

**AVON TOWN COUNCIL
SPECIAL MEETING MINUTES
December 8, 2022**

I. CALL TO ORDER

The special meeting was called to order at 6:30 p.m. via GoToMeeting by Chairman Polhamus. Members present: Mmes: Maguire, Ausiello, Messrs: Polhamus, Weber, and Indomenico. A quorum was present.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chairman Polhamus.

III. OLD BUSINESS

22/23-41 Amendment to Year End Transfers and Appropriations

The Town Manager reported that he further discussed the \$1.5 million transfer from year-end positive variances to the Medical Claims Fund that Council approved at last week's meeting with the Director of Finance; a transfer is a lot like an appropriation; the Medical Claims Fund is not one of our appropriated budgeted funds; a transfer of that size would require approval either via Council/Board of Finance, a Special Town Meeting, or a Referendum, per the Town Charter; with this item going before the Board of Finance next week, his request tonight is to have Town Council amend that year-end transaction and he recommends transferring \$750,000 to the Medical Claims Fund now and place an assignment for the remaining \$750,000 which can be appropriated through the budget process. He noted that if the additional \$750,000 is not needed, it can be closed to Unassigned Fund Balance or used for some other assignment. In response to a question from Chairman Polhamus, the Town Manager responded that once it leaves the General Fund that is the appropriation; if you want to put an assignment on Fund Balance for some amount over \$900,000 which is the approximate threshold amount right now requiring Special Town Meeting approval. Tom DiStasio, Director of Finance, noted we recently placed an Assignment on Fund Balance in the amount of \$1.8 million as part of the budget process for the FY 21 budget and not subject to the terms of the Town Charter; an appropriation authorizes the use of funds for a particular purpose whereas an assignment sets the funds aside and designating them for some future use which can be accomplished easier than setting an appropriation of a certain designated amount. In response to a question from Ms. Ausiello, Mr. DiStasio responded that a transfer goes from one Town fund to another Town fund. Mr. DiStasio walked Council through the revisions in the booklet under Tab D, items 6 and 7 related to the Medical Claims Internal Service Fund; as a result, Tab A also reflects revisions under Other Financing Sources: Appropriation of Fund Balance (RSI-1) and Transfers Out (RSI-2). In response to a question from Ms. Ausiello, Mr. DiStasio responded that it is not unusual to transfer funds at year-end from one fund to another; \$1.5 million may be higher than what you would typically see. The Town Manager added that the purpose and need for the transaction still applies but wants to fix the type of transaction being utilized to ensure Charter compliance. In response to a question from Mr. Indomenico, Mr. DiStasio responded that there is no timeframe on when to utilize the funds from Assigned Fund Balance, but we can monitor it for now.

On a motion made by Mr. Polhamus, seconded by Mr. Indomenico, it was voted:

RESOLVED: That the Town Council approve the recommended revisions to Tab D in the booklet Final Fiscal Year Transactions FY 2021-2022, as presented by the Director of Finance.

Mmes: Maguire, Ausiello, Messrs: Polhamus, Weber and Indomenico voted in favor.

IV. ADJOURN

On a motion made by Mr. Weber, seconded by Ms. Ausiello, it was voted:

RESOLVED: That the Town Council adjourn the meeting at 6:45 p.m.

Mmes: Maguire, Ausiello, Messrs: Polhamus, Weber, and Indomenico voted in favor.

Attest: Jennifer Worsman, Clerk