

**BOARD OF FINANCE
REGULAR MEETING MINUTES
DECEMBER 20, 2021**

I. CALL TO ORDER

The meeting was called to order at 7:03 p.m. via GoToMeeting by Chairman Thomas Harrison. Members present: Chairman Thomas Harrison, Vice Chairman/Secretary Catherine Durdan, Ellen Retelle, Katrina Marin, Margaret Bratton, Ken Birk, and Cathy Salchert. A quorum was present.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Thomas Harrison.

III. COMMUNICATION FROM THE AUDIENCE - None

IV. MINUTES OF PRECEDING MEETING:

November 22, 2021 Meeting

Page 1, Item III, 1st line, insert “will” before “not” and insert “be” before “with.....”

On a motion made by Ellen Retelle, seconded by Cathy Durdan, it was voted:

RESOLVED: That the Board of Finance approves the minutes of the November 22, 2021 Meeting as amended.

Messrs: Harrison, Birk, and Mmes: Bratton, Retelle, Durdan, Salchert, and Marin voted in favor.

V. OLD BUSINESS

21/22-09 Review and Discussion: FY 22/23 Budget

Mr. Robertson reported that capital presentations to the Town Council have been completed and the Town Manager’s proposed budget shall be delivered towards the end of January.

VI. NEW BUSINESS

21/22-12 Board Member Service Recognitions

Mr. Harrison noted that a few members are serving in their last meeting tonight with new members joining next month. He added that it has been a privilege to serve as the Chairman for many years, he will miss those not coming back and warmly welcomed those who are coming in. It was noted that the Board has resolutions to present to Cathy Durdan, Ken Birk, and Katrina Marin this evening. Mr. Harrison noted that we will miss the three of you and you have been valuable contributors to the Town of Avon and to the Board of Finance; we wish you well and hope you will stay active in Avon; we have enjoyed your professionalism, courtesy and contributions to our wonderful Town; thank you for your years of service.

Jennifer Worsman, Clerk, read aloud the resolutions for Katrina Marin, Ken Birk, and Cathy Durdan.

On a motion made by Ellen Retelle, seconded by Tom Harrison, it was voted:

RESOLVED: That the Board of Finance on this 20th day of December, 2021 adopts this resolution in recognition of Katrina Marin’s efforts and contributions that cover four years of service to the Town of Avon as a member of the Board of Finance; and

WHEREAS: Katrina’s work ethic, knowledge, enthusiasm, personal commitment, and amiable personality have been a major force in guiding this community in the direction that has been recognized and applauded by so many people throughout Avon; and

WHEREAS: Katrina has demonstrated both the willingness and the ability to understand the challenges and issues that Avon has faced and the skill to work through issues and attain a reasonable and amicable solution; and

WHEREAS: Katrina has earned the respect and esteem of her colleagues on the Board of Finance and of her fellow Avon residents;

NOW, THEREFORE, BE IT RESOLVED: That the Board of Finance of the Town of Avon, on behalf of the residents, proudly takes this occasion to acknowledge and thank Katrina Marin for her dedication and devotion to the Town of Avon, to honor and commend her as a worthy and honorable public servant and as a loyal and true friend and colleague, to wish her health, happiness and success in all her future endeavors, and directs that this RESOLUTION be spread upon the minutes of the December 20, 2021 Board of Finance Meeting and that a copy of this Resolution be presented to her.

Messrs: Harrison, Birk, and Mmes: Retelle, Durdan, Salchert, and Bratton voted in favor. Mrs. Marin abstained.

Ms. Marin thanked the Board for this recognition.

On a motion made by Margaret Bratton, seconded by Ellen Retelle, it was voted:

RESOLVED: That the Board of Finance on this 20th day of December, 2021 adopts this resolution in recognition of Kenneth “Ken” Birk’s eight dedicated years of service to the Town of Avon as a member of the Board of Education and the Board of Finance; and

WHEREAS: Ken’s work ethic, knowledge, enthusiasm, personal commitment, and amiable personality have been a major force in guiding this community in the direction that has been recognized and applauded by so many people throughout Avon; and

WHEREAS: Ken has demonstrated both the willingness and the ability to understand the challenges and issues that Avon has faced and the skill to work through issues and attain a reasonable and amicable solution; and

WHEREAS: Ken has earned the respect and esteem of his colleagues on the Board of Finance and of his fellow Avon residents;

NOW, THEREFORE, BE IT RESOLVED: That the Board of Finance of the Town of Avon, on behalf of the residents, proudly takes this occasion to acknowledge and thank Kenneth Birk for his dedication and devotion to the Town of Avon, to honor and commend him as a worthy and honorable public servant and as a loyal and true friend and colleague, to wish him health, happiness and success in all his future endeavors, and directs that this RESOLUTION be spread upon the minutes of the December 20, 2021 Board of Finance Meeting and that a copy of this Resolution be presented to him.

Mr. Harrison and Mmes: Durdan, Salchert, Marin, Bratton, and Retelle voted in favor. Mr. Birk abstained.

Mr. Birk thanked the Board and that it has been an absolute pleasure to serve with everyone.

On a motion made by Margaret Bratton, seconded by Ellen Retelle, it was voted:

RESOLVED: That the Board of Finance on this 20th day of December, 2021 adopts this resolution in recognition of Catherine “Cathy” Durdan’s efforts and contributions that cover seventeen outstanding years of service to the Town of Avon as a member of the Board of Finance, including four years as its Vice Chairperson/Secretary; and

WHEREAS: Cathy’s work ethic, knowledge, enthusiasm, personal commitment, and amiable personality have been a major force in guiding this community in the direction that has been recognized and applauded by so many people throughout Avon; and

WHEREAS: Cathy has demonstrated both the willingness and the ability to understand the challenges and issues that Avon has faced and the skill to work through issues and attain a reasonable and amicable solution; and

WHEREAS: Cathy has earned the respect and esteem of her colleagues on the Board of Finance and of her fellow Avon residents;

NOW, THEREFORE, BE IT RESOLVED: That the Board of Finance of the Town of Avon, on behalf of the residents, proudly takes this occasion to acknowledge and thank Cathy Durdan for her dedication and devotion to the Town of Avon, to honor and commend her as a worthy and honorable public servant and as

a loyal and true friend and colleague, to wish her health, happiness and success in all her future endeavors, and directs that this RESOLUTION be spread upon the minutes of the December 20, 2021 Board of Finance Meeting and that a copy of this Resolution be presented to her.

Messrs: Harrison, Birk, and Mmes: Salchert, Martin Retelle, and Bratton voted in favor. Ms. Durdan abstained.

Ms. Durdan thanked the Board very much; that is very moving. She noted that she also served on Inland Wetlands Commission and Recreation and Parks Committee prior to the Board of Finance.

21/22-13 Review, Discuss, and Approval: Town Council Policy No. 17, Elderly Tax Relief Program

Harry DerAsadourian, Assessor, provided a summary overview of the program which is typically reviewed every two years; several years ago the benefits were tied to the increase in the mill rate and that formula has worked well; this year we were reviewing the income limits and given the large increase in social security we feel that the income limits should be increased in a proportionate manner; majority of participants’ income comes from social security; after reviewing the census there is an undue burden being placed on single individuals and creating an inequity; we propose to give the same total benefit per household whether single or married because the property tax is based on the value of the property; as time goes on we are losing participants at the lower end of the scale, the cost is equivalent to having two at the upper end join the program; we will take a hit for one year, it will stabilize and we will provide a very equitable benefit to the residents, many are long-time residents who didn’t ask for their property values to increase, it is a matter of inflation. In response to a question from Ms. Salchert, Mr. DerAsadourian responded that eligible property owners can participate in both the elderly tax relief program as well as the veteran’s property tax relief program.

On a motion made by Ellen Retelle, seconded by Ken Birk, it was voted:

RESOLVED: That the Board of Finance approve the continuance of the Town Elderly Tax Relief Program (Town Council Policy #17) and increase the income limit from \$57,500 to \$61,800.

Messrs: Harrison, Birk, and Mmes: Salchert, Bratton, Retelle, Marin, and Durdan voted in favor.

On a motion made by Ellen Retelle, seconded by Ken Birk, it was voted:

RESOLVED: That the Board of Finance approve to align the total benefit received (State plus Town) for married and unmarried participants as per the following chart:

ELDERLY AND TOTALLY DISABLED TAX RELIEF PROGRAMS						
HOMEOWNERS TAX RELIEF - STATE PROGRAM						
INCOME AND GRANT INFORMATION - 2021 BENEFIT YEAR						
FILING PERIOD FEBRUARY 1 - MAY 15, 2022						
	STATE		TOWN		TOTALS	
*INCOME	MARRIED	UNMARRIED	MARRIED	UNMARRIED	MARRIED	UNMARRIED
\$0 - \$19,100	\$1,250	\$1,000	\$1,090	\$1,340	\$2,340	\$2,340
19,100 - 25,600	1,000	750	1,090	1,340	\$2,090	\$2,090
25,600 - 31,900	750	500	1,090	1,340	\$1,840	\$1,840
31,900 - 38,100	500	250	900	1,150	\$1,400	\$1,400
38,100 - 46,400	250	0	850	1,100	\$1,100	\$1,100
46,401 - 53,750	0	0	1,020	1,020	\$1,020	\$1,020
53,751 - 61,800	0	0	700	700	\$700	\$700

Messrs: Harrison, Birk, and Mmes: Salchert, Bratton, Retelle, Marin, and Durdan voted in favor.

21/22-14 Presentation on American Rescue Plan Act (ARPA) Funding

Tom DiStasio, Director of Finance, provided a presentation, The American Rescue Plan Act – An Overview (which is attached and made part of the minutes). In response to a question from Mrs. Bratton, Mr. DiStasio responded that broadband projects is not specific to Town or Board of Education use, it could be for residential or commercial use as well; it would be an investment in infrastructure. In response to a question from Mr. Retelle, Mr. DiStasio responded that this is a large grant program and when we identify applicable projects for this funding we are still following our typical budget and appropriation procedures and plan to have some potential identified eligible we want to move forward with in the February/March timeframe at which point we would request a supplemental appropriation. In response to a question from Ms. Salchert, Mr. DiStasio responded that some potential projects are currently listed on the capital improvement plan and would come off if they remain an identified eligible use of the ARPA funding. In response to a question from Mr. Birk, Mr. DiStasio responded that we have met with Finance Directors, Assistant Town Managers, and Town Managers in surrounding towns to share ideas and ask how they are looking at certain things and enter into collaborative thinking; how to apply the revenue loss calculations, what eligible uses they are looking at, and how to identify projects that will fit into these eligible uses. In response to a question from Mrs. Marin, Mr. DiStasio responded that we are continuing to evaluate any connection between broadband eligible use and the Communications System Tower Project; we are not fully confident that it would be an eligible use of the ARPA funds. The Board thanked Mr. DiStasio for his presentation.

21/22-15 Review, Discussion & Approval: FY 20/21 Year End Transactions

Tom DiStasio, Director of Finance, reviewed the Final Fiscal Year Transactions FY 2020-2021. He noted that actual expenditures exceeded actual revenues by about \$1.5 million; we filled a use of Fund Balance into the budget in the FY 21 budget approval process which amounted to \$2,150,000 which consisted of \$1.8 million from Unassigned Fund Balance to affect the tax levy as well as planned uses of Assigned Fund Balance to offset pension and OPEB contributions; our actual operating results would be about \$610,000 to the positive. In response to a question from Ms. Salchert, Mr. DiStasio responded that the \$470,000 variance on the current levy is representative of the fact that our allowance for uncollectible accounts can be adjusted a little bit higher. In response to a question from Ms. Salchert, Mr. DiStasio responded that the over expenditures under Police Special Services Fund #7 takes in revenues when police officers are assigned to private duty jobs and will get paid overtime so the revenue collected goes into the fund and the wages to the officer are paid out of this fund; when we budget for this fund, it is an educated guess; in order to maintain Charter compliance we have to make sure some of the revenues are appropriated to cover the expenditures that were incurred; we had the revenue to cover those costs. In response to a question from Ms. Retelle, Mr. DiStasio responded that the extra funds stay in the Fund #7 balance; in prior years those funds have been appropriated for police vehicles. In response to a question from Mrs. Bratton, Mr. DiStasio responded that Fund #13 is a fund specific for grant revenue received from the state and federal government for the Board of Education so the whole amount goes to the Board of Education. In response to a question from Ms. Salchert, Mr. DiStasio responded that the budget transfer journal under Tab A is specific to expenditures with detail for each fund in our financial system by department; the remaining balance at the end would be a budgetary balance leftover. In response to a question from Ms. Retelle, Mr. DiStasio responded that the year-end transactions would flow to the financial statements that are being audited by our third party independent auditors and ultimately be reflected in the Annual Comprehensive Financial Report that will be published at year-end. The Board thanked Mr. DiStasio for his presentation.

On a motion made by Ellen Retelle, seconded by Cathy Salchert, it was voted:

RESOLVED: That the Board of Finance hereby approves the Fiscal Year End Transactions: Transfers and Encumbrances, Supplemental Appropriations, and Assignments, Appropriations from Fund Balance, as outlined in the booklet Final Fiscal Year Transactions FY 2020-2021, and as described in the memoranda from the Director of Finance to the Town Manager.

Messrs: Harrison, Birk, and Mmes: Salchert, Retelle, Marin, Bratton, and Durdan voted in favor.

21/22-16 **Transfer of Appropriation, Fund Land Acquisition for Property Located at 503 West Avon Road, \$313,000**

The Town Manager provided a brief presentation (which is attached and made part of these minutes). He noted that the Town Council has approved it and Planning and Zoning completed their review; this is the last step so we can hopefully close by the end of the month. In response to a question from Mrs. Bratton, the Town Manager responded it is an old house but nothing unique about it from an historic perspective. Mr. DerAsadourian noted that the house was built in 1840. Mrs. Marin inquired that we don't anticipate running into any Historical Society issues in tearing down the building. The Town Manager responded that it has gone through the Planning and Zoning Commission so he does not anticipate any issues.

On a motion made by Ellen Retelle, seconded by Katrina Marin, it was voted:

RESOLVED: That the Board of Finance hereby appropriates a sum not to exceed \$313,000.00 from General Fund, Other Financing Sources, Unassigned Fund Balance, Account #01-0390-43913 and transfer from General Fund, Other Financing Uses, Interfund Transfer Out, Account #01-8700-58000 to Capital & Nonrecurring Expenditure Fund, Town CIP-Facil/Land Acquisition, Potential Land Acquisition, Account #03-4848-53440, and Capital & Nonrecurring Expenditure Fund, Other Financing Sources, Interfund Transfers In, Account #03-0390-43918 not to exceed \$313,000.00 for the purpose of funding a potential land acquisition.

Messrs: Harrison, Birk, and Mmes: Salchert, Retelle, Marin, Durdan, and Bratton voted in favor.

21/22-17 **Transfer of Appropriation: Capital Projects Fund, \$851,750.82**

On a motion made by Ellen Retelle, seconded by Tom Harrison, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 21/22 budget by transferring, \$162,000.00 from Capital Projects Fund (Facil & Equip), Town CIP-Facilities, Patrol Building Improvements, Account #02-4829-53082; \$398,190.00 from Capital Projects Fund (Facil & Equip), BOE CIP Facilities, AHS RTU Replacement Phase 1, Account #02-4859-54600; and \$291,560.82 from Capital Projects Fund (Facil & Equip), Town CIP-Equipment, Fire Engine Replacement, Account #02-4837-53009; to Capital Projects Fund (Facil & Equip), Other Financing Uses, Interfund Transfer-Out, Account #02-8700-58000; to reimburse General Fund Unassigned Fund Balance for transfers made during Fiscal Year 2020/2021.

Messrs: Harrison, Birk, and Mmes: Retelle, Salchert, Marin, Durdan, and Bratton voted in favor.

21/22-18 **Transfer of Appropriations: Capital & Nonrecurring Expenditure Fund (CNREF), \$13,627.67**

On a motion made by Ellen Retelle, seconded by Katrina Marin, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 21/22 budget by transferring, \$10,789.70 from CNREF, Town CNREF-Road Reloc. Study, Old Farms Road Expenditure, Account #03-4992-53201; and \$2,837.97 from CNREF, Avon Village Center, Service & Consultant, Account #03-4858-52184; to CNREF, Other Financing Uses, Interfund Transfer-Out, Account #03-8700-58000; to reimburse General Fund Unassigned Fund Balance for transfers made during Fiscal Year 2020/2021.

Messrs: Harrison, Birk, and Mmes: Retelle, Salchert, Durdan, Marin, and Bratton voted in favor.

21/22-19 **Supplemental Appropriation: Avon Police Department, \$5,000**

On a motion made by Margaret Bratton, seconded by Ellen Retelle, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 21/22 Budget by increasing:

REVENUES

General Fund, Other Local Revenues, Miscellaneous Funds, Account #01-0360-43912 in the amount of \$5,000.00 and increasing:

APPROPRIATIONS

General Fund, Patrol Services, Equip./Maint. Other, Account #01-2107-52209 in the amount of \$5,000.00, for the purchase of Officer equipment.

Messrs: Harrison, Birk, and Mmes: Salchert, Bratton, Durdan, Retelle, and Marin voted in favor.

21/22-20 Supplemental Appropriation: Youth Services Bureau Grant, \$24,923

On a motion made by Margaret Bratton, seconded by Katrina Marin, it was voted:

RESOLVED: That the Board of Finance hereby amends the FY 21/22 Budget by increasing:

REVENUES

General Fund, Intergovernmental, Youth Services Bureau Grant, Account #01-0330-43383 in the amount of \$24,923.00 and increasing

APPROPRIATIONS

General Fund, Human Services, Service & Consultant, Account #01-4203-52184 in the amount of \$24,923.00 for the purpose of funding expenditures, which will be reimbursed through approved State of Connecticut Department of Children and Families, Youth Services Bureau Grants.

Messrs: Harrison, Birk, and Mmes: Salchert, Bratton, Retelle, Marin, and Durdan voted in favor.

VII. TOWN MANAGER'S REPORT

A. Monthly Financial Report Summary

Details were included in the packet report dated period ended 11/30/21 prepared and reported by Tom DiStasio. In response to a question from Ms. Retelle, Mr. DiStasio responded that the indication that the Town will collect more than \$1,030,000 in Licenses, Fees, Permits under Revenues. In response to a question from Mrs. Bratton, Mr. DiStasio responded that under Other Financing Sources under Revenues the total appropriation is \$656,000 which represents a use of Fund Balance that we approved as part of our budgeting procedures; the Board of Education portion is \$250,000 as at the end of FY 19/20 the Board of Education indicated they had significant savings primarily from the pandemic and placed an assignment on Fund Balance for that amount for future use of the Board of Education; and the \$206,000 is for a similar purpose; it was the Board of Finance's desire to see the mill rate only go to a certain percentage when developing the FY 21/22 budget so we used that amount from Unassigned Fund Balance to achieve that purpose; the \$200,000 use of General Fund Assigned Balance for pension contributions and is the offset to our budgetary pension contributions that we approved as part of the budget development process.

VIII. OTHER BUSINESS

Jennifer Worsman, Clerk, shared that this would be her last meeting serving in this role for the Board as she recently joined her town's fire department as an Emergency Support Team member alongside her husband who is Fire Chief and son who is Fire Police; it has been a real pleasure working with Board members over the last five years. Ms. Worsman introduced Christine Pescatore as the next Clerk for the Board. Board members expressed thanks and congratulations to Jennifer Worsman and welcomed Ms. Pescatore.

IX. ADJOURN

On a motion made by Ellen Retelle, seconded by Katrina Marin, it was voted:

RESOLVED: That the Board of Finance adjourn the meeting at 8:45 p.m.

Messrs: Harrison, Birk, and Mmes: Bratton, Marin, Salchert, Retelle, and Durdan voted in favor.

Respectfully Submitted,
Cathy Durdan, Vice Chair/Secretary

Attest: Jennifer Worsman, Clerk

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