

**BOARD OF FINANCE  
REGULAR MEETING  
MINUTES  
December 12, 2022**

**I. CALL TO ORDER**

The meeting was opened at 7:06 p.m. hybrid: in person/GoTo Meeting by Cathy Salchert, Chair, present: Margaret Bratton, Brian Loveless, Ellen Retelle and Cathy Salchert, Charles Harvell attended virtually, and Carl Gisnarian joined virtually at 7:10 pm. A quorum was present.

**II. MINUTES OF PRECEDING MEETING**

**November 21, 2022, Meeting –**

On a motion made by Ellen Retelle, seconded by Brian Loveless it was voted:

**RESOLVED:** That the Board of Finance approves the minutes of the November 21, 2022, meeting with one typographical correction on page 2, section V, last sentence in the first paragraph should read, “While the Town collaborates with the Board of Education, records, and reconciles their financial information into the Town’s general ledger, the Board of Finance has no power over the budget allocations of the Board of Education.”

Bratton, Harvell, Loveless, Retelle and Salchert voted in favor.

Motion carried 5-0-0.

**III. COMMUNICATION FROM THE MEMBERS**

Cathy Salchert announced the referendum for Old Farms Road Phase I (North/South Section) Project (State Project. No. L004-0001) will be held on Wednesday, December 14th from 6:00 a.m. to 8:00 p.m. at the Avon Senior Center, 635 West Avon Road.

**IV. TOWN MANAGER’S REPORT/MISC.**

**Monthly Financial Report Summary**

Details of the Monthly Financial Report Summary were included in the packet report dated period ended 11/30/22 prepared and reported by Tom DiStasio, which were discussed.

- It is expected that we will collect the anticipated amount for charges for services, that the bulk of that revenue is collected late in the year as the bulk of it comes from Special Education Tuition.
- Avon did receive a Municipal Revenue Sharing Grant of \$361,819 that was not budgeted. This grant is based on a state statute, there are funds that go into a municipal revenue sharing account throughout the course of the year. Typically the

funds are transferred to the State's general fund. Due to the economic environment this year, the State recognized significant tax revenues associated with positive investment returns, as well as grant revenue associated with ARPA, resulting in funds being distributed to municipalities. There are no restrictions on what the Town can use the Municipal Revenue Sharing Grant funds for.

- The Grants in lieu of taxes consist of two parts. One is the tiered PILOT (payment in lieu of taxes) grant for state owned or non-profit properties that the Town cannot receive property taxes on. This is the portion that is typically budgeted. At this time, Avon has received \$102,000, which exceeds the \$27,000 budgeted because the State increased its municipal support because of the positive revenues previously mentioned. The other portion of the \$479,757 is the municipal trends transition grant, which is a grant to help offset the revenue loss from the imposed mill rate cap on motor vehicles. The difference between the capped mill rate and the Town's mill rate for real estate and personal property was applied based upon last year's Grand List. Due to the Grand List growing from last year to this year because of the unexpected increased value of automobiles, the funds received do not cover the difference fully although it will help offset the revenue loss.

## V. **OLD BUSINESS**

### **21/22-21 American Rescue Plan Act.**

Town Council Updates as of December 5, 2022: [www.avonct.gov/arpa](http://www.avonct.gov/arpa)

- A State issued bond for \$700,00 has been approved to help fund the Town Wide Fiber Network project. The project is projected to cost \$791,000, which will result in a much smaller request for an appropriation from ARPA funds to complete.

### **22/23-11 Review and Discussion: FY 23/24 Budget**

Capital budget presentations have been made to the Town Council. The Town Manager's office is in the process of reviewing capital budget and operating budget requests. The Town Council budget meeting is in the process of being scheduled. They are looking at the first Saturday in February as an in-person meeting, with an alternate snow date. Once approved by the Town Council, the budget will move to the Board of Finance in March to review. The Board of Finance Public Hearing will be held April 3 and the budget workshop will be held on April 4, with April 10 or 12 being held for additional workshops if needed. The annual Town meeting will be held on May 1. The first budget referendum is scheduled for May 10.

## VI. **NEW BUSINESS**

### **22/23-17 Fire Apparatus**

Details of the memorandum of Proposal for the approval, purchase & financing of fire apparatus, dated December 5, 2022, prepared by Tom DiStasio and Grace Tiezzi, which was included in the packet were discussed.

- This evening the Town Manager is looking for a consensus the Board of Finance supports purchasing a new ladder and a new pumper truck. This will allow the Town to move forward signing a contract prior to February 1, 2023, when there will be a price increase of 3-5% by the manufacturer.
- There is generally a 2 year turn around time from the date of order to the date of delivery for these trucks. The order for the truck(s) goes in a queue and the time from build to delivery depends on the number of orders in queue. The actual time to build the truck is 10-12 weeks. The pricing is locked in upon ordering and no payments are due until after delivery. Multiple financing options were discussed.
- The fire department normally runs five engine/pumpers, one rescue truck and one ladder truck. Engine 14 and the ladder truck are slated for replacement. Engine 9 has been decommissioned. The new ladder has pumping capabilities and will make it unnecessary to replace the decommissioned engine at this time. The decommissioned engine will go to the Department of Public Works to be auctioned off.
- The need for the apparatus is life-safety for residents and fire fighters. Avon has multi-family housing, apartment complexes and commercial buildings where firefighters need to access windows which traditional ladders cannot reach. It is also necessary to vent out the hot gasses on roofs which traditional ladders cannot reach to avoid the fire flashing back on top of the firefighters. The current truck is not equipped with airbags to protect the firefighters.
- The Insurance Services Office, Inc (ISO) recommends having a fire truck with an aerial bucket. Avon gets a good insurance rating for have the ladder truck and the rescue truck.
- The need for the engine/pumper: In late May 1999 two new engines were purchased. One was custom ordered to fit in the Secret Lake firehouse and does not go out on many calls. The other is Engine 14 which is housed at Company 3 by the high school. It is one of the busiest engines which goes out on most calls. The MTA standards are to replace engines every 15 years, so replacing Engine 14 makes the most sense.
- The fire department anticipates that after the purchase of these two trucks, the next truck purchases would be in one to two years (barring any unforeseen mechanical issues).
- The trucks were purchased using the H-GAC national contract, which is a national contract that allows towns and cities to purchase items and guarantees the lowest pricing instead of going out to bid.

On a motion for consensus made by Ellen Retelle seconded by Brian Loveless, it was voted:

**RESOLVED:** That the Board of Finance is in support of the purchase of a new ladder and a new pumper truck. A Board of Finance Special Meeting will be held on or about January 9, 2023, and the Town Council consider alternative options for paying for the trucks.

Bratton, Harvell, Loveless, Retelle and Salchert voted in favor. Gisnarian abstained.

Motion carried 5-0-1.

### **22/23-18 Review, Discuss & Approval: FY 21/22 Year End Transactions**

The Town Council approved the FY 22 Year End Transactions at their last meeting. Should the Board of Finance approve all the transactions, the unassigned fund balance would increase relative to the previous year by about \$842,000 as a percentage of the fiscal year 22 expenditures and transfers out, that would be 14.09%, with an ending balance of \$13,560,617.

In tab D of the FY 21/22 Year End Transactions Book, Item 4, Assignment for future debt service expenditures \$750,000, Item 5 Assignment for road improvements \$750,000, Item 6 Assignment for anticipated medical claims and Item 7 a transfer to medical claims internal service fund \$750,000 were discussed.

- **Regarding items 4 & 5.** The Town is looking to fund future projects such as fire apparatus, the second phase of Old Farms Road and other road projects. Charles Harvell feels the assignments should be done when the project is on the table instead of doing an assignment now. Therefore, he is opposed to Items 4 and 5. Ellen Retelle agrees with Charles Harvell.
- **Regarding items 6 & 7.** A portion of the health insurance transactions pertain to amounts we have incurred in excess to projections in FY 22. As he mentioned previously, Charles Harvell feels the assignments can be done later when the funds are needed. Ellen Retelle agrees with Charles Harvell.
- **Unassigned Fund Balance:** Brandon Robertson explained Avon has policies about the use of the unassigned fund balance. The funds should only be used for items out of the ordinary and unforeseen. The assignments 4, 5 and 6 in are foreseeable expenses. It does not make sense to roll them into the unassigned fund balance only to pull them out later. The purpose of assignments can be changed. For example, should we need to change the purpose of the assignment for road improvements to another project, the request must be approved by the Town Council and the Board of Finance. Assigning the funds now does not preclude changing the use in the future.

A motion was made by Ellen Retelle to approve the year end transactions except for transactions 4, 5, 6, & 7 in Tab D of the year end book and to have a discussion regarding them.

Before the motion was seconded, Ellen Retelle amended her motion to approve the year end transactions except for transactions 4, 5 and 6 in Tab D of the year end book and continue discussions.

Before the motion was seconded, Ellen Retelle amended her motion a second time to approve the year end transactions except for transactions 4 & 5 in Tab D of the year end book, seconded by Charles Harvell. It was noted and understood that opposing the motion would approve all transactions. It was voted:

**RESOLVED:** That the Board of Finance hereby approves the FY 21/22 Year End Transactions except for transactions 4 & 5 in Tab D of the year end book.

Harvell, and Retelle voted in favor, Bratton, Gisnarian, Loveless, opposed, Salchert abstained.

Motion carried 2-3-1, approving all year end transactions (including transactions 4 & 5 in Tab D of the year end book).

**22/23-19 Supplemental Appropriation: Bicycle & Pedestrian Master Plan, \$75,000**

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

**RESOLVED:** That the Board of Finance hereby amends the FY 22/23 Budget by increasing:

**REVENUES**

American Rescue Plan Act Grant, Intergovernmental, American Rescue Plan Act Grant Revenue, Account #50-0330-44037 in the amount of \$75,000 and increasing:

**APPROPRIATIONS**

American Rescue Plan Act Grant, Town CIP-Facilities, Bike & Pedestrian Trails-ARPA, Account #50-4829-53476 in the amount of \$75,000 for the purpose of allocating funding received through the American Rescue Plan Act towards the completion of a Bicycle & Pedestrian Master Plan and any additional needs identified during the master planning process.

Bratton, Harvell, Loveless, Retelle and Salchert voted in favor, Gisnarian abstained.  
Motion carried 5-0-1.

**22/23-20 Supplemental Appropriation: Connecticut Water Company Sewer Project, \$2,250**

On a motion made by Brian Loveless seconded by Margaret Bratton, it was voted:

**RESOLVED:** That the Board of Finance hereby amends the FY 22/23 Budget by increasing:

**REVENUES**

Capital Projects Fund (Facil & Equip), Other Local Revenue, Payment in Lieu of Road Improvements, Account #02-0360-43659, in the amount of \$2,250.00 and increasing:

**APPROPRIATIONS**

Capital Projects Fund (Facil & Equip), Town CIP- Facil/Road Overlay, Road Overlay, Account #02-4831-53003, in the amount of \$2,250.00, for funds in lieu of paving for the Connecticut Water Company, White Birch Lane Sewer Project at the intersection of White Birch Lane and Stagecoach Road.

Bratton, Harvell, Loveless, Retelle and Salchert voted in favor, Gisnarian abstained.  
Motion carried 5-0-1.

**V. IV: EXECUTIVE SESSION: REAL ESTATE**

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

**RESOLVED:** That the Board of Finance enter Executive Session at 9:20 p.m. for a matter under Connecticut General Statutes §1-200(6)(D)

Bratton, Gisnarian, Harvell, Loveless, Retelle and Salchert voted in favor.

Motion carried 6-0-0.

The Town Manager, Finance Director, and Clerk attended the session.

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

**RESOLVED:** That the Board of Finance leave Executive Session at 9:30 p.m.

Bratton, Gisnarian, Harvell, Loveless, Retelle and Salchert voted in favor.

Motion carried 6-0-0.

**VII. ADJOURN**

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

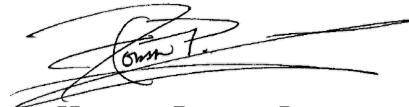
**RESOLVED:** That the Board of Finance adjourn the meeting at 9:31 p.m.

Bratton, Gisnarian, Harvell, Loveless, Retelle and Salchert voted in favor.

Motion carried 6-0-0.

***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.