

**BOARD OF FINANCE
REGULAR MEETING MINUTES
October 23, 2023**

I. CALL TO ORDER

The hybrid meeting was opened at 7:00 p.m. in person and by GoTo Meeting by Cathy Salchert, Chair, present: Margaret Bratton (arrived at 7:05 p.m.), Carl Gisnarian (via GoTo Meeting), Charles Harvell, Brian Loveless, Houston Putnam Lowry, Micah Rousey and Cathy Salchert. A quorum was present.

II. MINUTES OF PRECEDING MEETINGS:

September 18, 2023, Meeting –

On a motion made by Houston Putnam Lowry seconded by Brian Loveless it was voted:

RESOLVED: That the Board of Finance approves the minutes of the September 18, 2023, meeting as drafted, subject to the following addition “Charles Harvell was present at the meeting via GoTo Meeting, but was unable to participate and was not able to display his name, due to technical issues.”

Harvell, Loveless, Lowry, Rousey and Salchert voted in favor. Gisnarian did not vote via the GoTo Meeting, Bratton was not present at this time, however stated she agreed with the minutes when she arrived after the vote was taken.

Motion carried 5-0-1.

III. COMMUNICATION FROM MEMBERS:

Margaret Bratton requested the following to be included fully in the Board of Finance meeting minutes because of questions and concerns raised by some Avon residents over the last couple of months.

“I have some 2023 Avon property Revaluation information & reminders. I posed some questions to our Town Manager at our September Board of Finance meeting, but, since they were detailed and our Town Assessor was not scheduled to be at that meeting, I went in-person to the Assessor’s office last week to meet with him, on 10/17/23, so that I would have the information myself in time for this meeting. When I mentioned to the Assessor that I was going to write up a recap of his answers to Avon residents’ recent questions and concerns that were specific to this year’s 2023 property Revaluation, in addition to general Revaluation information that I already knew, he was fine with that and even added a few extra pieces of new information to my below explanations:

~Property Revaluations are every five years in Connecticut by town, and Avon’s five-year turn was in 2023. As our Town Assessor described, “It is a realignment of the tax burden, in order to recalibrate our tables to reflect changing market values.” He also described it as “ad velorum tax”, which means “according to value”. He pointed out that

he doesn't go with the extreme high value per property, he chooses mid-range.

~There are approximately 5,700 houses in Avon, and, as of a week ago, 90% were completed while 10% were still being finalized mainly due to building permits. When all of them are completed, in addition to individual letters being mailed to property owners, they will be listed by street address and available to view online at www.assessor@avonct.gov or in the paper booklet version at both the Town Clerk's office and the Avon Free Public Library.

~The Revaluation letters all need to be sent out at the same time, so they will be mailed to Avon property owners in mid-November. The online version of each property's current valuations and new revaluations will become available at the same time as the paper versions are sent out. Even if the online versions were available sooner than the mailings, a town-wide e-blast announcing that would not be made because not every property owner is signed-up for town e-blasts.

~Although Revaluations will appear on Avon's 10/1/23 Grand List, I just want to remind property owners and residents that they are not used to calculate property taxes until 7/1/24. So, you don't take your 2023 Revaluation and multiply it by the current Mill Rate, your 2023 Revaluation will be multiplied by the adjusted Mill Rate that will be determined in the Spring of 2024 during our Town's Budget Referendum process. Usually when property Market Values have increased since the previous Revaluation from five years earlier, the town-wide Mill Rate has been decreased in order to offset the difference. However, the Mill Rate decrease doesn't always fully offset the difference, for property that increased in value by a higher percentage than the average increased value of Avon properties.

~This is probably what people are remembering from the property Revaluation five years ago, that has them concerned this year. Five years ago, the property Market Value of smaller houses increased by a higher percentage than the larger houses. So, I asked our Assessor what trend he is seeing in this year's Avon properties, and he said that most houses seem to have closer to the same percentage increase in Market Value regardless of size, but that condominium Market Values increased by a higher percentage than houses.

~Regarding Vehicle taxes and assessments, there is a State-wide Vehicle Mill Rate cap of 32.69. Towns have to tax their Vehicle properties at the lesser of the Town versus the State Vehicle Mill Rates. Since our town-wide Revaluation should result in our Avon Mill Rate decreasing, our vehicles will be taxed effective 7/1/24 at the lower Town Mill Rate. I asked our Assessor what trend he is seeing with Avon vehicles, and he said that he sees many new cars added to our 10/1/23 Grand List, and that the number of used cars are flat or down. He attributes this to increased car production, but he will finalize his analysis of the Avon vehicles valuation trend by next week.

~He also said that, once people get their property Revaluation letters, they can call the Assessor to fine-tune their Revaluation. And if they still disagree with their Revaluation

Assessment, there is also the Assessment Appeals process.

Today, I talked with our Town Assessor again but over the phone, regarding some tax relief program questions that I was just asked over the weekend:

~Our Elderly Tax Relief program is our largest tax benefit, that people of ages 65+ can apply for by contacting the Assessor's office between 2/1-5/15/24 and providing their 2023 incomes to be used for tax relief effective with their 7/1/24 property tax bills. This is a State program that Towns can add on to. Currently the qualifying income has to be less than \$61,800, which is the second-highest in the Farmington Valley, but he told me the good news that that Avon threshold is definitely increasing and he is working on that new amount this Fall. He said the other good news is that, since CDs are only beginning to increase a little right now and won't increase a lot until 2024, and since the income will be based on 2023, that will help people to not as easily go over the new cut-off threshold that he is working on.

~Our Veterans benefit is a specific dollar amount off of a property owner's assessment. Since this is a State Legislation benefit, Avon is limited by how it was written at the time, because Towns cannot add on to this.

~Our Volunteer Fire Department benefit is a specific dollar amount off of a volunteer's property taxes. This is a State program we administer.

~Property Tax Freezes for retirees were eliminated by the State Legislature years ago, as an option for Towns. The only Town option is to put a Lien on a resident's house for the difference between a frozen property tax amount & the current calculated full property tax amount owed, for the Town to collect later from the eventual sale of the property and not until the time of that sale. But because of solvency issues, this doesn't make economic sense for either party involved, not for the Town nor for the resident or the resident's family. Avon's policy is that it is better for our Town to raise the income limit of our above-mentioned Elderly Tax Relief program and have the Town write-off the difference."

IV. TOWN MANAGERS REPORT/MISC.

A. Monthly Financial Report Summary

Tom DiStasio informed the Board the Year-End transaction books are near completion and would be ready to be distributed to the Town Council before their next meeting on November 2, 2023. The books will also be distributed to the Board of Finance at the same time.

Details of the Monthly Financial Report Summary were included in the packet report dated for the period ended 9/30/23. Tom DiStasio discussed the report.

Notable items were:

- The interest rate on the State of Connecticut's STIF fund is annualized, and Tom

DiStasio was not sure on the fund's expense ratio but will investigate it.

- The Town is not required to invest in the STIF fund.
- The term on the investments in the STIF fund are short term, to provide maximum liquidity and minimize the risk to principal.

V. OLD BUSINESS

21/22-21 American Rescue Plan Act.

Town Council Updates as of October 6, 2023: www.avonct.gov/arpa

There was no discussion on the topic.

23/24-03 General Fund Unassigned Fund Balance - Policy

This agenda item was not acted upon.

VI. NEW BUSINESS

23/24-07 Supplemental Appropriation: VW EVSE ZEV Grant for EV Charging Station, \$11,772.

Brian Loveless read Southington disabled some of their public and free charging stations due to complaints about EV owners being able to charge their vehicles at public expense, as well as they have chosen to not install more charging stations due to concerns on their maintenance cost. The proposal is to charge users what it costs for the electricity and related maintenance, so Avon's charging stations would be budgetarily neutral.

On a motion made by Micah Rousey seconded by Houston Putnam Lowry, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 23/24 Budget by increasing:

REVENUES

Capital & Nonrecurring Expenditure Fund, Intergovernmental, Clean Energy Incentives, Account #03-0330-43309, in the amount of \$11,772.00 and increasing:

APPROPRIATIONS

Capital & Nonrecurring Expenditure Fund, CNREF: Town, Clean Energy Projects, Account #03-4930-53478, in the amount of \$11,772.00, for funds awarded through the Volkswagen (VW) EVSE ZEV Infrastructure Program grant to fund the installation of an electric vehicle (EV) charging station.

Bratton, Gisnarian, Harvell, Loveless, Lowry, Rousey and Salchert voted in favor.
Motion carried 7-0-0.

VII. ADJOURN

On a motion made by Houston Putnam Lowry, seconded by Brian Loveless, it was voted:

RESOLVED: That the Board of Finance enter to Executive Session at 7:34 p.m. to discuss matters within the scope of Connecticut General Statutes §1-201(b).

Bratton, Gisnarian, Harvell, Loveless, Lowry, Rousey and Salchert voted in favor.
Motion carried 7-0-0.

The Board of Finance exited from Executive Session at 8:30 pm.

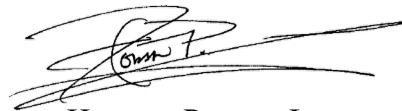
On a motion made by Houston Putnam Lowry, seconded by Brian Loveless, it was voted:

RESOLVED: That the Board of Finance adjourn the meeting at 8:31 p.m.

Bratton, Gisnarian, Harvell, Loveless, Lowry, Rousey and Salchert voted in favor.
Motion carried 7-0-0.

Minutes are official only after approval by the Board of Finance, usually at its next meeting.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Houston Putnam Lowry', written over a horizontal line.

Houston Putnam Lowry,
Secretary

Attest: Christine Pescatore, Clerk

All referenced material is available to the public in the Town Manager's Office.