, and her house catch the eye and bring a smile to every passerby's face, but Chrissie isn't receiving this award just because she has a pretty yard, she has used her wonderful property through Town events, to raise over \$175,000 for charity. He added that Chrissie herself is a true natural resource of the Town of Avon. Chrissie accepted the award. Mr. Breckinridge added that Ms. D'Esopo is their only two-time recipient of this award. He read the award which stated: "In recognition of self-initiated property improvements that have resulted in a much admired garden landscape and a beautiful natural habitat promoting awareness of Avon's natural resources, and for the numerous non-profit charitable events and tours that you have conducted on your property for the past twenty years. You are truly an inspiration to residents of the Town of Avon and beyond." Chairman Zacchio extended congratulations. He shared that he could remember when Chrissie was planting bulbs at the Middle School on a volunteer basis as well so it is not just at her home but it was around the community. He noted that back in the 1980s he worked for the Board of Education in the summertime and remember mowing and having Chrissie out doing all of the landscaping on the Middle School mound and making it beautiful as well. He thanked her for all that she has done in Town and has made her home part of our home and people know Avon for what she has done. Ms. D'Esopo added that a big part of it is her husband John.

III. PUBLIC HEARING

12/13-23 Acceptance of Storm Drainage Easement: 54 Eddy Street

The Public Hearing was called to order at 7:30 p.m. by Chairman Zacchio. Chairman Zacchio waived the reading of the following legal notice:

"TOWN OF AVON

LEGAL NOTICE

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Town of Avon, Connecticut will hold a Public Hearing on Thursday, January 3, 2013 at 7:30 p.m. at the Avon Town Hall, Avon Room, 60 West Main Street, Avon, Connecticut to consider the following:

The Town of Avon to accept a storm drain easement on a certain piece or parcel of land described as "20' DRAINAGE EASEMENT IN FAVOR OF THE TOWN OF AVON" over parcel number 2170054 (54 Eddy Street) on the map titled "Property & Topographic Survey, Property of Avon Holdings Company, LLC, 54 Eddy Street, Avon, Connecticut, dated 8-6-2012 Scale: 1"=20' drawing 1 of 1 by Hodge, LLC."

Copy of said map is on file in the Town Clerk's Office and open to the public for inspection during normal business hours.

Dated at Avon, Connecticut this 7th day of December, 2012.

Brandon L. Robertson
Town Manager"

The Town Manager reported that this is an easement for the extension of a drainage access. He recalled that just over a year ago we had the sewer pipe fracture by the Farmington River and this is part of the project that was going to fix that and as a result we need to extend the access for the easement of the drainage.

On a motion made by Mrs. Samul, seconded by Mr. Pena, it was voted:

RESOLVED: That the Town Council close the Public Hearing at 7:35 p.m.

Mrs. Samul, Messrs: Zacchio, Pena, Evans, and May voted in favor.

On a motion made by Mrs. Samul, seconded by Mr. Pena, it was voted:

RESOLVED: That the Town Council accept a storm drain easement on a certain piece or parcel of land described as "20' DRAINAGE EASEMENT IN FAVOR OF THE TOWN OF AVON" over parcel number 2170054 (54 Eddy Street) on the map titled "Property & Topographic Survey, Property of Avon Holdings Company, LLC, 54 Eddy Street, Avon, Connecticut, dated 8-6-2012 Scale: 1"=20' drawing 1 of 1 by Hodge, LLC.

Mrs. Samul, Messrs: Zacchio, Pena, Evans, and May voted in favor.

IV. MINUTES OF PRECEDING MEETING: November 13, 2012 Special Meeting
December 6, 2012 Regular Meeting

On a motion made by Mr. Pena, seconded by Mr. May, it was voted:

RESOLVED: That the Town Council accept the minutes of the November 13, 2012 Special Meeting as submitted.

Mrs. Samul, Messrs: Zacchio, Pena, Evans, and May voted in favor.

Mr. Evans commented that with regards to the December 6th meeting minutes, on page 5 which has dialogue with the Town Engineer and on page 8 which has dialogue with the Director of Public Works we should name the individual person that presents before us in the first instance in which they appear. He also commented on page 17, a spelling error for "recused" which should read, "recuse." He also commented that there is a discrepancy in the time that he recuses himself and when the meeting actually adjourned.

On a motion made by Mrs. Samul, seconded by Mr. Pena, it was voted:

RESOLVED: That the Town Council accept the minutes of the December 6, 2012 Regular Meeting as amended.

Mrs. Samul, Messrs: Pena, Evans, and May voted in favor. Chairman Zacchio abstained, absent from meeting.

V. COMMUNICATION FROM AUDIENCE - None

VI. COMMUNICATION FROM COUNCIL

Mrs. Samul reported that she had the privilege of lighting the menorah and Representative LeGeyt joined her; it was a really good night and she enjoyed it very much.

Chairman Zacchio reported that his son is a police cadet and what a fantastic job Kelly and Lisa have done on the cadet program and would love to get more kids involved with it. He noted that Lisa Petkis was a teacher before she was a police officer so she has a great demeanor with the kids and has really organized it from what was a successful program to a really well engineered set of policies and procedures and classroom work. He noted that Lisa's husband is also a police officer and runs the D.A.R.E. program in Windsor; they have done this really nice regionalized approach and Windsor has nearly fifty kids in their program with Avon's seven to nine kids and doing some real exercises and using college students who are criminal justice majors from Central Connecticut State University as actors and actresses and let the kids work through scenarios. He reported that parents who are involved

in Avon have been giving him high fives because they have said the program is just great and the kids seem to be really attracted to it and will attract a lot more kids. He asked the Chief of Police, Lt. Kelly Walsh, and Officer Lisa Petkis to come in, perhaps at the budget workshop in February, and give us a broad presentation on the program and hopefully get some recognition in the press; it is a great program and a lot of the kids are doing more ride-along as a result of it which is probably more difficult for the officer who has them in the car but a great experience for the young men and women.

Mrs. Samul commended the Avon Police Department which has had a rather challenging last couple of weeks and have performed marvelously.

Mr. Evans added that the Superintendent of Schools and his staff during the recent tragedy along with law enforcement in the Town, all should be commended for their work.

VII. OLD BUSINESS

12/13-06 FY 13/14 Budget: Town Council Budget Workshop Schedule:

Recommended Date: Saturday, February 9, 2013 at 8:00 a.m.

On a motion made by Mr. Evans, seconded by Mr. Pena, it was voted:

RESOLVED: That the Town Council approve the Budget Workshop Schedule for Saturday, February 9, 2013 at 8:00 a.m. in the Selectmen's Chamber as follows:

8:00 a.m.	Budget Overview
8:20 a.m.	Library
8:40 a.m.	Fire Department
9:00 a.m.	Police Department
9:25 a.m.	Break
9:40 a.m.	Public Works
10:10 a.m.	General Government
10:30 a.m.	Public Safety (except Fire and Police)
10:50 a.m.	Health/Social Services
11:10 a.m.	Recreation & Parks
11:30 a.m.	Conservation & Development
11:50 a.m.	Lunch
12:20 p.m.	Engineering / Sewers
12:40 p.m.	Special Revenue funds / Capital Improvement Program
1:00 p.m.	Adjustments, wrap-up – Adjourn

Mrs. Samul, Messrs: Zacchio, Pena, Evans, and May voted in favor.

12/13-09 Town Code of Ordinances - Chapter 18 Illegal Discharge and Illicit

Connection to Stormwater Drainage Systems

Chairman Zacchio reported that we have an ordinance in front of us that deals with the illegal discharge of illicit stormwater; there was a lengthy discussion about this in November and because of the permitting process that is in place we are required to have some mechanism in place for the Town to be able to enforce the illegal discharge of stormwater. He noted that currently we do not have anything in place. He added that the initial ordinance as drafted was extremely detailed and many on the Council were uncomfortable with the level it went into detail in terms of what residents might or might not be held accountable for if there was a water course running through their yard or they lived adjacent to a pond, etc. He reported that on Council's review, the Town Manager took this back to the Town Attorney and a red-lined copy was drafted and narrowed down and refined to be something a little more broad that give us a little bit more authority in terms of how we view it hopefully addressing the concerns of the Council.

Mr. Evans questioned whose idea it was to reduce the fine from \$250 to \$100. The Town Manager responded that was the Town Attorney's idea; he looked at other communities who have a similar ordinance in place, there is some amount of subjectivity in there but \$100 was an amount that seemed to occur rather frequently in these other examples so that is why we reduced the fine. Mr. May

commented the \$100 fine is found in towns in southwest Connecticut as he researched last night and is probably where the Town Attorney got the number from. Mr. Evans questioned that the imposition of a fine is in addition to a demand for remediation. The Town Manager responded yes.

Chairman Zacchio commented that while he realizes that we need a mechanism in place from a permitting perspective and the Council is pretty careful about setting ordinances, he questioned if there are other regulatory mechanisms available to us; the ordinance seems to be the most prudent way to do it but would a Town Council policy similar to this address the need or is it better to create the ordinance under the more narrow charge that the Town Attorney has drafted for us. The Town Manager responded that even before we started down this path of creating an ordinance he talked with the Town Attorney because this is new language that is coming up in the permit that we have to get renewed. He commented that adopting ordinances is not something that he takes lightly or Council takes lightly; if there is another way to do it we typically prefer to do it that way because whenever you have an ordinance it boxes you in and limits your options. He added that they could not think of that other regulatory mechanism; there is a fine that can be imposed, other statutory language involved, and other permit language so it did not seem as if a Town Council Policy was the best approach to this and that is where they started down the road of crafting this as an ordinance also looking at how other communities have done it as well and this is coming up as an ordinance.

Chairman Zacchio commented that if we do not have an ordinance in place and we did have some sort of issue, he questioned if the State Statute supersede and take over from an enforcement perspective; is it in our favor to have an ordinance in place so that we maintain local control. The Town Manager responded that it is going to depend on the scale of the issue; some issues you are going to refer to the State and they may actually take it up but a lot of times they are not going to have the resources to get out and dispatch crews to deal with it and even if they do they will not be able to do it in a timely manner. He added that in this situation you are going to have staff onsite and there is a certain amount of education involved.

Mr. Pena commented that he thought the reason we are doing an ordinance was because it gives it more teeth than just a policy and it allows local enforcement instead of having to call the State and wait for them to arrive. The Town Manager noted that the enforcement authority is going to be the Department of Public Works; you have someone within the Town's boundaries who can deal with it. Chairman Zacchio commented the recommendation on the ordinance is that we remain local control and the question is have we done a fair job of eliminating some of the detail to give us a better perspective around what our authorities would be for our own Town and that is much of what is red-lined out. The Town Manager reported that the draft ordinance has gone through a couple of iterations; the Town Attorney has gone through it, he went through it and the idea was to gut all of the unnecessary detail, make it as clear as possible, clear enforcement authority, and down to the bare bones.

Mr. May commented that he has concerns over any additional ordinance; this is from the federal Clean Water Act and we have the State of Connecticut that regulates clean water in the State and how we are doing this to him it is redundancy and more regulations. He noted that you can theoretically have a car wash for the kids at the High School for a fundraiser and you are in violation of this. He added that this possibly could lead to a way to tax people on wastewater where they can photograph how much property you own, the water that falls down in front of your property and then charge you for the discharge of water and pollutants that go into the aquifers and water streams in the United States. He commented that it is very insidious to him; he understands that we want to have local control. He added that many towns do not have one of these ordinances and questioned what happens if we do not do anything for this MS-4 permit and the repercussions that we would have. The Town Manager responded that if we did not have a permit through DEEP to operate the stormwater management system, it would be a criminal violation and we would be operating our stormwater system without State approval and subject to fines and probably a consent order. Mr. May commented that he understands the need for local control but this will get a lot worse and to be on guard for it. Chairman

Zacchio responded that we can always reverse an ordinance but at this point we have control over the process of Avon determining if that car wash is in fact a violation or not. Mr. May commented that there are other towns that have written in for car washes to be excluded from this because they were so concerned about that being a violation and if people are concerned with that being a violation who is to say what's next, we are on a very slippery slope in this country with legislation going back and forth as to the whims of the people and not really looking at the laws anymore. He will approve but he is making a statement that he does not like it and wants to know if there are ordinances that if you approve them can we rescind them. The Town Manager responded yes, the process for amending an ordinance is very much like the process for adopting an ordinance and requires the Council to set a public hearing, hold a public hearing, and following a public hearing make changes as appropriate and have a legal notice which once it runs for twenty days is law. Chairman Zacchio commented that he understands Mr. May's concerns.

On a motion made by Mr. Evans, seconded by Mr. Pena, it was voted:

RESOLVED: That the Town Council approves the Town Code of Ordinance – Chapter 18 Illegal Discharge and Illicit Connection to Stormwater Drainage Systems as presented.

Mrs. Samul, Messrs: Zacchio, Evans, May, and Pena voted in favor.

12/13-22 Appointment: Plainville Area Cable Television Advisory Council

Steve Bartha, Assistant Town Manager, reported that these Councils are created by statute; the Public Utilities Commission determines the geographic boundaries, Avon is lumped in with eight towns. He noted that based on the Town's population we have two appointments, one democrat, one republican, and the Board of Education also has an appointment that is also currently vacant. He added that one library in the region has to have an appointment and it happens to be New Britain which has the largest population. He reported that the PACTAC lodges complaints from consumers to the executive who is mandated to attend these meetings on a monthly basis to talk about programming they would like to see in the region and once a year they file a report with the State. Mrs. Samul confirmed that Elaine Primeau is the Town's Democrat appointment. Mr. Pena noted that people do call Ms. Primeau with complaints. Chairman Zacchio will talk with the Avon Republican Town Committee and will report back at the next meeting.

On a motion made by Mr. Evans, seconded by Mr. Pena, it was voted:

RESOLVED: That the Town Council table agenda item 12/13-22 Appointment: Plainville Area Cable Television Advisory Council to the January 3, 2013 meeting.

Mrs. Samul, Messrs: Zacchio, Evans, May, and Pena voted in favor.

VIII. NEW BUSINESS

12/13-25 Approve Resolution: 2011 State Homeland Security Grant Program

Chairman Zacchio reported that part of CRCOG operates the Capitol Region Emergency Planning Committee; that Committee was developed in 2001 and it is a regionalized approach at how we do our emergency planning; the grant monies that come in to fund this then go to that organization who act on our behalf and other towns' behalf who have regionalized. He noted that it is part of the regional HAZMAT teams and equipment, it purchases some operating equipment for the Town of Avon and other towns, has the centralized computers and radio transmission system for emergencies. He noted that annually we need to approve the security grant.

On a motion made by Mr. Evans, seconded by Mr. Pena, it was voted:

RESOLVED, that the Town Council may enter into with and deliver to the State of Connecticut Department of Emergency Management and Homeland Security any and all documents which it deems to be necessary or appropriate; and

FURTHER RESOLVED, that Brandon Robertson, as Town Manager of the Town of Avon, is authorized and directed to execute and deliver any and all documents on behalf of the Town Council and to do and perform all acts and things which he/she deems to be necessary or appropriate to carry out the terms of such documents, including, but not limited to, executing and delivering all agreements

and documents contemplated by such documents.

Mrs. Samul, Messrs: Zacchio, Evans, May, and Pena voted in favor.

12/13-26 Review, Discussion and Approval: Year End Transfers and Appropriations

Chairman Zacchio noted that this is a little late as we usually do this in November and usually it has to be done before the end of the year. He reported that the Town Manager will take us through some of the reasons why we delayed it this year, including the new financial system as well as some of the year-end closing issues with the storm reimbursements.

The Town Manager reported that this is for fiscal year 2011/2012. He noted that typically Council sees these binders in November or December, but this year at the prompting of our auditors we went ahead and requested a thirty-day extension from OPM for two reasons: the Finance Department was in the process of implementing a new software package this year and the first year that they went through a year-end process using it and we had a key staff position change in the fall, the Town Accountant, so those two items put together put us behind the eight ball in terms of getting the year-end transactions completed, the auditors saw it coming and suggested to the Director of Finance that we request an extension.

Peg Colligan, Director of Finance, looked for any questions that Council might have before she summarized what was in the book. Chairman Zacchio questioned that the Board of Education encumbrances are a result of the net versus gross budgeting process from this year so we would not expect to see those in future years. Ms. Colligan responded that she cannot speak totally for the Board of Education but based on what she has seen, if you think about some of the supplementals that you approved very late in 2011/2012 that is approximately \$370,000 of what they are asking to encumber. Her guess is that you will see encumbrances but not at that level. Chairman Zacchio commented that it is what Council has previously approved throughout the year because of the net versus gross. Ms. Colligan commented that when they were approved, you are looking at March, June, and July that does not give a group a lot of time to plan for what is going to take place in the summer when school is closed. Mr. May questioned the Board of Education requests for encumbrances totaling \$797,000 and there is a sentence that it is recommended that the Town Council recommend approval of these encumbrances subject to positive testing results by the auditors; in the event that the results of the background documentation the testing is negative the expectation would be that the Board of Finance would subsequently disapprove those particular encumbrances.” Mr. May commented that he is not very comfortable relying on the Board of Finance that once you say yes to something, have all of the facts in front of you and say yes. Chairman Zacchio responded that we are recommending to the Board of Finance based on knowing the testing is going on, pursuant to positive testing they approve the book as we are sending it to them but the Board of Finance ultimately has the say in whether they approve anything in this book so that same sentence applies to everything in here. He added that our recommendation is based on our knowledge and understanding of what is in this book.

Chairman Zacchio shares Mr. May's same thought and where he got comfortable is that we are saying pursuant to positive testing which we know is going on right now the timing is such that the Board of Finance now meets after us and this has to be approved before the 31st so the only other way for us to do that is to have a special meeting noticed and prior to the Board of Finance's meeting and after the testing has been done in order to secure that so by saying that “pursuant to positive testing we recommend it” because we have recommended all of the \$797,000 already and if it is not positive we do not approve it and the Board of Finance then makes the determination on any portion of it. Mr. May asked Mr. Evans for his comments. Mr. Evans responded that consistent with what Chairman Zacchio is saying that we can only go based on the information that is in here and if later there is some “settle up” based upon the way the auditors look at it, that is after we make our decision with respect to the information in here; it is a snapshot of a point in time.

Mrs. Samul commented that those powers that we are passing on to the Board of Finance falls within their powers under our Charter anyway so we are not giving them anymore authority than they already

have and we are not giving up anymore authority than we already have. Chairman Zacchio reported, as an example, that the reimbursement from FEMA of \$24,386.45 and we find that there is a mathematical error and ends up being \$26,386.45, the Board of Finance could approve the right amount even though we have passed along to them the recommendation to approve this if we found there is some clerical error that happened between now and then. Ms. Colligan, Director of Finance, commented that the auditors can pass on adjustments that you never see, they never come back to the Town Council and Board of Finance; there is certain materiality thresholds that we would look at and management would say that we are in agreement with it and it could be something, in the case of the reserve for encumbrances, what we may find is that what they want to call as a reserve for encumbrance might actually be what is called an accounts payable; the only thing that may change is where it lands on the balance sheet. She added that may have to do with the way it is being handled on the Board of Education side. She noted that the Board of Education was pretty confident in their statement to them that they felt what they were asking for was reasonable based on past practice. Mrs. Samul questioned that everything that is in here, the whole \$797,000, the Board of Education has already discussed with the Town Council and the Board of Finance and so we are not looking at anything different than we have been discussing for the last twelve months. Ms. Colligan, Director of Finance, responded that it would be something that they normally would charge to their budget, in fact they are still leaving on the table about \$33,000 in their operating budget which is the balance of the FEMA money that we are asking to use in FY 2012/2013 for their budget. She added that what they are doing is appropriate to the extent that it would normally be charged to their budget; they just have a lot more flexibility in their transfers than the Town side does. Mr. Evans questioned how we handles the circumstances when there is FEMA reimbursement funds that we know have been approved and designated for us but right now held in the State of Connecticut and has not been paid to us as it is waiting for some administrative formality to reach us; does it go in as an expected payment even though it is after the close of the fiscal year. The Town Manager responded yes; this goes back to September. Ms. Colligan, Director of Finance, commented not this particular one. Chairman Zacchio questioned if we set up a receivable for it. Ms. Colligan, Director of Finance, responded that we did not in this case because we did not officially have an e-mail finalizing the number and that was per the auditor's request with all of their clients; what we posted as receivables were e-mails that stated the money was in the cue and is just getting settled as of this week. She added that it is not posted as an accounts receivable; it will go into our FY 2012/2013 budget.

Mr. Pena commented, regarding the Board of Education reserve for encumbrances, that the results could come back positive but the dollars amount could change. Ms. Colligan, Director of Finance, responded yes; they might state that these are legitimate expenditures but they need to be reclassified differently. She noted that reserve for encumbrances are a reserve of fund balance whereas an accounts payable is a direct expenditure to that budgetary year and they are handled differently on a budgetary versus gap basis. She added that we post current year expenditures as gap expenditures and prior year get posted on a gap basis, budgetary they come off. The Town Manager reported that there is extensive testing on each of these encumbrances and the auditors will go into a lot of detail; if it does not pass the test then it is disallowed and they cannot carry it forward. Mr. May questioned that we have auditors working on this now and scheduled to complete it before the Board of Finance meets. The Town Manager responded yes. Mr. Evans clarified that our role is not to act as an auditor to the auditors to approve the entirety of all the Town's accounting of all its fiscal affairs in a certain fiscal year; we are only approving transfers that are before them today. Ms. Colligan, Director of Finance, responded that what they are doing are approving what she calls housekeeping and for budgetary and Charter compliance because that is where your role is so it means transfers, reserve for encumbrance. She added that in the Charter the Council has the authority to do certain level of approvals and with transfers it is up to 1/10 tenth of 1%, Board of Finance does the amount that exceeds that. She reported that Council is approving everything that is in this packet in terms of what is presented here, what is

known at this time. She added that there could be adjustments by the auditors that we do not know of at this time; we have had them in the past, they are minor.

Chairman Zacchio commented that the one unique thing that we are looking at from this year is that we are late, we filed for an extension, it is due by the end of this month, audit on the encumbrances is ongoing, and our meeting is before the Board of Finance's meeting. He added that we are approving at this point of time what is in this packet and noting that as this audit is continuing if items are noted as not passing the test for encumbrances the Board of Finance will make the proper adjustments. Mr. May commented that he does not want to look like the Council has egg on their face if we approve things and it is looked upon negatively and the Board of Finance has to clean up our mess. Chairman Zacchio responded that it would be if we did not note that there is an audit going on and there is a possibility that something could fall out of that and exactly why there is a separation and we note it so that we do not get something thrown back at us from the Board of Finance as if we had appropriated something that was wrong. Mr. May asked if any negative communication has been received back from our auditors thus far. Ms. Colligan, Director of Finance, responded no there is not. She noted that when we talked about having an extension we had a meeting with the auditors and also attended by two representatives from the Board of Education, John Spang and Gina Casper and we were very open about the amount of scrutiny that items would take place if they were elevated to such a level; specifically we talked about the reserve for encumbrances. She added that the Board of Education knew going into it that they were going to be asking for this large dollar amount which was high compared to other years so we wanted to all discuss it openly as to what would take place which is the usual testing.

Ms. Colligan, Director of Finance, reported that something unusual for the end-of-year packet is that they are asking for a rescission of the authorization for a previously authorized but unissued debt and the reason is that back in September when they were meeting with Moody's and Standard and Poor, it was a housekeeping issue. She noted that the next time we go to the market it will no longer be there. Chairman Zacchio commented that those are the residuals leftover from the original authorization of bond issue, the gap between that and what the actual project came in at and they have been sitting out there. Ms. Colligan, Director of Finance, reported that some of it has to do with performance of the project where there were cost savings and/or it could have been a grant that came in a different amount. Chairman Zacchio commented that we never issued the debt but it is within our credit amount. Ms. Colligan, Director of Finance, reported that we will see more of this because of the way the State works the program, pay as you go funding versus the old system prior to 1995, that you will see these gaps when you go to the market to issue the final debt. Mr. Evans commented that we would not be within any authority to issue that debt anyway once the bond issue had already been committed. Ms. Colligan, Director of Finance, responded that she states in the resolution for the rescission that it would be difficult to because the nature of the project has changed. She added that she has been directed that this is what we should be doing; it is a first for her in her years, she has never done a rescission. Chairman Zacchio commented that it is housekeeping but it is a tighter way of making sure that what you have authorized for issue is accurate to what you have closed the projects at and that gap is off. Ms. Colligan commented that the auditors will be happy that it is one less schedule.

Ms. Colligan summarized the "Final Fiscal Year Transactions FY 2011-2012" booklet. She noted that one of the goals of FY 11/12 like every other year is positive operating results. She added that we had a secondary goal, seeing that we issued debt in October 2011 and we had the credit rating review in September 2011 we also stated to Moody's and Standard & Poor's that this is the way our operations would end up in order to keep our Aaa/AAA. She commented that we felt comfortable with the FEMA grant reimbursements and the positive revenue performance in the budget we would be able to cover everything which we did; there is no use of General Fund: Fund Balance to cover any of the FEMA activity; we did not put on a 1% mandatory return of appropriations and we were able to do transfers for approximately \$312,000 within the departments to cover the FEMA activity. She added that we did

have to do a supplemental appropriation for approximately \$540,000 from our positive revenues to cover; the FEMA reimbursement that we are receiving in FY 12/13 has no expenditures attached to it. Ms. Colligan reported that we had positive revenue variances in all of the categories of the budget with the exception of Other Local Revenues which is the area where Interest Income is reported and that is still lagging and continues to unfortunately in this current budget year. She noted that overall, bottom line, we still ended up with over a \$100,000 variance in the General Fund and that includes all of the supplemental we did to balance the budget. Mrs. Samul questioned if that then means that we are putting \$100,000 into reserves. Ms. Colligan responded yes, that is on the revenue side; we are actually doing close to \$159,000 into reserves between the balance in revenue and the positive variances in expenditures.

Ms. Colligan reported that every year we talk about recommendations to management and we try to put aside designations for the twenty-seventh payroll, pension, OPEB, capital reserves, and capital asset replacement; unfortunately we are going to be able to do a few of them but not in the dollar amounts that we have been able to do in the past. She noted that Moody's and Standard & Poor's looks at all of the funds, how you are doing, are you fulfilling what you say you are going to do, trying to increase your unassigned fund balance, and are you also able to add to your reserves. Mrs. Samul questioned that as far as our fund balances for our retirement benefits, etc. we have put aside the amount that we have originally budgeted. Ms. Colligan responded from prior years, yes; we did have to use some of the designations in the current year's budget for pension and OPEB. She added that if Mrs. Samul is talking about employer contributions to fulfill GASB requirements, absolutely. Mrs. Samul responded that is what she is referring to. The Town Manager commented that there are designations that you can put on fund balance, you have reserved fund balance, designated fund balance, and unreserved undesignated fund balance so the unreserved undesignated fund balance is the amount that is available for appropriation, the designations are set aside for specific purposes so we have designations out there right now on fund balance for OPEB, pension; we used some OPEB and pension designations to balance the current year operating budget but we also have designations for capital reserve, compensated absences, twenty-seventh payroll, etc.

Ms. Colligan reported that under Tab A – Transfers and Encumbrances, in terms of categories they list the program category of where the funds had available balances to cover the departments that needed the transfers. She noted that the largest one is \$312,000 under Highways for FEMA expenditures. She commented that the \$520,000 is a little high, normally running in the \$200,000 to \$300,000 range but given what happened in FY 11/12 this is not unusual to have this take place. The Town Manager commented that thinking about to where we were about a year ago we still did not know what the picture looked like with the FEMA reimbursement so very early on there was a management decision made to conserve early in the fiscal year not knowing whether or not the reimbursement would be coming. He added that part of the reason that this number is higher than normal is because of the result of that early conservation. Ms. Colligan reported that under Reserve for Encumbrances we have listed within the General Fund by Town, Board of Education and also have some Special Revenue Funds; those are not uncommon and have been doing encumbrances out of Fund 5 (Sewer Fund) for quite a few years, Recreation Activities, and then there are some others that we do from time to time; the dollar amounts are pretty small. She noted that this is the first year in their financial system and using an automated purchase order system so at the end of the year whatever the purchase orders were in the system that showed balances that is what they went with which was great; it is a great automated system and working well for them.

Ms. Colligan reported that under Tab B – Supplemental Appropriations for the General Fund, they are standard entries to record any additional revenues that we have received to cover to the level of expenditures for budgetary and Charter compliance; there is no use of Fund Balance in the General Fund. She noted that there are some larger ones in there for FEMA, the \$1.5 million, \$139,000 and smaller ones for Storm Irene; there was a schedule telling what funds to apply them to. She added that

they also recorded some additional revenues for some projects that were going on: a dispatch study, town hall campus lighting, and various Board of Education program grants.

Ms. Colligan reported that under Tab C – Supplemental Appropriations for Other Funds, there is one for the accounts receivable for the anticipated grant that we will be getting from USTA for the Middle School tennis courts, there is a continuation of the DEP funded Rails to Trails grant, some Special Revenue Funds – FEMA grant reimbursements; we have been doing the Police Special Services Fund (Fund 7) to record the revenues that we receive for road construction jobs; we received additional funds for LoCIP which is pretty standard every year, and a re-lamp grant that went to Fund 15 (Use of School Facilities).

Ms. Colligan reported that under Tab D – Transfers and Fund Balance Designations, these are the recommendations from management. One is a reclassification, in the FY 11/12 budget we had excess debt capacity in the debt service that was budgeted in the General Fund so we had a balance of approximately \$112,000; when we met in February 2012 to talk about the FY 12/13 budget the recommendation was instead of keeping it in the General Fund in the Debt Service we isolated it in the Capital Projects Fund and created two designations, Equipment Replacement and Facilities Replacement. She added that this was an earlier version of the process that we were using and as part of the budget work session she recalls that Council and management decided they did not want that number in the Debt Service. She reported that as a result, in FY 11/12 we have seed money started of \$112,384 and that will be set aside as a reserve for capital projects. She reported that the other recommendation is also what we have been doing every year; Public Works has auctions to sell equipment, we allow the revenues that they receive to be returned to a specific designation for capital asset replacement – they bought trailers with it, they used part of the money to fund vehicles that are not budgeted but are emergency purchase, so we are allowing them to use some of that money instead of going back to Fund Balance and it will bring their balance up to approximately \$45,000 at the end of June 2012. She reported that we are trying to fulfill our obligation of where we said we would end up with Fund Balance but still do the agreed upon designations as we have done in the past.

Ms. Colligan reported that under Tab E – Appropriations Undesignated, Unreserved, Designated, and Reserved, this is where we have two new resolutions that the Council was interested in. She reported that we are restoring the Board of Education funds to 100% of their reimbursement level for any FEMA expenditures; in FY 11/12 we restored them to 75%, we are giving the Board of Education General Fund the additional 25% which is \$55,000 and will be reflected in their FY 12/13 to use. She added that we are also returning a 25% portion to the Cafeteria Fund for their piece as well and is based upon an agreed upon schedule that we have with the Board of Education. She reported that we are doing an entry where a completed capital project for the police communications center and returning a portion of that to the General Fund of \$25,000. She added that there is another entry for the Cafeteria Fund where their expenditures exceeded their revenues and this is a housekeeping entry to balance their budget by using what they had available in FY 11/12 revenues and we also had to use a little bit of their own Fund Balance to cover their expenditures, a standard entry as well. The Town Manager added with respect to the police communications center, we are closing about \$33,000 and leaves a balance of approximately \$25,000 in that capital project account and the reason he wanted to leave the balance there is there are some issues that the Police Department is encountering regarding FCC narrow banding compliance that may have some dollars involved to get it in compliance, rather than come back for another source.

Ms. Colligan reported that when we met with the credit rating agencies we talked about returning approximately \$147,000 back to Fund Balance which would bring our Fund Balance up to \$6.1 million and that is what we are doing; our Unassigned General Fund Balance will be at \$6,132,084 which means at the percentage it is an 8.41% and we told them we were looking at maybe an 8.34% but the important thing is the dollar amount of the expenditures fluctuates every year and they want to see that we are increasing our Fund Balance and putting aside reserves when we can. She added that our other funds are doing well. Mrs. Samul questioned if the agencies are giving us grief because it is below

10%. Ms. Colligan responded that in the reviews they did say that they like to see the movement towards adherence to our financial policies.

Chairman Zacchio commented that we are moving in the right direction and compliments of great work to Ms. Colligan. Ms. Colligan commented that you have a good group in Accounting. The Town Manager commented that Ms. Colligan has put in a lot of time; the fiscal year end entries, this is a culmination of a lot of work that starts one year to one and a half years ago and it is the result of good planning, good execution. He added that one of the indicators that he always looks at is the budget to actual and revenue to actual and if you look at the revenue to actual there is a variance of 0.086 which is pretty tight and something to be pleased with.

On a motion made by Mr. Evans, seconded by Mrs. Samul, it was voted:

RESOLVED: That the Town Council hereby recommends that the Board of Finance approve the Fiscal Year End Transactions: Transfers, Supplemental Appropriations, Designations, Appropriations from Fund Balance, and the Rescission of Authorization for Previously Authorized but Unissued Debt, as outlined in the booklet Final Fiscal Year Transactions FY 2011-2012, and as described in the memoranda from the Director of Finance to the Town Manager.

Mrs. Samul, Messrs: Zacchio, Evans, May, and Pena voted in favor.

VIII. TOWN MANAGER'S REPORT/MISCELLANEOUS

Misc. A: Purchasing Update: The Assistant Town Manager reported that we have one bid on the street for revaluation which went out yesterday; every certified company in the State is now on notice that we are looking for consultants. He noted that we are working on the specs for the generator on Avon Mountain and an RFP for Police Assessment Services in the spring.

The Assistant Town Manager reported that the Fisher Farm Lease is something that came up in late summer; the Town of Farmington has opted not to renew their lease which expires in April with the current farmer, our lease does not expire until the end of 2013; their Town Council formed a subcommittee to look at putting out an RFP which they have done, our lease is part of their RFP so that any potential farmer knows that the 200+ acres on the Avon side are part and parcel of operating the Town farm. The proposals are due in February; Farmington expects to spend several months renovating the house after they take ownership of it again assuming that they do not choose the proposal from the current farmer. He added that the farmers are aware that the Avon property may not be available in the fall even if they have ownership of the house. Mr. Evans questioned if there are any thoughts that they would try and run the two leases so they have the same terms. The Assistant Town Manager responded that is something that both towns are interested in moving forward. He noted that something else that our lease currently does not have is severability clause so that if Farmington wanted to sever its lease for cause Avon could piggy back without having to prove any sort of negligence. The Assistant Town Manager reported that the interrogation room – surveillance equipment is a State mandate; there is also a significant amount of Department of Justice grant money available which everybody anticipates to be more than we are going to need to put the equipment in. He noted that CRCOG is handling that bid.

Mrs. Samul commented on the Landfill item and that we have been doing the survey every three months and questioned if there has ever been any negative response to our testing. The Assistant Town Manager responded no. Mrs. Samul questioned if there is any reason we could not modify the frequency in which we do the testing and perhaps save some money. The Assistant Town Manager responded that he thinks that is possible that we could reduce either the quantity or frequency of the tests. Chairman Zacchio questioned if we still test the town garage property. The Town Manager responded that he does not know if we have an active testing program there but we do monitor the underground tanks. Chairman Zacchio commented that at some point you can scale it back as that was since 1978 when the Landfill opened at Huckleberry Hill Road.

Misc. B: Construction Update: The Assistant Town Manager reported that design continues for the sidewalk project that we would like to continue in the spring on Route 10. He added that the Town

Manager's Office renovations are also progressing.

Misc C: FEMA Reimbursement Update: This item was discussed earlier in the meeting.

The Town Manager commented that this is the first Council meeting following what happened in Newtown. He reported that there has been a tremendous effort between the Superintendent of Schools Gary Mala's office and his school administrators and staff and the Police Department and the Town Manager's Office to review current procedures, to go ahead and adjust current staffing requirements as necessary and rethink security issues in the wake of that atrocity. He added that it started immediately; the Superintendent of Schools started with his first communications to the community that Friday and on Sunday afternoon the Superintendent of Schools called a meeting with all of his school administrators, the Emergency Management Director, Chief of Police, Police Captain, and himself were in attendance and it was an excellent opportunity to take a breath and get ready for the re-opening the next day. He noted that the Superintendent of Schools did a fantastic job working with the Police Department and really anticipating what the needs were going to be of the school population, the teachers, as well as public; there is a lot of anxiety out there right now. He reported that this is something that is going to be ongoing; last week on Friday we had an active shooter training event at the Avon Middle School and Thompson Brook School. He noted that it is very unsettling to see police officers walking through the hallways of schools with their guns out but it was useful; there were other representatives from nearby communities that were there to observe. He reported that on Monday next week the Superintendent of Schools, Director of Finance and Operations (BOE), and himself are going to a symposium on school security at the Aqua Turf in Southington. He concluded that he has made it very clear that the Police Department and the Town will help in any way possible.

IX. EXECUTIVE SESSION: Collective Bargaining

On a motion made by Mr. Pena, seconded by Mr. May, it was voted:

RESOLVED: That the Town Council go into Executive Session at 8:45 p.m.

Mrs. Samul, Messrs: Zacchio, Pena, Evans, and May voted in favor.

On a motion made by Mr. Pena, seconded by Mrs. Samul, it was voted:

RESOLVED: That the Town Council come out of Executive Session at 9:35 p.m.

Mrs. Samul, Messrs: Zacchio, Pena, Evans, and May voted in favor.

XI. ADJOURN

The meeting was adjourned at 9:35 p.m.

Attest:

Caroline B. LaMonica

Clerk