

Board of Finance 04/10/2013 Budget Workshop Minutes
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BOARD OF FINANCE
TOWN COUNCIL
BOARD OF EDUCATION
WEDNESDAY, APRIL 10, 2013 7:00 P.M.
BUDGET WORKSHOP MINUTES

I. CALL TO ORDER

Chairman Thomas Harrison called the conference to order at 7:06 pm at the Avon Senior Center.

Members present: Chairman Thomas Harrison, Vice Chairman/Secretary Thomas Gugliotti, Margaret Bratton, Catherine Durdan, Brian Stoll, and Dean Hamilton. James Speich was absent. There was the presence of a quorum.

The Pledge of Allegiance was led by Mr. Harrison.

II. OLD BUSINESS

12/13-03 FY 13/14 Budget: All Three Boards

a. Board of Finance Workshop: Set Budget Goals and Objectives

b. Adopt Final Recommended Budget*

c. Sign Call of the May 6, 2013 Town and Budget Meeting

Mr. Harrison opened by stating that under the Town Charter this is the opportunity for the three boards to confer, and for the Board of Finance to make recommendations for the budget to go to referendum. To start the conferring process, Tom Harrison called on the Town Council to make comments or observations.

Mark Zacchio, Chairman of the Town Council, stated that the presentations were received well. There was clearly support for the new programs. The Council is happy with the public comments received. One comment referenced our tax relief program that requires the Town Council to lien properties. We will continue to monitor and review this program.

Mr. Harrison called on Board of Education to make comments or observations.

Peggy Roell had no comments.

Mr. Harrison called on Board of Finance to make comments or observations.

Mr. Harrison informed everyone that Jim Speich had a work emergency and could not attend the meeting. He has submitted a statement that will be read into the minutes.

Mr. Harrison will exercise his prerogative to speak last.

Margaret Bratton: Due to unusual events that have occurred over the past couple of years, I put together a special thank you to our State Senator Kevin Witkos, our State Representative Tim LeGeyt, our Town Manager Brandon Robertson, our Superintendent of Schools Gary Mala, their executive & support staff & employees, our Police Department and Volunteer Fire Department, our Town Council Chair Mark Zacchio, our Board of Education Chair Peggy Roell, and their fellow –elected members:

While many people at the State & National level have chosen to exploit catastrophic Connecticut storms & horrific Connecticut security events & their victims, our people, whom I just mentioned, worked together to seek out, give, and act on only expert information and advice. They carried themselves in a business-like manner, moved quickly when prudent, waited for facts and then made prudent changes, and are also still prudently waiting for the anticipated June State Police complete report so as not to make rash nor ineffective changes. Thank you for your professionalism; you have brought many differing groups within the Avon community together.

In between handling all of those unexpected events, over the past year, there was a lot of behind-the-

scenes research, reorganizing, streamlining, upgrades, implementations and other work within our town and education systems. All of that led to impressive proposed budgets that include new major-ticket-items yet at the lowest proposed net tax increase in many years. Therefore, I vote that the Board of Finance forward this year's combined proposed budget on to the referendum as is.

Cathy Durdan: I have reviewed the budget proposals and would like to thank the Town Council, Superintendent Gary Mala and the Board of Education for developing reasonable budgets that addresses the needs of the town and schools while fulfilling their salary and benefit obligations. I would like to reiterate what Chairman Harrison said Monday night about the three boards working together. I feel that we are kept well informed. I would like to thank Brandon Robertson for Council updates and Bill Stokesbury for current Board of Education information.

I wanted to share that on Sunday, December 16th, late into the evening, I drove by the Board of Education offices on Simsbury Road. The lights were burning brightly. I felt comfortable that the necessary parties were addressing security procedures for the Avon schools. You could feel everyone working together.

Avon taxpayers are being asked to support a 2.6% mill rate increase. I also support the 2.6% increase. Since 2004, Tom Gugliotti has been asking me to join him in supporting the budget. This year I would like to ask him to join me in supporting the 2.6% increase.

Tom Gugliotti: All those remarks are appreciated. I support the 2.6%, may even wish it was 2.7%. It does show the dedication and hard work of everyone involved. I get the sense that at the 2.6% level we are doing the things that need to get done. We have the capacity to do it. Maybe next year or the year after as circumstances change, we can address more needs. I support the 2.6%.

Dean Hamilton: I feel as if Avon is living in Fairy Tale land tonight.

I was going to review some economic statistics, but that's overkill. We're all living it daily, and taxes and expenses continue to increase faster than incomes... even if you haven't been pushed out of a job, or entirely out of the job market.

Combine low interest rates, taxes, taxes on savings, and inflation, and those who have carefully saved are losing money, instead of being able to live comfortably.

The Fairy Tale we're living, I call...Avon and the Three Boards.

First the Board of Finance. Despite being typecast as the ogres in this Fairy Tale, we are here to be responsive to, and represent the best interest of, every single resident of Avon. Each of us has a vested interest in improving Avon. However, it seems our place of honor is always between the dog and the hydrant.

Second, the Town Council.

You've developed a team and a vision that is working for Avon. Despite difficult economic times and lofty financial goals, your efforts are outstanding, and your budget shows it. You are making good on promises and making up for lost time from prior years with this budget. I am impressed.

In Avon's Fairy Tale tonight, the Town Council budget is not too high or too low, but just right.

Third, the Board of Education.

My 2 boys are in 2nd and 4th grades Pine Grove School, so I'm upset with Gary Mala. If I want to take advantage of full-day kindergarten, I have to start all over – then wait for five years! I'm not sure I'm young enough for that. Gary, I'm deeply impressed with your ingenuity to be able to offer full-day kindergarten at a small incremental expense. Good job!

Gary, your staff, and the entire Board of Education impress me with the dedication and creative pragmatism in your budget. Working under the stacked-deck rules of the State, Bill, Wendy and Ames negotiated a respectable outcome with the teachers' union. Gary, your extensive efforts to further Education transparency throughout Avon are not only deeply appreciated, but also make me wonder Gary, if you ever sleep. I hope that the transparency continues and grows to include salary negotiations next time.

In Avon's Fairy Tale tonight, the Board of Education budget is not too high or too low, but just right.

The collaboration among the three boards is creating outstanding benefits for everyone in Avon, as demonstrated by these creative, responsible, and realistic budgets. This is the happy ending to the Fairy Tale of Avon and the Three Boards.

I recommend the requested tax increase of 2.6% be sent unchanged to referendum.

James Speich: statement read in – with consent of board

Dear Chairman Harrison and Board of Finance Members,

I will not be able to attend the Budget Workshop on Wednesday April 10th due to business obligations.

This will be the first time I will not be present at the Workshop.

Due to the fact that I am not present, I realize I cannot vote. But I would like to make some comments and observations based upon reviewing all the budget material over the past months and being present at the Public Hearing on Monday April 8th..

Both the Town Council and the Board of Education did a fantastic job on their respective budget requests this year. The working together relationship we were all looking and hoping for is paying off in budgets that reflect their needs at a cost I see affordable to the Avon town residents. I applaud the Town Council for increasing the Capital Improvement budget for the much needed infrastructure improvements. Of course, we would all like no tax increase with increased services, but that is not the reality. I appreciate the collaborative spirit between the Town and the Board of Education ... this is the only way we can survive the stagnant economy we have on our hands at the moment.

The requested tax increase of 2.6% should be sent to referendum.

Brian Stoll: First I would like to echo all the thank you's that have already been said. I will also support the budget as submitted. I am very pleased that we can provide the voters the chance to vote on the budget that's presented by the Board of Education and Town Council directly. I'm also very pleased at the increases in alternative funding that we see coming from the Board of Education and Town Council this year. It amounts to something over 1 million dollars. That really eases the pressure on grand list growth, which is minimal, and will continue to be minimal for a number of years. The spending increases are supported by the debt payment decrease we have this year and helps fund some capital improvements. We aren't going to have that every year. Salary & benefit continue to increase at 3% each year, we just signed a new contract. When you put all these pieces together, at a 2.6% increase, we are barely keeping up with salaries and benefits. It doesn't leave a lot of funds for additional improvements. We have been creative and have come up with some terrific things this year. I don't want to disparage that. It is a responsible budget. As Tom Harrison stated Monday night, we have seen more than 3% increases coming in as requests every year since 1999, except for one year. That year was last year, where I think we also had two very responsible budgets that were reduced. I hope that we can set a precedent this year with the spirit of collaboration we have, if budgets come in a little bit higher, we can support that as well as a Board of Finance.

The only other comment I want to make is what are we missing? I know the original budgets submitted, the Town Council reduced by about \$3.8 million. Capital improvements, The Board of Education reduced by \$1.4 million. Capital improvements that are going into the schools are for school security & ADA compliance which are very important subjects, but they do not further education. When we look at science, technology, engineering and mathematics (STEM) programs at other districts and where we are at Avon High School, there are still some significant gaps. When we look at our spending per pupil, we're lower than Canton, West Hartford, Simsbury, Farmington and Glastonbury. We are making great strides in right direction. But, I don't think we are there yet. So, in closing, I definitely support the budget as submitted. I am pleased to do so, and hopefully we are setting a precedent that given we have a very responsible Town Council & a responsible Board of Education putting the budgets together, we can allow our voters a chance to vote them directly in future years as well.

Tom Harrison: I am happy to join my colleagues in commending the efforts of all the boards. It is such a pleasure after some of the situations we have had in past years among and between the various

boards, that situation is gone. Obviously we share the right to our own opinions. But luckily cooperation and understanding is special. I really appreciate that. I join my colleagues in expressing my support and recognition.

My approach, and this is going to surprise some of you, I think most of you saw the e-mail that Linda Merlin has circulated today talking about the 3 R's. She didn't mean reading, writing and arithmetic; she meant three other things in terms of budgets. And without any cooperation, I'm sure you'll agree, we didn't compare notes on this. I too have 3 R's that I use when I review budgets. They are almost identical to Linda's so I'm going to exercise the vast prerogative I have as Chair to share my 3R's instead of hers. When I review a budget, I look at three things; is it responsive, is it rational and is it realistic. And by responsive, I mean does it respond to legitimate issues that face particular Boards, departments, agencies, whoever is putting the budget together.

Second, what I mean by rational, is there some sort of rational basis for how that budget setting entity made its priorities, set its spending levels to meet those priorities. The third, and probably the most important from the point of view of the Board of Finance, is the budget realistic. And that I mean, despite the other 2 R's that I look at, is budget as submitted to us by the Board, department, whatever it is, realistic in the overall context of all the budgets being presented to the community. Is it realistic in the context of the financial condition of the town? Is it realistic in the general economy? I'm delighted to be able to say the budgets developed by the Board of Education and the Town Council passed my 3 R test with flying colors. I hope this is the beginning of a trend that will continue. It is very professionally and skillfully developed. The professional staffs, Gary and Brandon, their assistants, and elected boards have done a marvelous job, in an economy that's still not burning on full flame. The budgets are very well done. They are very well supported. I don't think we heard anything at the hearing the other night to suggest there's any kind of ground swell or sentiment in the community against these budgets. All of us would love not to have to pay more taxes. I think this is realistic sentiments based on the comments we heard from the twenty two or twenty three people who spoke. This year is first time I can remember, that we didn't have a balance there saying that it is too high. In any case, I agree that these budgets pass the test. I will join my colleagues in recommending that the budgets be passed through without any further adjustments.

Does anyone have any questions?

On a motion by Mr. Harrison, seconded by Ms. Bratton,

The BOF recommends the unified total budget of \$81,760,417 to the voters for consideration at the referendum. We further recommend that we authorize the Town Manager and Director of Finance to make such rounding adjustments that may be necessary so that the dollar amount is supported by a mill rate increase of 2.6%.

Messrs. Harrison, Gugliotti, Hamilton, Stoll and Mmes. Durdan and Bratton voted in favor.

III. NEW BUSINESS

There was none.

IV. OTHER BUSINESS

There was none.

V. ADJOURN

On a motion by Mr. Harrison, seconded by Cathy Durdan, it was voted:

RESOLVED: That the Board of Finance adjourn at 7:32 p.m.

Messrs. Harrison, Gugliotti, Hamilton, Stoll and Mmes. Durdan and Bratton voted in favor.

Respectfully Submitted,

Thomas A. Gugliotti, Vice Chairman/Secretary

Attest: Mary Marinello, Clerk