

**BOARD OF FINANCE  
MEETING MINUTES  
April 24, 2023**

**I. CALL TO ORDER**

The hybrid meeting was opened at 7:05 p.m. in person and by GoTo Meeting by Cathy Salchert, Chair, present: Margaret Bratton, Charles Harvell, Ellen Retelle (virtually) and Cathy Salchert. A quorum was present.

**II. MINUTES OF PRECEDING MEETINGS:**

**March 27, 2023, Meeting –**

On a motion made by Margaret Bratton seconded by Charles Harvell it was voted:

**RESOLVED:** That the Board of Finance approves the minutes of the March 27, 2023, meeting as drafted.

Bratton, Harvell, Retelle and Salchert voted in favor.

Motion carried 4-0-0.

**April 3, 2023, Public Hearing –**

On a motion made by Margaret Bratton seconded by Charles Harvell it was voted:

**RESOLVED:** That the Board of Finance approves the minutes of the April 3, 2023 Public Hearing, meeting as drafted.

Bratton, Harvell, Retelle and Salchert voted in favor.

Motion carried 4-0-0.

**April 4, 2023, Budget Workshop –**

On a motion made by Margaret Bratton seconded by Charles Harvell it was voted:

**RESOLVED:** That the Board of Finance approves the minutes of the April 4, 2023 Budget Workshop, making one correction. Page 5, paragraph 4, sentences 5 & 6 should read;

We are not in that position this year. The budget process is important and collaborative efforts can help us if we ever find ourselves in that position of saying “can we do that this year?”

Bratton, Harvell, Retelle and Salchert voted in favor.

Motion carried 4-0-0.

**III. TOWN MANAGERS REPORT/MISC.**

**A. Monthly Financial Report Summary**

Details of the Monthly Financial Report Summary were included in the packet report dated for the period ended 3/31/23. Tom DiStasio discussed the report. A graphical representation of each of the revenue and expense categories reflecting the current percent of budget compared to the prior fiscal year was provided to the Board of Finance members as requested.

Tom DiStasio explained revenue is not expected to be recognized for the total \$1,150,000 of appropriations included in the other financing sources (with footnote F) category because much of this amount consists of the budgeted use of fund balance. \$1,100,000 of this amount represents the use of general fund balance assignments for road improvements and pension & OPEB contributions. The other \$50,000 represents a budgeted transfer from Fund 16 to offset OPEB contributions. There are currently no expectations of any additional incoming transfers unless reimbursements become due to the general fund closer to the end of the fiscal year when a capital project closes with a balance remaining, or if grant revenue that is due to be returned to the General Fund is recorded in a capital project fund.

Tom DiStasio also explained the revenue recognized in the other local revenues category is being driven by investment income. As of 3/31/2023, the revenue recognized under the other local revenue category is 322% of the amount budgeted for the year due to the revenue from investment income. The fiscal year 2023 budget forecasted low interest rates as a result of the expectations being put forth by the Federal Reserve when the budget was created. Since then, interest rates have risen, resulting in a higher return on investments.

#### **B. 645 West Avon Road Acquisition**

The Town Manager reported the public hearing on the purchase and leaseback was postponed until the May 4 Town Council meeting. There was no discussion.

#### **IV. OLD BUSINESS**

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

Town Council Updates as of February 3, 2023: [www.avonct.gov/arpa](http://www.avonct.gov/arpa)

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

The Board of Finance received a draft of the updated Board of Finance presentation showing the updated mill rate and percentage increase that will be presented at the Annual Budget Meeting. The Board had no questions or suggested changes to the presentation.

The upcoming key dates are:

Annual Budget Meeting: Monday, May 1, 2023, 7:00 PM Avon High School Auditorium  
Budget Referendum: Wednesday, May 10, 2024, 6:00 AM to 8:00 PM Avon Senior Center

##### **22/23-25 Appointment of Auditor for FY 22/23**

The Town issued a Request for Proposal (RFP) for the appointment of an auditor for this fiscal year. There were two proposals submitted, one from CliftonLarsonAllen (CLA) and one from Marcum. A team consisting of the Town Manager, Finance Director, Board of Education Business Manager, Town Accountant and a member of the Board of Finance evaluated the proposals.

Each member of the team favored the proposal by CLA based on the documentation in the proposal, primarily due to the overall experience CLA has in Connecticut municipal audits. One CLA has 53 Connecticut municipal clients for whom they perform town/city-wide audits, while Marcum's proposal indicated only two such clients. The RFP is for a professional service that requires a lot of in-depth experience that can be very specific to a Connecticut municipality, which led the team to recommend that the Board of Finance designate CLA to provide auditing services as specified in their proposal.

On a motion made by Margaret Bratton, seconded by Charles Harvell it was voted:

**RESOLVED:** That the Board of Finance appoints CliftonLarsonAllen LLP to provide auditing services as specified in their response to the Town's Request for Proposal for the fiscal year 2022/2023 through fiscal year 2026/2027 audits.

Bratton, Harvell, Retelle and Salchert voted in favor.  
Motion carried 4-0-0.

## **V. NEW BUSINESS**

### **22/23-30 Revaluation**

Harry DerAsadourian, Town Assessor, guided the Board of Finance members through a Power Point Presentation on the 2023 Avon Revaluation (attached to the minutes).

Answers to questions asked on the slides are listed below.

Slide 5, October 1, 2022, Grand List:

- Category Other refers to properties such as vacant and farmland.
- There was an increase in the value of used cars in the past. According to the news, those values are not dropping as much as expected. Currently, cars are valued using the NADA clean retail price throughout the state, with the variable being each Town's mill rate (up to the cap of 32.46). There has been a proposal to legislature to value motor vehicles using a straight line depreciation method, that would value the car at 95% of MSRP the first year and then depreciating the MSRP 5% a year for a 20 year period. If adopted by the Connecticut General Assembly, it will go into effect with the 2023 grand list.
- Rental properties such as apartment and condominium complexes fall under commercial.

Slide 7, Town of Avon 2023 Revaluation Statistics:

- OPM stands for the State of Connecticut Office of Policy Management. They provide directives and certification the standards for revaluations.

Slide 8, Revaluation Process

- The current assessments are at 53.88% of recent sales prices. Assessments should be at 70%, which indicates that sales prices have increased in the last five years from our last revaluation.

Slide 10, Three approaches to value

- Avon uses the cost approach, which reflects the replacement cost.
- The income approach is used for properties such as shopping centers and apartment buildings.
- All three approaches are market driven.

Slide 17, Final Assessment sales ratio study

- An appraiser physically looks at the home from the street and the street card for accuracy and to determine that the estimated market value is fair.
- The Town went out to bid to obtain the appraisal services. The Assessor does review each of the street cards as well.

Slide 18, Assessment change notices

- We assume that no upgrades/renovations have been made to a home unless a permit was obtained.

### **22/23-31 Supplemental Appropriation: LoCIP Funds, \$6,667.00**

The LoCIP grant is received from the State every year and used for roadwork. An amount is budgeted each year based on the data that is available during the budget development process. The State then releases the finalized grant amounts in February or March, which will cause the need for a supplemental appropriation to make up the difference between the budgeted \$110,330 and the entitlement of \$116,997.

On a motion made by Charles Harvell seconded by Margaret Bratton, it was voted:

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

#### **REVENUES**

Local Capital Improvement Program Fund, Intergovernmental, Local C.I.P., Account # 11-0330-43365 in the amount of \$6,667.00 and increasing:

#### **APPROPRIATIONS**

Local Capital Improvement Program Fund, Town CIP-Facil./Road Overlay, Road Overlay, Account # 11-4831-53003 in the amount of \$6,667.00 for the purpose of recording the revenue and expenditure appropriations up to the level of actual State grant funding.

Bratton, Harvell, Retelle and Salchert voted in favor.  
Motion carried 4-0-0.

### **22/23-32 Supplemental Appropriation: Avon Fuel Bank (ARPA) \$15,000.00**

**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 \$15,000 and increasing:

**APPROPRIATIONS**

American Rescue Plan Act Grant, Human Services, Fuel Bank Support, Account #50-4203-55160

in the amount of \$15,000 for the purpose of allocating funding received through the American Rescue Plan Act towards support of the Avon Fuel Bank.

Bratton, Harvell, Retelle and Salchert voted in favor.

Motion carried 4-0-0.

**VI. ADJOURN**

On a motion made by Charles Harvell, it was voted:

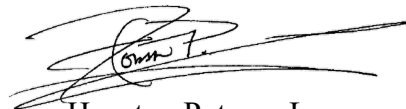
**RESOLVED:** That the Board of Finance adjourn the meeting at 8:26 p.m.

Bratton, Harvell, Retelle and Salchert voted in favor.

Motion carried 4-0-0.

***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.

2023  
Avon

# REVALUATION

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Harry DerAsadourian, Assessor

860-409-4335

[www.avonassessor.com](http://www.avonassessor.com)

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# CONNECTICUT PROPERTY TAX SYSTEM

The system used by towns to establish property taxes is referred to as an Ad Valorem Tax System.

A tax based upon the market value of ones property.

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Properties are assessed at 70% of their fair market value.

Avon had its last revaluation in 2018.

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# Responsibility of the Assessors Office

The Assessors Office is responsible for maintaining records on all properties within the Town of Avon, including land and building data.

This information is then used to establish the Fair Market Value and Assessment.

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# October 1, 2022 Grand List

Category	# of Accounts	Gross Assessment	Exemptions	Net Assessment
Real Estate				
Residential	5,361	\$ 1,686,726,081	\$ 3,637,730	\$ 1,683,088,351
Condominiums	1,829	295,301,690	707,140	294,594,550
Commercial	217	328,794,235	---	328,794,235
Industrial	29	12,308,950	---	12,308,950
Other	141	4,566,230	---	4,566,230
Motor Vehicles	16,270	253,576,800	781,240	252,795,560
Personal Property	920	133,848,070	21,511,640	112,336,430
<b>Total Taxable Property</b>		<b>\$ 2,715,122,056</b>	<b>26,637,750</b>	<b>\$ 2,688,484,306</b>
<b>Tax Exempt Real Estate</b>	<b>235</b>	<b>\$ 241,670,823</b>		<b>\$ 241,670,823</b>

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Periodic revaluation helps to ensure proper distribution of the tax burden among all property owners.

State law (Sec. 12-62 CGS) requires all towns to perform a revaluation every five years.

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**TOWN OF AVON  
2023 REVALUATION**

Statistica

Task	Start Date	Finish Date
Preliminary Sales Ratio Study	April 28, 2023	May 26, 2023
Residential Cost Analysis and Documentation	May 8, 2023	June 19, 2023
Residential Land Values	May 8, 2023	June 19, 2023
Residential Depreciation Analysis	May 22, 2023	June 26, 2023
Value Production and Testing	June 26, 2023	July 10, 2023
Field Review of Residentials	July 10, 2023	September 8, 2023
Commercial Cost & Depreciation Analysis	June 26, 2023	August 4, 2023
Commercial Land Values	July 10, 2023	August 4, 2023
Commercial I&E's	June 26, 2023	July 31, 2023
Commercial Value Production & Testing	July 31, 2023	August 14, 2023
Field Review Commercial	August 28, 2023	September 18, 2023
Review New Construction	September 28, 2023	September 18, 2023
Final Sales Ratio Study	September 18, 2023	September 25, 2023
Mail NTPs	November 13, 2023	November 20, 2023
Informal Reviews of Values	November 20, 2023	December 11, 2023
Finalize Values and Renotices	December 11, 2023	January 8, 2024
OPM Certification Report	January 15, 2024	January 29, 2024
BAA Support	February 5, 2024	February 29, 2024

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# Revaluation Process

## Initial Assessment Sales Ratio Study

This will establish the level at which our current Assessments represent when compared to recent sales.

Presently Avon's ratio is as follows -

Single family homes **53.88%**

(Assessment ÷ sales price = ratio)

(Assessment ÷ ratio = market value)

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## Annual Report Statistics for – Avon

List Year: 2021

Office of Policy Management  
Intergovernmental Relations Division  
450 Capital Avenue –MS#54FOR  
Hartford, CT 06106-1379

	Non –Usable	Useable	Assessment	Sales	Median
Residential	34	420	\$ 112,283,210	\$ 207,197,739	53.88
Comm/Industrial/Utility	4	6	15,965,921	26,922,000	64.96
Vacant Land	2	5	370,480	718,150	49.60
Apartments	0	0	0	0	0.00
<b>Total</b>	<b>40</b>	<b>431</b>	<b>\$ 128,619,611</b>	<b>\$ 234,837,889</b>	<b>53.91</b>

### Distributive Statistics

	Mean	Agg Mean	COD	COV	Regressivity Index
Residential	54.66	54.19	12.13	16.17	1.01
Comm/Industrial/Utility	66.47	59.30	18.72	22.78	1.12
Vacant Land	60.97	51.59	26.71	33.74	1.18
Apartments	0.00	100.00	0.00	0.00	0.00
<b>Total</b>	<b>54.90</b>	<b>54.77</b>	<b>12.52</b>	<b>16.79</b>	<b>1.00</b>

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# Three Approaches to Value

- Cost Approach
  - Sales Comparison Approach
  - Income Approach
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Property at

Printed 15-Mar-2023 9:23 AM Design and Layout (C) Right/Angles

## Administrative Information

Owner name:  
 Second name:  
 Address:  
 City/state:  
 Zip: 06001

## Location Information

Map: 005	Clerk map:	Zone: R30	Vol:	Page:
Lot: 1050007	Neigh.:	Exemptions		Last sale
Assessments		Assmt category	Qty	Amount
		Resident Land	.70	87,500
		Resident Dwelling	1.00	177,040
		Resident Outbldg	1.00	1,790
Summary		Total assessments	266,330	
		Total exemptions		
		Net assessment	266,330	
Utilities		Water	Connecticut	
		Sewer	Septic	
		Gas	None	
Sales ratios		Sale date: 01-Sep-2022		
		Sale price:	500,000	
		Sale valid:		
Values		Mkt value:		
		Cost value:	380,471	
Sales ratios		Cost/sale:	.7609	
		Mkt/sale:		
		Assmt/sale:	.5327	

## Land Information

Type	Use	Acres/SqFt	Rate	Total	Infl	Fact	Value	70% Value
PRIM	11	.700	125,000	125,000			125,000	87,500
Primary Site		30,492						
			.700 acres	Total land value			125,000	87,500

## Residential Dwelling Information

Subject	Code	Description	Condominium
Style	09	Dutch Colonial	
Exterior Walls	03	Aluminum Siding	
Roof Material	01	Asphalt Shingles	
Roof Type	01	Gable	
Foundation	01	Poured Concrete	
Interior Walls	01	Plaster	
Floors	01	Hardwood	
Heating System	01	Hot Water	
Fuel	01	Oil	
Attic	99	None	
Grade	37	B-	
Garage	22	Attached 2 car	
Area Over Gar.	99	None	
Basement	01	Full	
Bsmt Fin Qual	03	Rec Room W/ Air	
Air Condition	01	Central Air	
Interior Cond	05	Good	
Exterior Cond	05	Good	
			Actual Year Built: 1969

## Building Valuation Summary

Dwelling	Frame	2 story w/bsmt	Area	918	192,640
Basement	Full				
Heating	Yes	A/C	Yes		5,840
Plumbing	2 F/B	1 H/B	Add'l fix.	Wh/p	6,000
Attic	None		Attic size:		
Additions					108,700
Other Features		WB Stks	RR		19,388
Sub-Total					332,568
Grade	B-	Factor 1.1700			389,105
CDU		C&D Factor 1.00			389,105
Depreciation		35 %			252,918
Computed cost value @ 70%					177,043

## Building additions

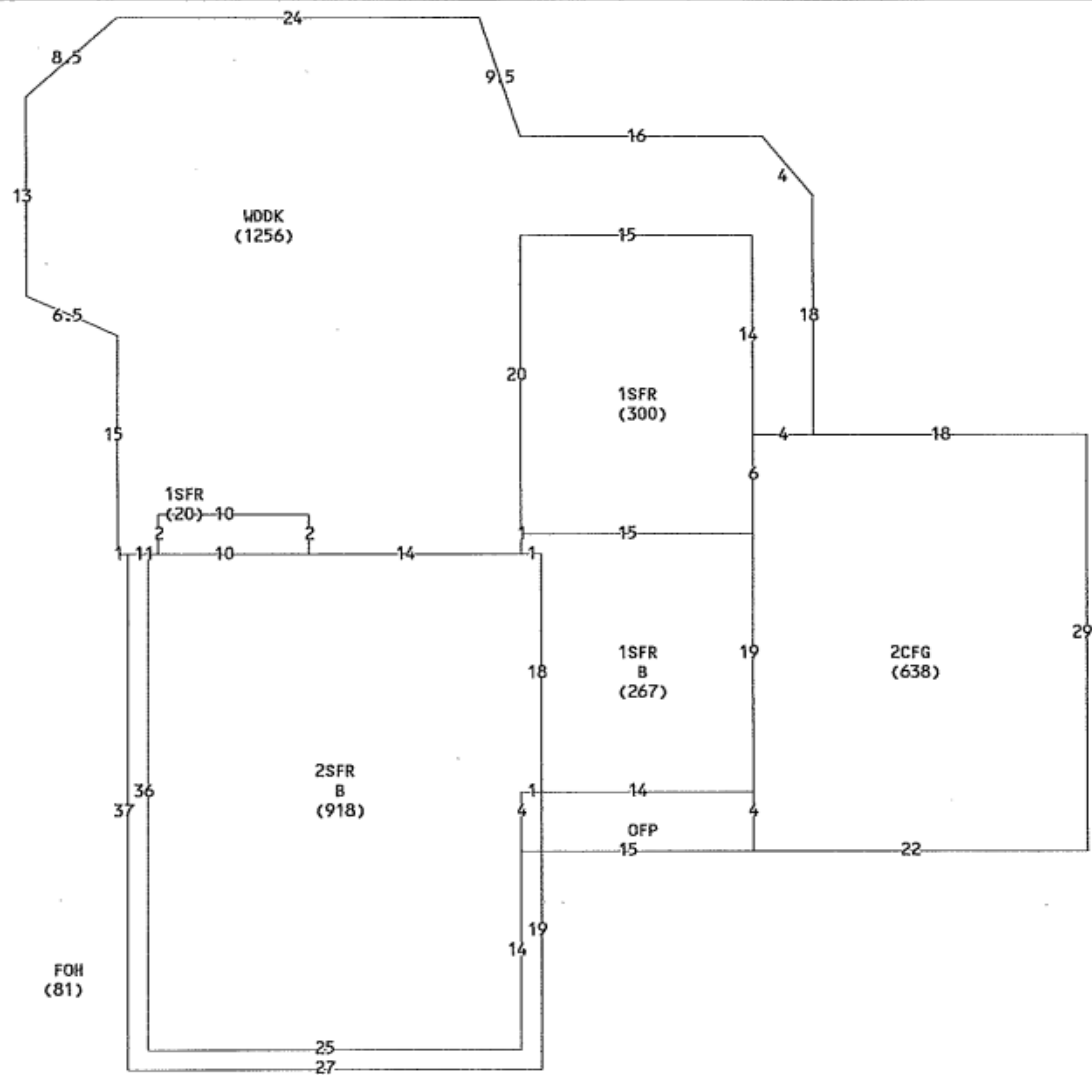
Category	Type	Area	Value
L Living Area	OVER	81	5,495
P Porches, Patios, Decks	FOFF	60	2,708
L Living Area	FRFF	267	22,642
L Living Area	BSMT	267	3,645
L Living Area	AIR	267	601
P Porches, Patios, Decks	DECK	1,256	24,645
G Garages	FR	638	21,152
L Living Area	FRFF	300	25,440
L Living Area	FRFF	20	1,696
L Living Area	AIR	300	676

Total additions 108,700

## Outbuilding Information

Description	Wid	Len	Area	Rate	Year	Cnd	RCN	Depr	Value
RS1 Frame	16	16	256	20.00		C	5,120	50	2,560
Utility Shed									
Value at 70%			1,792				Value at 100%		2,560





# Land Value Analysis

Current land values are established.

## Land Information

Type	Use	Acres / SqFt	Rate	Total	Infl	Fact	Value	70% Value
PRIM	11	.700	125,000	125,000			125,000	87,500
Primary Site		30,492						
		.700 acres		Total land Value			125,000	87,500

# Construction Cost Analysis

This will allow us to recalibrate the 2018 cost tables to reflect today's construction costs.

Building Valuation Summary					
				Area	
Dwelling	Frame	2 story / bsmt		918	192,640
Basement	Full				
Heating	Yes	A/C	Yes		5,840
Plumbing	2 F/B	1 H/B	0 Add'l		6,000
Attic	None				
Additions					108,700
Other Features	WB Stks		Unfin	3,500	19,388
Sub-Total					332,568
Grade	B-	Factor 1.17			389,105
CDU	C& D Factor		1.00		389,105
Depreciation	35%		252,918		
Computed cost value @ 70%					177,043

# Depreciation Study

A study as to the loss in value caused by physical deterioration, functional obsolescence or economic loss caused by external factors.

Sub-Total			332,568
Grade	B-	Factor 1.17	389,105
CDU		C& D Factor 1.00	389,105
Depreciation		35%	252,918
		Computed cost value @ 70%	177,043

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# Value Testing and Review

After testing our tables for accuracy and determining the values are correct, field review is started.

This process requires the appraiser to physically look at each property and information on the street card for accuracy and to determine that the estimated market value is fair.

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# Final Assessment Sales Ratio Study

After all properties have been reviewed, and prior to assessment change notices being mailed out, the final assessment sales ratio study is performed to determine the accuracy and level of the new values and assessments.

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# Assessment Change Notices

In November, notices will be mailed to all property owners informing them of their new assessment.

Any owner who would like additional information or who feels their new assessment is not correct will be able to meet with a reviewer and go over the new value and assessment.

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# Board of Assessment Appeals

Any property owner after meeting with a reviewer and who still feels the assessment on their property is incorrect can make an appeal to the Board.

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7 Andrea Lane

**BUILDING DATA 2018 COST 2023 COST ACTUAL**

GLA		2504		
STORY		2		
CONSTRUCTION		Frame		
BASE SF		918	192640	260064
AGE / REMODELED	1969			
BASEMENT		Full		
HEAT / AIR	HW	C/A	5840	7884
FIXTURES			6000	8100
ATTIC		None	0	0
ADDITIONS			108700	146745
OTHER FEATURES			19388	26174
SUB TOTAL			332568	448967
GRADE		B-	1.17	1.17
RCN			389105	525291
DEPRECIATION			35%	35%
BUILDING VALUE			252918	341439
OUTBUILDING VALUE			2560	2560
LAND VALUE			125000	135000
TOTAL VALUE			380478	478999
SALES PRICE			500000	500000
SALES RATIO			76.1%	95.8%
ASSMT SALES RATIO			53.3%	67.1%



59 Old Mill Road

BUILDING DATA 2018 COST 2023 COST ACTUAL					
GLA		2082			
STORY		1			
CONSTRUCTION		Frame			
BASE SF		1978	226010	305114	
AGE / REMODELED	1971	2022			
BASEMENT		Full w/ wo			
HEAT / AIR	FHA	C/A	6850	9248	
FIXTURES			9600	12960	
ATTIC		None	0	0	
ADDITIONS			38823	52411	
OTHER FEATURES			17218	23244	
SUB TOTAL			298501	402976	
GRADE		B-	1.17	1.17	
RCN			349246	471482	
DEPRECIATION			35%	20%	
BUILDING VALUE			227010	377186	
OUTBUILDING VALUE			0	0	
LAND VALUE			138450	153450	
TOTAL VALUE			365460	530636	
SALES PRICE				560000	
SALES RATIO				94.8%	
ASSMT SALES RATIO				66.3%	

