

**SPECIAL TOWN COUNCIL
MEETING MINUTES
APRIL 9, 2008**

A joint meeting of the Town Council, Board of Finance and the Board of Education was held at the Library, Alsop Community Room, 281 Country Club Road.

I. CALL TO ORDER

Chairman Carlson called the meeting to order at 7:00 p.m. jointly with the Chairman of the Board of Finance. Members present: Mrs. Samul and Messrs: Pena, Shea and Zacchio.

II. OLD BUSINESS

a. **Board of Finance Workshop; Set Budget Goals and Objectives.**

The Board of Finance conducted this portion of the meeting with input from the Town Council and the Board of Education. The Board of Finance presented to the Town Council the following reductions to the Town Council as follows: Operating Budget - \$45,720 and Capital Budget - \$330,000.

b. **Adopt Final Recommended Budget**

On a motion made by Mr. Carlson, seconded by Mr. Shea, it was voted:

RESOLVED: That the Town Council authorize the Town Manager to make the necessary reductions to the Operating Budget in the amount of \$45,720 and the Capital Budget in the amount of \$330,000.

Mrs. Samul and Messrs: Carlson, Pena, Shea and Zacchio voted in favor.

Attached and made part of these minutes are the reductions made by the Town Manager in accordance with the above motion.

c. **Sign call of the May 5, 2008 Town and Budget Meeting**

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

RESOLVED: That the Town Council sign the call for the May 5, 2008 Town and Budget Meeting.

Mrs. Samul and Messrs: Carlson, Pena, Shea and Zacchio voted in favor.

07/08-77 Review, Discussion and Approval Debt/Leasing Policies

The Town Director of Finance reviewed the Debt/Leasing Policies. After discussion it was determined the Town Council and the Board of Finance were not prepared to adopt the Debt Policy, but wanted to move on the Leasing Policy because of its affect on the 08/09 budget.

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

RESOLVED: That the Town Council act only on the approval of a Leasing Policy and defer action on the Debt Policy for further review.

Mrs. Samul and Messrs: Carlson, Pena, Shea and Zacchio voted in favor.

Mrs. Samul advised there is a need to clarify the language to permit unequal payments.

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

RESOLVED: That the Town Council approve the Leasing Policy as amended to permit unequal payments as follows:

Town of Avon

True or Operating Lease Policy

The Town may choose to lease assets rather than buy as leases offer more flexibility in terms of adjusting to changes. In an operating lease, the lessor transfers only the right to use the property to the lessee. At the end of the lease period, the lessee returns the property to the lessor. Since the lessee does not assume the risk of ownership, the lease expense is treated as an operating expense in the income statement and the lease does not affect the balance sheet.

Criteria when considering a true or operating lease:

- a. Generally, a true or operating lease will be considered for assets that are "like items in the aggregate", that will be needed for only short periods of time, or which are subject to rapid technological obsolescence.
- b. Continued use beyond the lease term.
- c. Financing terms
- d. All operating lease considerations will adhere to the Town's Purchasing Policy
- e. Operating lease payments shall be included in the operating budget of the Town or the Board of Education, based on the respective purpose of the lease.
- f. The entrance into an operating lease, which has unequal payments or is in excess of 60 months, shall require approval by the Town Council and the Board of Fiance.

Mrs. Samul and Messrs: Carlson, Pena, Shea and Zacchio voted in favor.

III. NEW BUSINESS

07/08-83 Bid Award Street Sweeping

The Assistant to the Town Manager reported the Town received six bids and in all cases, except for the apparent low bidder Rafferty Fine Grading could not provide the required two sweeping machines. She further reported she would recommend that the Town Council approve a three year agreement with the successful bidder.

On a motion made by Mr. Shea, seconded by Mr. Zaachio, it was voted:

RESOLVED; That the Town Council award the sweeping contract to the apparent low bidder Rafferty Fine Grading in the amount \$89,794.13 and approve a three year agreement

Mrs. Samul and Messrs: Carlson, Pena, Shea amd Zacchio voted in favor.

IV. **OTHER BUSINESS** - None

V. **ADJOURNMENT**

The meeting adjourned at 10:10 p.m.

ATTEST:


Caroline B. LaMonica
Clerk