

**BOARD OF FINANCE**  
**REGULAR MEETING MINUTES**  
**April 15, 2024**

**I. CALL TO ORDER:**

The hybrid meeting was opened at 7:02 p.m. in person and by GoTo Meeting by Houston Putnam Lowry, Chair, present: Carl Gisnarian (7:04 p.m.), Kathleen Johnson, and Brian Loveless. Harry Captain, Micah Rousey, Cathy Salchert (7:12 p.m.) attended virtually. A quorum was present.

**II. MINUTES OF PRECEDING MEETINGS:**

**March 25, Meeting –**

On a motion made by Kathleen Johnson seconded by Micah Rousey it was voted:

**RESOLVED:** That the Board of Finance approves the minutes of the March 25, 2024, regular meeting as drafted.

Captain, Johnson, Loveless, Lowry, and Rousey voted in favor.  
Motion carried 5-0-0.

**April 1, Public Hearing –**

On a motion made by Kathleen Johnson seconded by Micah Rousey it was voted:

**RESOLVED:** That the Board of Finance approves the minutes of the April 1, 2024, Public Hearing as drafted.

Captain, Johnson, Loveless, Lowry, and Rousey voted in favor.  
Motion carried 5-0-0.

**III. COMMUNICATION FROM MEMBERS:**

Kathleen Johnson requested the following be included in the minutes.

I would like to thank the members of the Board of Education, the Town Council, and the Town manager for all the hard work that went into the proposed 2024/25 town budget.

I appreciate the fact that there was a discussion about the only proposal brought forward regarding the proposed mill rate at the workshop on April 3rd. However, the derisive comments from some members of the Majority Party were unnecessary.

The figures presented on the tax impact page of the PowerPoint and handouts presented to the voters at the Public Hearing April 1<sup>st</sup>, failed to include the difference between the 2023 actual tax payment and the proposed 2024 adjusted payment based on the reevaluation and subsequent mill rate. Slide 15 only showed the proposed increase of 3.3% to the mill rate. It also only gave

examples based on single family homes, not condominiums that are disproportionately bearing the brunt of the increase in taxes. The first example of a \$375,000 home is off by only \$200, but when applied to a \$375,00 condominium it is off by more than \$1000. Using the online estimator on the Assessor's website will give a more accurate number.

While the proposal the Minority Party made to decrease the mill rate by 0.3%, or ~ \$289,000, would only have resulted in an average \$31.50 savings per housing unit, this amount is not insignificant to our elderly population. Jennifer Bennett, from the Senior Center, reported at the Town Council meeting on April 4, that some of the senior members of our community are unable to contribute the suggested \$3 per meal, and that this meal is sometimes the only meal that will have on a given day. The \$31.50 represents 10 meals for these individuals: a not unsubstantial amount. On top of the proposed increases, \$31.50 could be the straw that breaks the camel's back for some of our neighbors. We have a fiduciary duty to protect them.

Moreover, some comments made by one Town Council member about playing a "shell game" and references by a BOF member regarding forgoing a few "lattes" as a way to pay for the increased tax vs. reducing the proposed tax increase to 3.0% from 3.3% paints a stark contrast between OUR view and yours; we'd rather put the \$31.50 back in the voters' hands – allowing them to make the investment & spending choices THEY want vs. thinking you know how best to spend THEIR hard-earned money.

Again, what Brian and I were talking about and even the Vice Chair's comments were framed up and put in context to bring the Mil rate down to 3.0% vs. 3.3%; again \$289,000 savings or increased revenues on a \$116,000,000 budget isn't at all playing a "shell game" - it is a fiscally responsible approach from at least 2 members from the BOF at the "Budget Workshop" to challenge the spending increase vs. just rubber stamp it. Thank you.

#### **IV. FINANCE DIRECTOR'S REPORT/MISC.:**

- **Monthly Financial Report Summary**

Details of the Monthly Financial Report Summary were included in the packet report dated for the period ended 3/31/24 Tom DiStasio discussed the report.

Notable items were:

Revenues:

- Property tax and assessments revenue are nearing the overall budget, currently at 99%, which is in line with historic expectations.
- Recording conveyance revenues have improved slightly in the month of March when compared to the prior year, but you could see that they're still driving a year-to-year reduction in this revenue category on an annual basis.
- There were no intergovernmental grant receipts in the general fund in March. This is not unexpected as it simply relates to the timing of payments issued by the State.

Expenditures:

- We continue to see consistency in the percentage of the budgetary expenditures incurred in each category when compared to previous fiscal years.

Houston mentioned that there have been comments in the press about the financial condition of the City of Hartford, asking if there is action the Town of Avon may need to take. Tom was unaware of any action that has been or will be taken and would have to check with the Board of Education as the concern would presumably be regarding the open choice special education tuition revenue.

**V. OLD BUSINESS:****23/24-08      Review and Discussion: FY 24/25 Budget**

The public hearing was held on April 1st followed by the budget workshop on Wednesday April 3<sup>rd</sup>, as a result of those meetings, Tom explained that there was one change made to the budget that was recommended by the Town Council. \$87,911 was shifted from the property tax levy to the interest income line item and this was done due to a reduction in the grand list that took place at the conclusion of the Board of Assessment appeals process.

At this point the budget is presented with a mill rate of 30.34 which represents a 3.3% tax increase. The next step in the process will be to have our annual budget meeting which is scheduled for Monday May 6th at 7 p.m. in the community room of the Avon Free Public Library and will also be live streamed. The referendum will be held on May 15<sup>th</sup> 6 a.m. to 8:00 p.m. at the Avon Senior Center. Following the referendum, a special meeting of the Board of Finance will be held at 8:15 p.m. to set the mill rate.

Tom reviewed the Board of Finance's Annual Budget Meeting presentation; slides are attached to the minutes.

**23/24-19      Acquisition of Property Located at 65 Nod Rd.  
Transfer of Appropriation, Fund Land Acquisition, \$50,000**

On a motion made by Micah Rousey seconded by Brian Loveless it was voted:

**RESOLVED:** That the Board of Finance hereby appropriates a sum of \$50,000.00 from Sewer Fund, Other Financing Sources, Committed Fund Balance, Account #05-0390-43913 and transfer from Sewer Fund, Other Financing Uses, Interfund Transfer Out, Account #05-8700-58000.

to

Capital & Nonrecurring Expenditure Fund, Town CIP-Facil/Land Acquisition, Land Purchases, Account #03-4848-53440, and Capital & Nonrecurring Expenditure Fund, Other Financing Sources, Interfund Transfers In, Account #03-0390-43918 for the purpose of funding the acquisition of a parcel of land at 65 Nod Road, Avon, Connecticut.

Captain, Gismarian, Johnson, Loveless, Lowry, Rousey and Salchert voted in favor.  
Motion carried 7-0-0.

**VI. NEW BUSINESS:**

**23/24-20 Appointment of Auditor for FY 23/24**

Tom explained that last year we did do a Request for proposal (RFP) for audit services, and we entered into a contract with Clifton Larson Allen to perform our annual audit for a five-year period. This would be year two for fiscal year 2023-2024. The reason for this agenda item is that the Town Charter requires the Board of Finance to appoint our auditors on an annual basis.

On a motion made by Micah Rousey seconded by Kathleen Johnson it was voted:

**RESOLVED:** That the Board of Finance hereby appoints Clifton, Larson and Allen as the auditors for FY 25.

Captain, Gismarian, Johnson, Loveless, Lowry, Rousey and Salchert voted in favor.  
Motion carried 7-0-0.

**23/24-21 Supplemental Appropriation: People's Action for Clean Energy (PACE) (ARPA) \$5,000**

Brandon explained that PACE is a 501 (c3) non-profit organization who was extremely helpful with the development of the Clean Energy Commission's Energy Plan that was accepted by the Town Council at their April 4<sup>th</sup> meeting. Town Staff recommended, and Town Council approved, a contribution to PACE in the amount of \$5,000 in recognition of their assistance.

On a motion made by Micah Rousey seconded by Kathleen Johnson it was voted:

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

**REVENUES**

American Rescue Plan Act Grant, Intergovernmental, American Rescue Plan Act Grant Revenue, Account #50-0330-44037 in the amount of \$5,000 and increasing:

**APPROPRIATIONS**

American Rescue Plan Act Grant, Town Manager, PACE Support-ARPA, Account #50-1201-53519, in the amount of \$5,000 for the purpose of allocating funding received through the American Rescue Plan Act towards People's Action for Clean Energy (PACE).

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

**23/24-22 Supplemental Appropriation: Classification & Compensation Study  
For the Town of Avon (ARPA), \$50,000**

Tom explained, on January 10, 2024, the Town issued an RFP for firms interested in conducting a classification and compensation study and analysis for its unaffiliated positions and received nine proposals. A staff committee consisting of the Director of Human Resources, Director of Finance, Town Manager and Assistant Town Manager reviewed the proposals and chose GovHR. They provided a proposal for a base price of \$33,300, in addition to this, there was the possibility for some additional costs to be incurred if job descriptions were to need to be updated, which is probably a likely scenario, in addition to the potential for other related costs associated with the study. Tom clarified for the Board members that there are approximately 75 job positions being looked at and this is a one-time cost for this study. Also, if we do not utilize the entire \$50,000 the remaining funds can be appropriated for another ARPA project as long as they are formally obligated by December 31, 2024.

In response to Brian's question, Brandon stated that once GovHR completes the study and presents their recommendations, the Town is not required to take every one of their recommendations.

On a motion made by Brian Loveless seconded by Kathleen Johnson it was voted:

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

**REVENUES**

American Rescue Plan Act Grant, Intergovernmental, American Rescue Plan Act Grant Revenue, Account #50-0330-44037 in the amount of \$50,000 and increasing:

**APPROPRIATIONS**

American Rescue Plan Act Grant, Human Resources, Class. & Comp. Study-ARPA, Account #50-1801-53517, in the amount of \$50,000 for the purpose of allocating funding received through the American Rescue Plan Act towards the completion of a classification and compensation study.

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

**23/24-23 Supplemental Appropriation: Senior Center Management Software & Monday  
Meals and Minds Program, \$55,365**

Tom explained that the State made funds available to local senior centers through their ARPA allocation and the Town applied for and received an award in the amount of \$55,365 to support our senior center.

The two primary uses of this funding would be to purchase the My Senior Center software package for use at the senior center, which is an administrative tool that can be used for scheduling and registering and taking payments associated with participants and programming at the senior center. Secondly, funding for personnel, materials, supplies and equipment to support the senior center's Monday meals and minds program.

On a motion made by Brian Loveless, seconded by Carl Gismarian, it was voted:

### **REVENUES**

Capital & Nonrecurring Expenditure Fund, Intergovernmental, American Rescue Plan Act (DADS), Account #03-0330-43407 in the amount of \$55,365.00 and increasing:

### **APPROPRIATIONS**

Capital & Nonrecurring Expenditure Fund, ARPA Senior Center Funding (DADS), Senior Center Software, Account #03-4826-53341 in the amount of \$26,130; Capital & Nonrecurring Expenditure Fund, ARPA Senior Center Funding (DADS), Supply Items-General, Account #03-4826-52230 in the amount of \$23,082; Capital & Nonrecurring Expenditure Fund, ARPA Senior Center Funding (DADS), Temporary Part Time, Account #03-4826-51014 in the amount of \$5,716; and Capital & Nonrecurring Expenditure Fund, ARPA Senior Center Funding (DADS), FICA, Account #03-4826-51031 in the amount of \$437 to fund software and program expenditures at the Avon Senior Center.

Captain, Gismarian, Johnson, Loveless, Lowry, Rousey and Salchert voted in favor.  
Motion carried 7-0-0.

### **23/24-24 Supplemental Appropriation: LoCIP Funds, \$61,501.10**

Tom explained that the State has their Local Capital Improvement Program grant, which is typically awarded annually. We budget for it through the typical budget development process; however, we don't find out until approximately March of the actual fiscal year what our allocation is going to be. For FY 24, we budgeted \$110,330 of the LOCIP grant, however, this past March we received the final allocation amount which was \$171,831.10.

So, as we've done in previous fiscal years, we are recommending supplemental appropriation for the difference in these two amounts to formally authorize the use of the entire grant allotment.

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

### **REVENUES**

Local Capital Improvement Program Fund, Intergovernmental, Local C.I.P., Account # 11-0330-43365 in the amount of \$61,501.10 and increasing:

### APPROPRIATIONS

Local Capital Improvement Program Fund, Capital Improvement Proj. Facilities, Services - Other, Account # 11-8501-52189 in the amount of \$61,501.10 for the purpose of recording the revenue and expenditure appropriations up to the level of actual State grant funding.

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

### VII. ADJOURN:

On a motion made by Kathleen Johnson, seconded by Brian Loveless, it was voted:

**RESOLVED:** That the Board of Finance adjourn the meeting at 7:36 p.m.

Captain, Gisnarian, Johnson, 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,

4/17/2024

X 

Signed by: 4076d14e-c6c6-47e4-87a6-04602192bb06

# Town of Avon Board of Finance

## **Annual Budget Meeting**

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Recommended Fiscal Year 24/25 Budget

***Monday, May 6, 2024***



# Board of Finance *Balances*

The  
Requested  
Amount of  
Spending for  
Services



The Level of  
Revenues  
Required to Pay  
for these  
Requests

*The proposed \$116,087,973 budget  
for Fiscal Year 2024/2025 would  
require a 3.30% tax increase.*

# Board of Finance *Considers*

- The best interest of Avon as a whole
- Input from Town Council and Board of Education
- Interaction with residents
- Public hearing comments
- Economic conditions
- Tax demands of other levels of government
- Estimates of revenue sources and projections
- Future borrowing requirements
- Voting history

# How will this Level of Service be Funded?

## Non-Tax Revenues

*(Licenses, Fees, Permits, Interest, Grants,  
includes Board of Education gross revenues)*



\$18,014,276  
(15.52%)

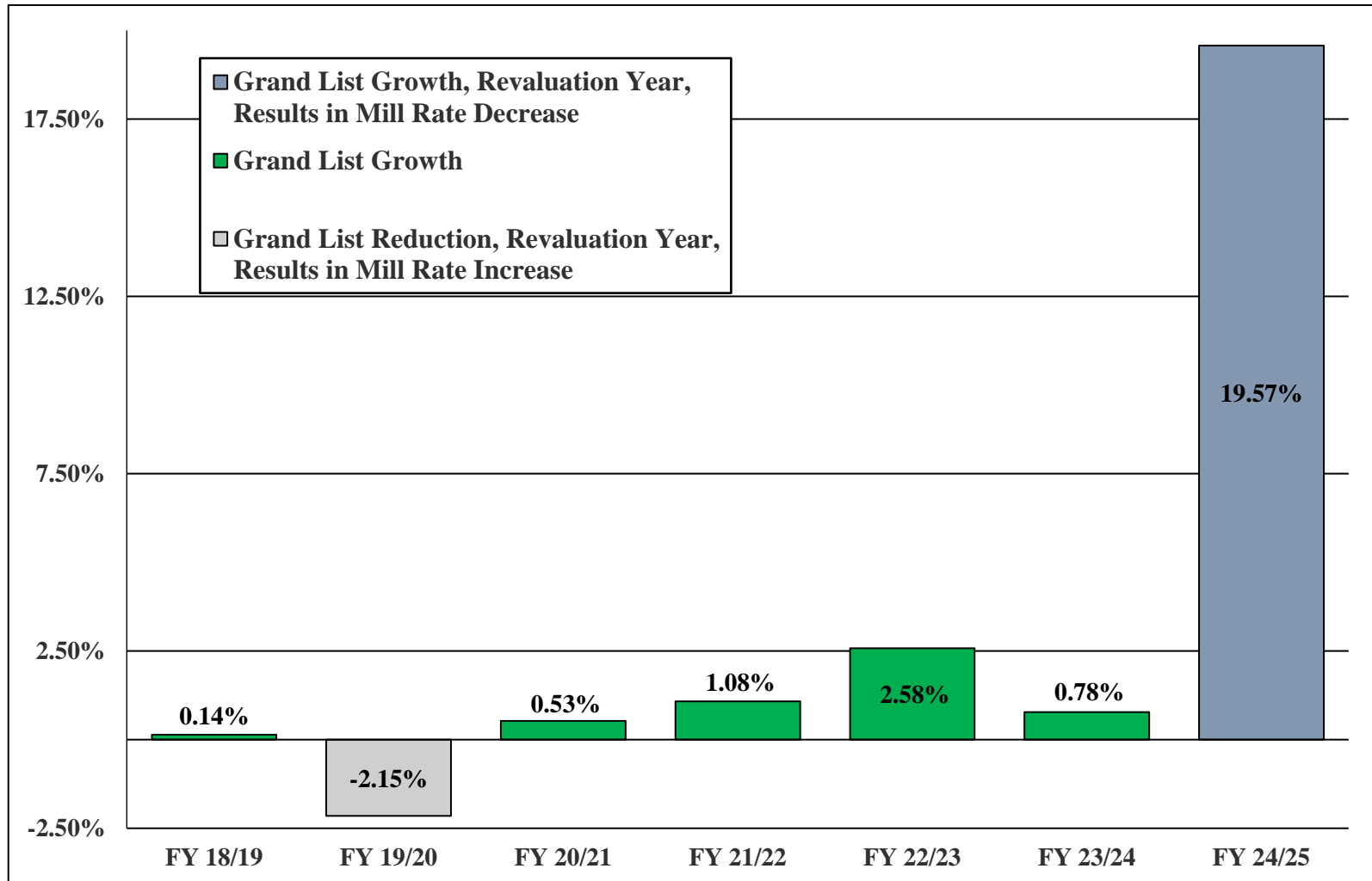
## Taxes & Assessments

*(\$97,527,828 of this amount will come from,  
the Property Tax Levy)*

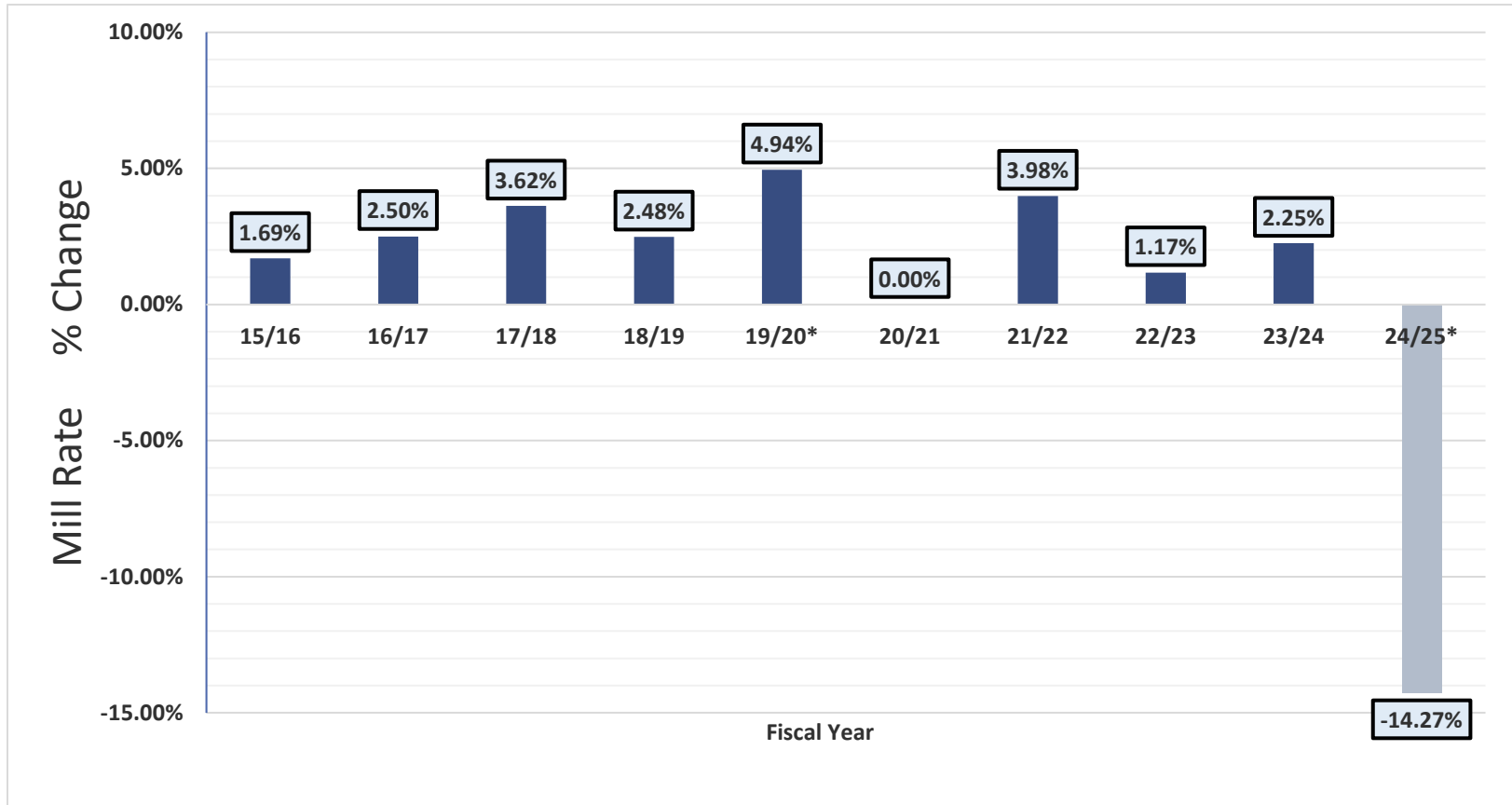


\$98,073,697  
(84.48%)

# Avon Grand List Changes



# Mill Rate Change Comparison



\* Revaluation Year

Mill Rate: 28.80 29.82 30.59 31.35 32.90 32.90 34.21 34.61 35.39 30.34

# Calculating FY 24/25 Tax Increase

## *(Considering the 2023 Revaluation)*

- Step 1: Establish a new base mill rate by applying the FY 23/24 tax levy to the 2023 Grand List.
- Step 2: Apply the FY 24/25 Tax Levy to the 2023 Grand List to calculate the proposed mill rate for FY 24/25.

STEP	AMOUNT NEEDED FOR PROPERTY TAX LEVY*	÷	POST REVALUATION GRAND LIST	X 1,000	=	MILL RATE  1 Mill = 1/1000 of a Dollar
#1	\$94,404,769 (FY 23/24 Tax Levy)	÷	\$3,214,496,636	X 1,000	=	29.37 (New Base Mill Rate)
#2	\$97,527,828 (FY 24/25 Tax Levy)	÷	\$3,214,496,636	X 1,000	=	30.34 (Proposed FY 24/25 Mill Rate)

\* The "Property Tax Levy" does not include supplemental real estate, supplemental motor vehicle, prior levies, interest & penalties, sewer & water assessments, & telecommunications taxes.

$$0.97 \text{ Mill Rate Increase} \div 29.37 \text{ Base Mill Rate} = \underline{\underline{3.30\% \text{ INCREASE}}}$$

# Recommended Budget Summary

	<u>Adopted FY 23/24</u>	<u>Proposed FY 24/25</u>	<u>\$ Increase/ (Decrease)</u>	<u>% Increase/ -Decrease</u>
Town Operating	\$ 29,793,187	\$ 31,058,502	\$ 1,265,315	4.25%
Board of Education	68,905,081	72,280,066	3,374,985	4.90%
Debt Service	2,889,400	2,890,950	1,550	0.05%
Capital Improvement	4,559,906*	6,553,311**	1,993,405	43.72%
Sewers	3,198,967	3,305,144	106,177	3.32%
Other Financing Uses	750,000	-	(750,000)	-100.00%
<b>TOTAL</b>	<b>\$ 110,096,541</b>	<b>\$ 116,087,973</b>	<b>\$ 5,991,432</b>	<b>5.44%</b>

\* Includes \$505,000 in Sewer Projects paid by Sewer Fund.

\*\* Includes \$205,000 in Sewer Projects paid by Sewer Fund, \$182,000 in Recreation Projects paid by Fisher Meadows/Fisher Old Farms Fund, and \$906,000 in Road Improvement Projects, Sidewalk Projects, and Equipment purchases paid by the American Rescue Plan Fund.

Please Vote on  
Wednesday, May 15<sup>th</sup>  
6:00 a.m. – 8:00 p.m.

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at the  
Avon Senior Center