

**TOWN OF AVON**  
**2017 ANNUAL BUDGET MEETING MINUTES**  
**MAY 1, 2017**

- I. **TOWN COUNCIL CHAIRMAN:** Mr. Mark Zacchio  
Town Council Chairman Mark W. Zacchio called the Annual Town Budget Meeting to order at 7:00 pm in the Avon Senior Center Community Room. He gave condolences to Peggy Roell on the loss of her husband, Bill Roell and asked for a moment of silence. He led the audience in the Pledge of Allegiance. He asked the citizens for nominations for moderator.
- II. **CITIZENS:**  
On a motion made by Bill Stokesbury and duly seconded by David Pena, it was unanimously voted to elect William Shea as Moderator of the Annual Budget Meeting.
- III. **MODERATOR:**  
William Shea welcomed those present and stated the meeting is in accordance with the Town Charter. He reminded the assembly that no action will be taken this evening. He stated the meeting will be adjourned to a referendum to be held on May 10<sup>th</sup>. The voting hours will be 6:00 a.m. to 8:00 p.m. He requested the Town Clerk, Ann Dearstyne, to come forward and read the call of the Town Meeting. The Clerk read the following notice:

**LEGAL NOTICE**  
**TOWN OF AVON**  
**ANNUAL BUDGET MEETING**

The Annual Budget meeting of the electors and citizens qualified to vote in Town Meetings of the Town of Avon, Connecticut will be held at the Avon Senior Center, 635 West Avon Road, in the Town of Avon, Connecticut on Monday, May 1, 2017 at 7:00 p.m. for the following purpose:

To receive and consider a resolution for the adoption of the 2017/2018 Annual Budget in the amount of \$90,913,236. as recommended by the Board of Finance, for the fiscal year commencing July 1, 2017.

Pursuant to Section 9.4.1 of the Avon Town Charter, the Annual Budget Meeting will be adjourned to a referendum vote on the aforesaid recommended budget to be held on Wednesday, May 10, 2017, between the hours of 6:00 a.m. and 8:00 p.m. Electors and persons who are not electors but who are qualified to vote at town meetings will vote at the Avon Senior Center, 635 West Avon Road, Avon, Connecticut.

Absentee ballots are available at the Town Clerk's Office in the Town Hall.  
The aforesaid question will be placed on paper ballots under the following heading:

“Shall the Annual Town Budget in the amount of \$90,913,236. as recommended by the Board of Finance, for the fiscal year commencing July 1, 2017 be approved?”

Voters approving the proposed question will vote “Yes” and those opposing the proposed question will vote “No”.

Dated at Avon, Connecticut, this 7th day of April, 2017.

The following is a summary of the budget showing estimated revenues by major sources and recommended appropriations by major sources.

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Thomas F. Harrison, Chairman  
Board of Finance

IV. MODERATOR:

Mr. Shea called on Mr. Thomas Harrison, Chairman of the Board of Finance, to read the resolution.

V. BOARD OF FINANCE CHAIRMAN: Mr. Thomas Harrison

Mr. Harrison acknowledged and welcomed the attendees. Mr. Harrison moved the Resolution: “Shall the Annual Town Budget in the amount of \$90,913,236 as recommended by the Board of Finance, for the fiscal year commencing July 1, 2017 be approved?” Mr. Zacchio seconded the motion. Mr. Harrison informed the audience that he will make a slide presentation. He stated it was open season for questions. He referenced what he referred to as the “5 buckets” comprising the annual budget –the town’s operating budget, the schools’ operating budget, capital improvements and debt service and sewer fund. He mentioned that the sewer fund is funded by fees but still had to be included in the annual budget. He mentioned that this is the first time the budget is in the \$90 million range, and he recalled 2002, which was the first time a budget resolution was defeated at referendum, and it was also the first year the budget was over \$50 million and the Board of Education was in the \$30 million range. He stated that the mill rate raises almost 87% of the budget and the remainder of the budget is funded with licensing, building permits, fees and interest. If the budget is approved, the increased mill rate will be 3.62%. This number could be a challenge because customarily voters in Avon reject proposed tax increases that are above 3%. This year is different in that in February the Governor announced a change in the amount of aid the state would be providing its municipalities. For Avon, this is a net reduction of about \$737,000. To make that up, the Town Council asked not to utilize surplus, which means an increase in property taxes. The last few years reflect a decrease in residents. In the late 1990’s and early 2000’s there was about 5% population growth. Comparing Avon with other surrounding towns shows Avon is very dependent on mill rate and less on business tax. He urged people to show up to vote regarding referendum. He said by charter we need 9% turnout for votes to count.

In years past, only about 3-4% turnout. If turnout is less than 9%, budget is deemed approved.

VI. MODERATOR

- A. Mr. Shea asked Mark Zacchio, Town Council Chairman, to comment. Mr. Zacchio stated that he would walk through the numbers in the slide show and invite specific questions later. He mentioned that the state deficit and reduction in grants puts even more financial pressure on the Town of Avon. The Town receives very little money from the state and has been phasing in reductions to zero from the state over the past few years. The capital budget is less than last year. The road surfacing budget should still allow normal amount of street paving. Sewer improvements of \$75,000 are funded by sewer fees. The Town of Avon participates in tax relief for over 65, disabled or income level \$57,500 or less. People must see Assessor for this benefit. It costs town about \$203,000. Only 9 Avon employees participating in pension programs. Employees who began working for town after 1997 do not participate in pension program. He recommended staying informed by receiving emails from town of Avon.
- B. Mr. Shea asked Debra Chute, Vice Chair from Board of Education to comment. Ms. Chute offered her condolences for Bill Roell's passing and introduced Superintendent Gary Mala to make the presentation. Mr. Mala recognized Assistant Superintendent Donna Nestler-Rusack's help in creating the slide show he is presenting. Mr. Mala pointed out reductions in Board of Education budget due to new legislation passed on October 1, 2016. He pointed out the withholding of state funds if the town does not adhere to the 2.5% soft cap. He said just about 80% of the BOE budget goes towards teachers' salaries and benefits. Mr. Mala pointed out some other sources of revenue which go towards the BOE budget. Moderate amount of \$75,000 increase requested to go towards technology and transition services. Mr. Mala noted that 97.3% of the BOE budget goes towards non-discretionary expenses. Mr. Mala noted the positive relationship the BOE has with other boards, and he emphasized their dedication to transparency.
- C. Mr. Shea invited any other Town Official to comment on any portion of the proposed budget. Mr. Shea then invited citizens to come forward to make comments. He asked that those wishing to speak come forward to use the microphone and state their name and address.
- Emelio Cornelio, 2 Will's Walk – I have lived here for 12 years. I am a Veteran with over 30 years of service. This town offered me a Veteran's Exemption of \$1,500 off my assessment which equates to \$45 off of my \$11,000 tax bill. That is insulting to me as a Veteran. There has never been raise in my assessment. When I talk to the Assessor, he tells me the amount is mandated by the state. But each town has the authorization to raise that assessment. West Hartford has \$4,500 off assessment. My brother in Wethersfield, who is also a veteran, gets \$4,500 off his assessment. It's not that much money, but it seems that the veterans are just forgotten. That's all.

Mr. Shea thanked him for his question and for his service and invited anyone from the town to comment. Mr. Zacchio said they have had conversations with the Assessor and it was their understanding that the assessment couldn't be raised or wasn't recommended to be raised but the veteran's credit issue could be revisited on an annual basis when the budget was reviewed.

Beth Denious, 6 Manitook Mtn. – I am a 2 year resident of Avon and first I want to say thank you for your service. It's been an incredible community. I've lived in large cities for most of my life so it is lovely to be in a community with nice people, wonderful services and great work. Just a question. Given the fact that our state is not expected to see large revenue increases in the coming years, what's our plan as a town to generate more revenue? Where are we seeing opportunities in each of us educated folks, comparatively educated as compared to other parts of the country, or even state? That we come together, come up with great ideas, small business development. How do we support the economic development of the town to contribute to the needs of our citizens and decreasing deficits? I'm ready and I look forward to finding ways to collaboratively put the state back in. Mr. Shea thanked her for her question and asked if anyone from the Town Council wanted to comment. Mr. Zacchio said that one of the problems facing the town is the geographic size of 22.5 square miles, and the way the zoning is broken up, we have both retail and industrial. We have strong retail but that doesn't contribute as much as industrial property. We don't have the ability to get any bigger. The Town Center development is probably the biggest focus we have at the moment that is driving new, grand-less growth. Private developer is working with Planning and Zoning to help in this regard. Mentioned that binding arbitration costs towns like Avon more. Ms. Denious asked if there was a way for us to work with other towns in our area in bringing larger opportunities. Or services that can help generate small businesses or help increase the capacities of existing businesses? Mr. Zacchio replied that we share a lot of services between the BOE and the town because we are the same entity at the end of the day. Brandon Robertson said that we are fortunate all of the towns in the Farmington Valley are close – we meet monthly to discuss issues of mutual concern. One issue we frequently address is that towns are over reliant on property tax, which makes up over 90% of our revenue. The Town Center development is moving along. Trying to get project to planning and zoning for approval soon – probably May agenda – for review. Building permit activity is strong. Some promising development in Avon Park South. Mr. Shea thanked Mr. Zacchio and Mr. Robertson for their comments.

Tim Prete, 58 Meadow Ridge – Thank you all for all of your help. I just need some clarification based on the numbers. I look at the increases – salaries, (inaudible) and contracted services are the largest three. So salaries are up (inaudible) can you clarify? Mr. Mala responds that there are some associations of teachers that get a GWI increase. All of that gets factored in. Mr. Prete said

Contracted Services is a sizeable number. Mr. Mala responds that Contracted Services consists of legal services, exterminators, asbestos testing – we could provide you with a whole list. If you go on the website you can get all the details on that line item. It is a significant number. We negotiate hard for those services and get bids. The website provides a way to compare current figures to previous year. It's a sizeable increase – but I don't want to throw a number at you and mislead you.

Barbara Jarzyna, 116 Wellington Heights – First question is (inaudible). And second question is reference to pages 6 and 7 (inaudible). The first question was (inaudible). Mr. Zacchio responded the net of those two is the non-tax revenue. What the town is showing is raised through the tax levy to support the budget in whole. The BOE budget is showing the whole cost of that service, but the difference is non-tax revenues. So revenues not raised through this process. The non-tax revenues are the ones Mr. Mala had up on the board like Avon High School parking and pay-to-play. So they take revenues in from other sources, not tax related. Sort of like the sewer tax – it appears in the budget but it comes from other sources. Ms. Jarzyna asks whether the \$58 million budget on page 8 of the town budget is the gross. Mr. Zacchio adds that the \$56 million is net of the non-tax revenue. Ms. Jarzyna asks a further question on the number and Mr. Zacchio says it is a difference between net and gross. Ms. Jarzyna says looking at BOE on page 6 and 7 there is a difference of opinion so I want to know is 3.73% based on page 6 or page 7? Mr. Zacchio responds the 3.73% number is derived from taking the gross all in number – total expenses - and subtracting the non-local property tax revenue. This is an unusual year because the gross budget is actually less than the net budget and the reason for that is we are receiving less property tax revenue. In other years it is the other way. Mr. Shea said Ms. Jarzyna could ask another question if it was quick. Ms. Jarzyna said it was. She asked how often (inaudible) for teachers and policemen? Mr. Zacchio responded typically a three year contract. Ms. Jarzyna thanked him for the answer.

Joe Bartosiewicz, 5 Colby Way – What is the actual salary increase? What is the benefit increase? And how much of the health care does the teacher pay compared to the town? Mr. Zacchio responded the percentage increase contribution to the medical benefits for the certified staff is 18%. Mr. Bartosiewicz asked so the town pays the difference? Mr. Zacchio said yes. Mr. Bartosiewicz said that seems small and Mr. Mala added it was all the result of collective bargaining. Mr. Bartosiewicz asked who controls the collective bargaining. Mr. Mala responded that the BOE has a personnel subcommittee that has legal counsel and they negotiate directly with each bargaining unit. Mr. Bartosiewicz asked how the taxpayer affects that. Mr. Mala said that is required to be put on record at the town hall, and the town council can reject that. They can act on it to accept it, act not to accept it or if time elapses, it stays automatically. Mr. Zacchio added that the short answer is that the taxpayers effect that negotiation by electing our boards.

Because we are responsible collectively for not only the negotiation but also the approval for that process going forward. Mr. Bartosiewicz said going by what a (inaudible) in Vernon said it's not a 9% town vote, it is a town vote period. If town votes no it is no. Why is it different than some towns? Mr. Zacchio added that he is not familiar with Vernon's charter, but state arbitration is by state legislature. He said he doesn't have a good answer why Vernon does that. Mr. Bartosiewicz said if 10% voted no, it goes back again. Mr. Zacchio said to Mr. Bartosiewicz, that he may be missing what is happening here. You can vote no on the budget but that doesn't change the contract that we have in place with our bargaining units, it just changes our budget to present back to the town again. In our charter, if the town votes no, it goes back to the Board of finance. BOF will hold a second public hearing. They will collect input and make recommendations for reductions. Then they will have workshops with BOE and Town Council. They come to a new budget, do this meeting again and have another referendum. We get three shots at that. Mr. Bartosiewicz asked what happens if the tax payers say no three times. Mr. Zacchio said then this board decides what to do. Mr. Bartosiewicz asked if all members of the board live in Avon. Mr. Zacchio replied, of course, we have to. Mr. Bartosiewicz asked a second question. If the budget is \$90 million dollars and I pay about \$17,000 total in taxes right now, with the car and the house, and you're telling me in 7-10 years I going to be paying \$30,000 to live in Avon? Is that what you are saying? Mr. Zacchio said if everything stays the same, you could pay that much. It could also be even if for some reason we find 0% budgets. Mr. Bartosiewicz asked what would happen if we had a smaller town with smaller expenses – do we need 45 policemen. Burlington has a few. We have 20 times more. (Inaudible). Mr. Zacchio replied that unfortunately we cannot control the economic environment of Connecticut. But we control in Avon what we can. And we have to play by the rules the state legislature has set up for us. And you are preaching to the choir. Remember, we are in the same boat.

Kenna Daly, 23 Cambridge Crossing – I have lived in Avon for over 35 years. Thank you for considering all of the citizens of Avon. There are a few hot points tonight that have come up, and I have a little bit of a follow up to this gentleman's comments. It seems like the benefits and salaries are a big driver of our budgets. And the revenue, as far as the grand list isn't going to grow. What are we doing on a planning basis to get things more in line with the reality of the economy, not just in our town but in our state and also in line with markets? So what kind of planning is the BOE and town considering in terms of negotiating contracts that are more economical on a going forward basis? That is essentially my question. And looking back at Tom's first slide tonight with revenue versus expenses. And we can't just keep having expenses go up and our revenues not and then put a heavy burden on the taxpayer given the difficulties and uncertainties the state is having. We love it here, but I think we all have to do more thinking about being resourceful in how to meet this challenge. Sound of applause. Mr. Zacchio responded that we hear the applause, but we would like to hear the ideas. We are a

service industry, and 90% of our costs are those services. We cannot have police officers. We cannot pave the roads. We cannot plow the roads. We cannot educate the kids. I say that facetiously to make the point of we really don't have lot of other places to turn other than negotiate those contracts as tightly as we possibly can. And ma'am to your point, those market conditions help us when conditions are bad. It puts us in a better position when we sit at those negotiations to get what we think is the best deal for the Town of Avon, and still we recognize that we are an employer to those people who come when you dial 911 and those people who are caring for our children during the day and teaching them. And I don't have a better answer than that other than to say it really comes down to those negotiations and being as tough as we can. It's really why I referred to the arbitration issue earlier. It is the single most powerful state of Connecticut mandate on us because when we sit before our employees, who we love and we adore, and we want to be happy in Avon. They serve us as a community and do a very good job of it. We need to be able to negotiate with them on a level playing field and binding arbitration just doesn't give us that opportunity. That's the fact. Mr. Mala added ma'am thank you for your points. I am going to state a few specifics. Many years ago, the BOE and town negotiated from a defined benefit program to a defined contribution. That was pretty significant. More recently the BOE in some of its negotiations and in its current negotiations factored in a high deductible HSA health program, which is more prevalent in the private sector. That will generate some long term savings as that program works in a couple more years. We do go out and purchase to hold the cost down. We do, in fact, bid quite often for things that may not even hit the threshold of requiring a bid. We look to our neighbor (inaudible) to do that purchasing as well. So last, but certainly not least, on the BOE side, we have contracted third party vendors for reasonable cost to examine every one of our functions to make sure that it is as efficient as it could be. It's not uncommon when you are very close to an organization that sometimes it looks like it's the most efficient it can be. But we actually have people come in and say to us it could be better by implementing these strategies. I want to give you some specifics and it's actually a (inaudible) conversation that we have. Ms. Daly added as a follow up, since the state hasn't finished its budget, if some of that cost of the teachers' pensions does come back on the town, what are your thoughts? And the other thing is I was actually very surprised seeing what that contribution was overall for the teachers' pensions. Of course, it was not market for anybody else. So again, that feeds back into what is our planning going forward not just for the teachers but employee benefits, pensions and health benefits going forward. But if the state does come back and they are out of money and says okay, you've got to pick up the (inaudible), what is the thinking and planning so that next year at this time what kind of a budget are we going to be looking at? Mr. Zacchio replied that's a great question and we actually had a pretty long discussion about that a tri-board meeting before this budget process started. There are a number of options for us if the state comes

back with other than what we expect, and it is hard to prepare for that because the answer depends on the size of the problem. The options before us are to reduce the expenditures and in turn reduce services. And it becomes a priority of the council and the BOE to make those choices. We could do that in combination with raising additional revenues through additional taxation or -- I think those are the only additional choices we came up with that night. As a three board and town we actually talked a lot about it. Or we could hit some of our reserves. That was the third option. We steered away from the reserves. It is just north of 10%. We have a policy of the town council that we keep at least 10%. Part of that is just good fiscal management in terms of making sure we have a buffer for unforeseen circumstances. And part of that also goes into the professional rating agencies for our bond ratings. So when we do go out to borrow - like anyone with good credit - we get very low rates. And the higher your bond rating, the worse your bond rating, the higher the rates you pay which reduces the amount you can borrow effectively. So there's a fine balance. We just have north of 10% right now. So there's not a lot of cushion there to remain within the 10% requirement. Many AAA rated communities are near 20%, so we clearly are in a good fiscal position. We have some work to do to increase that balance. Ms. Denious added, as I said earlier, I really see the Town of Avon, like many towns in the area, we have such a resource, which is the intelligence and the entrepreneurial capabilities in finance, insurance, folks who work in higher education, which is so much resources for us to come together and think about finding ways to bring in more revenue for our town. We have 3 or 4 fantastic educational facilities in our town that at certain times of the year and the day, are dormant. Not necessarily populated. What can we do, hypothetically, each one of us can contribute? I am not super educated in small town councils and the role they play, but bringing a forum of folks to talk about Avon tomorrow, or Avon next year or a few years from now. What do we want to be? What can we be? Think about bringing our resources together as people and policy makers to support all of you and your expertise in coming up with additional opportunities that you haven't thought about. I think lots of folks, with all of our capacities, could bring great insights. Mr. Shea asked if anyone new had a question.

Paul Janaskie, 38 Lenox Road – I was at the Police Station a couple of months ago on a Saturday, and I counted approximately 10-12 police cars just parked there. And I am wondering if someone can explain to me why we have 10-12 police cars, unused. Mr. Robertson replied that the Chief is in the back, but said, they could have been in the building writing reports, meeting with people. Tough to say with looking at that as a snapshot. I don't know, Chief, I hate to put you on the spot. But maybe you could add some color to it? Mr. Janaskie added, it is not a snapshot, since I drive by there. We are in a situation where we really need to increase revenues and decrease costs. Chief Rinaldo replied that we have 20 cars in our fleet. And obviously we can't put them out all day long. We have our cars ready to go. So the amount of cars we have is actually pretty low compared to



other communities. (Inaudible question by Mr. Janaskie). Chief Rinaldo replied we schedule 7 per day, 7 per evening and 5 for midnights. But there's vacations and time off, so I won't tell you how many are actually on the road, but we can put up to 5 officers on the road on a given shift. (inaudible comments by Mr. Janaskie). Mr. Shea thanked the Chief for his comments.

Bruce Corbett, 171 Huckleberry Hill Road – I've been here before and been at meetings to try to get people to turn out to vote. Recently, I was at the landfill passing out about 200 of my yellow fliers trying to get people to come out and vote. Most importantly, unless 9% of eligible voters turn out to vote, our discussion here tonight is moot. You may have a lot of concerns. My primary concern is the salary schedule. The salary schedule is such that it is a 2.25 general wage increase. Which really amounts to a 3.2% increase over the 3 years. Salaries are 80% of the budget. Those are the salaries that drive our increases in taxes. I appeared before the Town Council 3 years ago and tried to have them vote down that 3 year contract for the teachers. And I did the same thing at the last 3 year meeting of the council. But unfortunately, after getting the information, the Town Council did not take a vote on the teacher contracts. Members of the Town Council did not know the cost of that agreement. When they did know, if they did know, they did not vote on it. So it was automatically approved. Much like when not enough citizens of Avon vote on the budget, the budget will automatically get approved. And I'm thinking that your vote or non-vote sends a particular message. And the message can be this: you need to thank the people on our boards for the work that they have done – they have done the best they can with what they have. I've seen them operate, and they, for the most part, are very cognizant of what the needs of the town are. If you do not vote as a citizen, you are saying you are satisfied with the budget and the teachers' salaries. You are too busy to know or to vote or to care. A non-vote, and this is most important, indicates that the Town of Avon has the ability to pay. The ability to pay affects negotiations and arbitration. And we will have another teacher negotiation session in 2018. It's going to take voting for several years, by the citizens of Avon, to turn this pattern around that we have of continual tax increases. So what I would suggest is you get out and vote and give your thoughts to our board leaders because if you vote yes, they don't have anything else to do. If you vote no, they've got to go back to work and think where cuts can be made. My personal opinion is that I would like to see the 2.25 GWI concession from the teachers. Thank you. Sound of applause.

Randi Byron, 83 Deepwood Drive – I've been living here since 1994. I've taught in New Britain all my life and just retired from teaching this past June. I love Avon. My son started kindergarten at Roaring Brook. I had to deal with a lot of concessions in New Britain. (inaudible) Anything I had to buy for my classroom came out of my own pocket. And I understand that teaching is important. I see that the enrollment goes down. I see that Avon is not in the top 10 anymore in

terms of the school system. I just think it's time to buckle down and stop putting it all on us. I don't want to move from this town. But the thing is, every year it goes up and I am getting 30% less than my salary that I had before because that's what teacher retirement is. And I am living on 70% or so after 35 years. A lot of people are really stuck. And it is time to start tightening things up or something. It can't always be on the taxpayer. Oh that's right – we can just raise taxes. It is getting out of control. I just wanted to let you know.

Dick Burkett, 40 School Street – I've lived here about 40 years. (inaudible) I see a lot of things are pretty overextended. A burden that you don't need to extend. The only thing I (inaudible) is the new magnet school. They had a gym in there that looked like Healthtrax. That school only goes through the 4<sup>th</sup> grade. When I go to the gym, I have to pay for my gym. But in that gym there's treadmills, bicycles, weightlifting. I have never seen a 4<sup>th</sup> grader do weightlifting. If teachers are making so much money, they can pay for their own Healthtrax. If you are employed in the private sector and your employee wants \$50,000 more wages, your employer would tell you can stay here and take what you got or move on somewhere else. There are plenty of teachers in this state. We can replace the teachers if they can't work for \$128,000 or \$138,000 per year. Two years ago it was stated that the average income was \$68,000. Teachers here are making double what the average person in the state is. You can negotiate – you either stay here or go somewhere else. I bet not one of the teachers making \$128,000 would leave. Now they are making \$130 something thousand with the new increase, and it keeps escalating. And towns have been losing (inaudible) like I said last time. I was here last meeting (inaudible). My taxes are going up, that's the other thing (inaudible) that mountain up there (inaudible) was called the Old King's Highway. There were no houses up there, just forest, you know (inaudible) But every year my taxes have gone up, you know, 2-3%, (inaudible) and there are some big houses up there -- \$840,000 to a million or two million dollar houses, and what kind of taxes are we paying (inaudible). And those houses weren't built last year, they were built this year, and now we have revenue for the following year from those houses that we didn't have last year. And you are still increasing our taxes 2-3%. (inaudible) Why are we getting all this extra revenue every year and still increasing out taxes? Mr. Zacchio responds most of your questions are BOE related, and I will kick it to them for an answer, but as Tom had presented, the grand list growth – one house for \$2 million doesn't raise our tax revenue all that much. The grand list growth offsets increases in the costs to run the town. Our grand list growth, regardless of the buildings you see going up, was .75%. Back in the 80's when you saw Lofgren Road be developed, and I used to hike that area myself as a kid, those years we saw 5, 6, 7% increases. I wasn't here and can't speak intelligently about how the budgets worked back then, but I can tell you that the offsetting grand list that you see today -- or about .75% -- is not nearly enough to offset the costs that are increasing in town or provide the services we provide. The other questions are really BOE related, and I ask that

they respond to them. Mr. Burkett states (inaudible), now if he puts one house on that road you got a problem. If he puts 50 houses on that road, it doesn't cost you anymore to (inaudible), so where is all this extra revenue that's coming from the 50 houses (inaudible) one house, where is that money going? Mr. Zacchio replies the entire levy, whether it increases, stays the same or decreases, creates revenue to the town that gets added into the expenses of the town. The expenses of the town go up higher than the increases you are seeing from a development, generally. Mr. Burkett replied I've been in business for years. If I have all this money, expenses didn't go up last year, (inaudible) and that's what I said about schools (inaudible). Mr. Zacchio said Sir, can I clear that up for you? The CREC School is not part of the Avon school system. It's the state of Connecticut. Wasn't built by Avon. Our Avon teachers are not there. Avon Public Schools doesn't have any gyms. Doesn't have any workout facilities that look like Healthtrax. It is in Avon. Mr. Shea said thank you, Mark. Sir, we'd like to see if there are some other questions. Mr. Burkett (inaudible) person in charge of the school, I was going to public school and (inaudible) a guy called back and said come over and see, whether it will work for you or not. Never heard again. Went to the school one time. Went into the office. Three secretaries were in there. Three secretaries couldn't tell me who the teacher was who was teaching the video. Why do we have three secretaries who don't know who the teachers are in the school? Mr. Zacchio interjects Sir, the BOE might be able to answer your question. I cannot answer your question. Mr. Shea said we want to see if there are other people with questions. Is there anybody new who would like to ask a question?

Russell Maida, 264 New Road – What that lady said before – it resonated with me – you know, I'm sure what you've decided, that there is not a heck of a lot that we can do. We don't have commercial. In a lot of instances I don't know if we can build up. If we can relax zoning laws. But would it be possible to get some sort of think tank (inaudible)? I love what she had to say. I'm sure there are plenty of professional project managers in our town who would love to lead a group of 24 citizens to come in and see if we could think outside the box to see if there is something we can do. That we haven't thought of. It's a tough situation. That's all. She had some good points. We just kind of said ok next. Mr. Zacchio said we can do that. I would implore the first step is to attend town meetings. We have a meeting Thursday night and we'll be lucky if we have two people in the audience. We start this process – Gary, I think you guys started this in October, November, even earlier – it's a process and I know it is an agenda item often on the BOE agenda. We start this process in November. We have several meetings. We have a three board meeting that we invited the public to and had a very robust conversation around this year's budget. We had a series of Board of Finance workshops. And frankly, we don't get a lot of ideas from folks. The three board meeting was to generate ideas, and we didn't get any. We are a group of very intelligent people who can come up with different ideas. The fact is, most of the time there is a statute that doesn't allow us to do something. So if there are ideas

that we can come up with to get around those, then we can work with our representatives to do so. But come to meetings, make suggestions. And Brandon, I'll ask if you can think about putting together a subcommittee of some type for that discussion. I think it's – we actually had a consultant service conduct a study some years ago on combination of services to help give us opportunities to work across borders of neighboring towns that had some success. You know, at the end of the day, we are 22 ½ square miles and 90% built out. We don't have a lot of land options left. And fortunately we Avon Park South and North that has industrial and commercial properties that help offset this. But like most Connecticut towns, we are property tax dependent. And it would take a major structural change at the state to see a change.

Claire Henderson, One Keystone Circle – I've been attending these meetings for 39 years. I really didn't think there would be much conversation. Usually this meeting doesn't have the opportunity to ask questions, but in trying to summarize what I'm hearing, and talking about collaboration with other people and other towns, I really think the towns have got to get together. They're all in the same boat. I mean all of the surrounding towns in the valley are built out. There's not going to be great growth. There's going to be constant salary and benefit increases unless we can come to grips with binding arbitration. We cannot work with our state legislature and legislators and state senators and try and change that system. We are going to be talking about this, and I don't have grandchildren, but they will be talking about it. My sister's children. It's not going to stop until we can go beyond our borders and get everybody else who is suffering the same way, to think the same way. And work to push back against this. I mean for people to be able to hold a community hostage because of binding arbitration is simply not acceptable. Sound of applause. Mr. Zacchio said I'll ask the Town Manager to speak in terms of the consortiums we are part of at the state level – CCM, COST, CRCOG, where the communities are actually together as lobbyists to the legislature in order to make those changes. I will comment briefly about binding arbitration. I said it before and I'll say it again. When the teachers' pension piece was recommended by the Governor, the first three things we said to our legislators and representatives was don't ever let it happen, don't ever let it happen, and if you do let it happen, get us a door open to binding arbitration. Because it's the only way the towns are going to be able to survive. So we're with you, and we understand it. But we also have to play by the rules that are in front of us right now. Like with the binding arbitration rules. I know they are difficult. And we do our very best. And I'll ask Brandon to speak on the lobbying efforts that happen with towns that are in the same boat that actually have some authority with the state in terms of legislation when they are in session. Mr. Robertson said probably two themes I want to hit on. The first is advocacy. The town belongs to a number of groups, including COST, the council of small towns, CCM, the Connecticut conference and municipalities, and CRCOG, the Capital Region Council of Governments. All of those organizations have a slightly different

function, but advocacy is an important function for all of them. So I've been doing this 20 years now, and for the last 20 years, one of the items that they have pushed every year is binding arbitration reform. And they get nowhere. And I don't see it changing anytime soon. It is a state issue. It is not a town of Avon issue. This is what I do all day. Talk to colleagues all over the state. They all complain about exactly the same thing. The fact is, their hands are tied. Because especially for communities like Avon, we have to look at ability to pay. It's one of the primary factors that arbitration panels weight when they go to award contracts. Again, it's not determined locally. Town of Avon can say we are only going to do 1% wage increase. We're only going to do 1 1/2% wage increase. That's fine. But when it goes to a three member panel, that has to operate in this framework, we'll lose every time on that front. So it continues to be a topic of discussion. It's raised in just about every meeting I'm at. And I think you have to look at the composition of the legislature. Look at the leadership. It's just, I've been pushing the rock up the hill for 20 years now and I don't see it changing anytime soon. Another issue is in terms of our operational efficiencies. This is what my team and I do. Every day of the year. Whether you're talking about the police chief, talking about public works. I have ten direct reports. I hold all of them accountable to run their departments and identify the most efficient way to provide the service that they possible can. We've done some really smart things. When you look at how our head count has maintained over the last 40 years or so, we have just about the same ratio of employees to population that we had in 1970. We've done a lot of great work in terms of contracting out. Over the years as we've added more floor space, more equipment, more fields, everything. More of everything. More roads. Every year that we add to our infrastructure the fallback position could always be well let's just add more people. We haven't done that. We've looked at contracting out. We've worked smarter. We've worked better, more efficiently. In the past we've had great arrangements with surrounding towns. We've done good work with Canton over the years, sharing positions. And whenever there's a vacancy that's come up and it seems like it might be a candidate for service-sharing, we talk about it. A lot of the service-sharing, if you look at the literature on regionalization on service-sharing, it is not always a cost-saving measure. And what you have to have in place, you have to have capacity available in one town that another town can purchase. And I will tell you, when you look at how the town of Avon is staffed. When you compare our staffing complement to Simsbury, Farmington, Canton, Glastonbury, take your pick, most of these towns are really tight. And Avon certainly is. I guarantee you it is. We are very tight. I want everybody to understand – binding arbitration – I wish it would change. It probably won't. It's not something at the local level that we can effect. Got to push your legislators to do it. That reminds me, just in terms of CCM being one of the organizations that the town belongs to. I get a labor report where the contracts are settling out. I've got to tell you, contracts are still settling out north of 2.25%. 2.25%, 2.75%, these are arbitrated settlements and negotiated

settlements. So I think when we talk about market, you've got your market comparisons. Maybe it's the private sector. Binding arbitration makes that basis for comparison other towns, and that's where the contracts are coming in. So that's my talk on binding arbitration in terms of operational efficiencies. Again, this is what my team and I do, the chief is in the back and can attest, every year at the start of the budget process. I put it out there and I say look, we're going to have another hard year. I've never seen an easy year in 20 years of doing this. Do something better and smarter. Think outside the box. Ms. Henderson added, my idea of thinking outside the box is to get people like you meeting with your peers in other places, and as a huge group go back against the legislature. I know one-on-one it's not going to work. But everyone else is in the same boat. There must be panels going on in other towns with the same conversation. Mr. Robertson replied, what I'm telling you is that every year we do CCM, 166 of the 169 towns belong, and we push it every year. Ms. Henderson replied, it is an acceptance that I'm hearing from you, and I am sorry to have to say that. And I think now the tipping point has been reached, and we must all find a way to state it so that it is (inaudible) to the legislature. Bring the press in. Bring the television stations in. I don't hear binding arbitration on the news. But they can investigate and find out why we are constantly held hostage. Discussion about only 6 states in country that use binding arbitration. Mr. Zacchio said not everyone is in the same boat that we are. A lot of communities get a lot of the money that doesn't come here. So take a look at the education cost-sharing plan. What are we getting? \$700,000? Mr. Robertson said we get zero. For 2017. Hartford gets what? \$180 million? Bridgeport gets about \$160 million. New Britain, Waterbury – I could go on. That's where the money is going. And guess what? Their voices are louder than all the collective towns that are in our position. And that's what has happened. Mr. Shea asked if anyone new had a question.

John Lord, 41 Deer Run – Thank you very much for your time. Appreciate it. Just a follow-up on the last comment. The Governor's proposal would take away the education grants to some of the welfare towns. Avon's getting \$700,000. That seems to be a large part of the tax increase of 3.6% versus only 2% increase to the budget. Recently, and I know we still have two months to go, the Republicans are not in favor of the Governor's proposal and want to restore the education grants. We put through the real estate tax increase and we get the \$700,000, then what happens? Mr. Zacchio replied it's a good question. It would be a nice problem to have. So typically – I'll take this at a high level – typically if we get more revenue than what we had forecasted, make no mistake, the town's budget and the BOE's budget are a series of forecasts, many of them are based on the Governor's revenue projections on the first budget, which are generally reliable. This year, not so much. In cases where we have received excess revenue, over and above what our forecasts are, that can only be expended as supplemental appropriation, that has to be approved by the town council and approved by the BOF. That 10% I talked about in savings -- many times that passes through and becomes part of

the savings program. Other times, if there are dire needs within the district then we've made supplemental appropriations to offset some of that. We've taken advantage of it to put into capital spending in cases where it made sense to make a capital purchase off the capital budget. Those are items that are more than \$20,000 and more than 5 years useful life – dump trucks, fire trucks, and infrastructure on the buildings. But no monies, after a budget is approved, no expenditures beyond what's been approved at referendum can occur without an act of the town council approving that appropriation and recommending it to the BOF who then also has to approve it. Mr. Lord asked, so there are limits on it being spent on something else. Mr. Zacchio replied, it has to go through that supplemental appropriations. Mr. Lord asked, (inaudible) budget surplus? Mr. Zacchio replied, so at the end of the year, it would close to fund balance. Mr. Lord added at that point it is baked into our tax increase. Mr. Zacchio replied you could also consider it the following year. It's never happened to the extent that it has made any meaningful difference. But this is an interesting year. But it is a major structural change. If we were to get a portion of the pensions, I don't think that is going to happen. The reality is, we all saw the news today, and we're \$400 million in the hole this year. It's pretty unlikely -- the legislature doesn't like the Governor's budget, but it has to cover it somehow. It's not going to come from giving Avon excess revenue. Unfortunately. That's my guess.

Diane Carney, 36 Rosewood Road – I have lived in Avon for many years, been involved in the community. I've gone head to head with many members of our town government over the years. And I realized that listening tonight, we don't give these folks enough credit. They volunteer their time. Many, many hours they put into these boards. Sound of applause. I think they take very good care of our Town and us as taxpayers. I mean, we aren't Connecticut residents anymore, we're Florida residents. We pay taxes in Avon every year. And I think they deserve our appreciation for what they do, and it bothers me when folks come to town meetings and act like these folks are our adversaries. They work for us. That's all I want to say. Applause. Mr. Zacchio said thank you on behalf of all the officials in the room. Mr. Shea asked if anyone new had a question. Then he asked if anyone who already asked a question wanted to speak again.

Kenna Daly, 23 Cambridge Crossing - Thinking about the article in the paper making suggestions and proposals for the state budget. How does it affect the property tax if the valuation goes to 100% rather than the 70%? Is it prorated? Is it just prorated – is that all that is going to happen? Mr. Zacchio replied the best I can figure out it is a parlor trick. Like a reassessment year, raise the assessment from 70 to 100%. We adjust the mill rate down to equal the same levy it did at 70%. I see a huge mill rate drop to create the same levy and cost us the same amount of money. So I actually had several conversations with the town manager asking what the heck does that do – it doesn't do anything. Mr. Robertson added

it does that, and it also increases the grand list by about a third. If you go from 70 to 100%. So you increase the grand list and drop the mill rate.

(Unknown speaker) – I forgot, I know we got an answer on it, but what was the increase in salaries for teachers from last year to this year? What percentage? If a teacher was making \$100,000, what is she going to make next year? And what is the increase in benefit percentage? And the last question is do you guys pay for the family for health care – or just the teacher? Mr. Zacchio responded it's like the private sector – if the teacher is single, it's just single, or they can choose an option for family. (Unknown speaker) but does she pay a much greater amount? Mr. Zacchio said just like in the private sector. Mr. Mala added you are correct, Mark, about the health benefits. I am looking at page 21 of the presentation, for those who want to look at it. This is the Avon Education Association certified staff. The GWI and general raise increase is 2.25%, and the steps, going from 1 to 2 to 5 to 6, etc. is 0.82 for a total of 3.07%. That's what is included in certified staff. In 18 to 19 it is 2.25% GWI plus a step of 0.7 for a total of 2.96%. Those are only for two years because then the contract's up. (Unknown speaker) did they get a much bigger step up last year? Mr. Mala responded no. During my tenure the board has not exceeded .7. And you are basically 3.07 for this year. Another thing that someone raised - I think it was Bruce Corbett - because of the amount of money that was cut in personnel in the BOE budget, if every employee froze their salary at the current level into next year, it only realizes a savings for \$200,000. Because you've already cut \$1.9 million. And what controls the amount of money that is paid out in salaries is the number of years teachers are here, and leading back, that's what we look at. If someone retires, a replacement that's needed at a much lower cost. We have a very senior, with respect to longevity, teaching force in Avon. Nearly 2/3 are at maximum. So as time passes, that too will have an effect because the higher paid people will retire. And then you have a whole other cycle begin. (Unknown speaker) and one last question how do we compare to other towns in terms of teachers' salaries – are we higher or lower? Mr. Mala replied that we are higher. We are at the high end of the average range. Our comparison group is more prevalent with Fairfield County. We used to be in (inaudible) A. It's a designation by the state. We were lined up because of our ability to pay with Fairfield County. The closest that we compare to that is referenced in that group is Glastonbury. We're lower than Glastonbury.

Dick Burkett, 40 School Street – What about arbitration? (Inaudible) we seem to be able to take care of that. A good example is my wife used to work near the (inaudible) and (inaudible) health insurance forms. So it looked like the employer (inaudible) to the union, what they were going to do. So if we are the employer of the town, why can't we negotiate with the union and say you don't get no more raises you're already making enough. I hear a lot about the arbitration, but don't we have any teeth or we just tell all the rest of them what they want for a salary? Mr. Zacchio replied it all comes back to the binding arbitration. So here's how it



works at a very high level. Ten towns have negotiated contracts with their teachers this year and the average is 2%. We come in and we say we want 0. The arbitrators look at what's the average, and they say 2, 2, 2. We spent \$50,000 to go arbitrate. So that's the essence of the organization we have to deal with. Mr. Burkett interjects (inaudible) the others can have a little room to move and our teachers are already up in salary. And it just keeps going. A teacher works 180 days per year, and they'll be at \$200,000 pretty soon the rate it's going. Mr. Zacchio replied I don't know what the teachers' salaries are. Mr. Burkett interrupts average person in state only making \$68,000. Mr. Zacchio said I don't know what our average is. It sounds very high. Mr. Mala added our average is in the low \$80's. The maximum after 15 years with all the credentialing to a person who has been here 30 plus years, for the coming year, is \$105,000. Mr. Burkett (inaudible) are getting \$125,000. (unknown speaker adds) and a 3-4 million dollar pension too. Mr. Zacchio added it's the system we work in, gentlemen. Mr. Shea asks if any other questions.

Paul Janaskie, 38 Lenox Road – So a good number of our teachers are at senior levels, and then when they retire, I assume, there is possibility that the position will not be filled. Mr. Mala referred to a slide from the BOE presentation re: certified vs. non-certified staff. I would caution you, because in the past two fiscal years I've had to add 4 teachers in August. (Inaudible) And we are projecting our own using (inaudible). And it is very difficult to get an accurate projection (inaudible). There is one other point about binding arbitration. Binding arbitration is a (inaudible) in our state and you are correct that only 6 other states in this country that have it. One of the things to remember is that going to binding arbitration is not free. So, there's a typical cost for a regular arbitration that has two issues. You're looking at the town to spend \$50-60,000 in attorneys' fees to put that case on. And there are some times that a quarter percent is actually less than the legal fees that would be incurred with arbitration. It's something to think about. We've sent many notices home asking people to contact our state senators because they control binding arbitration. They have to have the fortitude to move it forward.

Diane Maida, 264 New Road – If they kind of kept the (inaudible) down by letting go of 22 teachers, what's the chance of doing that next year? Mr. Mala replied I am not sure. I'll talk to you in September. It just depends on a lot of variables. Primarily it is enrollment, and whether or not the BOE doing their work decides to keep programs or expand programs or even discontinue them. Ms. Maida said it was a very difficult process coming to this budget, to make the decisions to cut 22 positions. Our children are in these schools. And we want them to have a positive experience. The teachers stick around because they like it here. We care for them. And we have to struggle when parents come before us and say these reductions that you are making – please don't do this. Preserve this for us. Our children need this for their health and well-being. For their

development and knowledge. So we have to go back and make very difficult decisions. We did not come to this lightly. This is something that we struggled with. People have to feel okay with this. At least this is what we were able to decide upon. If we had it our way, we wouldn't have reductions at all. We want to give our kids everything we possibly can. And hope that the community agrees with that. Because most of you probably raised children at some point. And when your children were going through it, didn't you want it for them? And so, maybe you'll come in and argue (inaudible) but that's what community is all about. Everyone gives and takes. We don't come to these decisions lightly. We don't go home and say how can we spend your money? We go home and say what can we do for these kids? They deserve it. We want them to be well-prepared for the world. Please know that our hearts are in this. I mean to volunteer – it takes a lot of hours for us to come to these decisions. So please just consider that. Sound of applause.

Bruce Corbett, 171 Huckleberry Hill Road – I am a retired teacher, was president of the teachers' association for 7 years, I've negotiated many contracts. You have a 3 year contract that's 2.25% general wage increase. Everybody gets 2.25%. The salary (inaudible) and that's what was done recently because they looked at the budget in the book and there was not in the handout – there was not \$800,000 increase in the salary account. There's only like \$150,000. And every year we get 2.25% increase. And if you are making \$90,000 or \$100,000 as most of the teachers are, that's a big chunk of change. And the only way that you can give the BOE and their negotiators the courage to negotiate – and I believe the arbitration law is a fair law – but you have to have the courage to use it. And if people don't turn out to vote, what do the arbitrators think? They must be happy. So what you need to do is to get out and vote. And we are not going to change this issue in the town in one vote. It's going to take 2 or 3 votes. And not just 2 or 3 votes this year. The vote last year was very close. And I hope the vote this year will be very close. And the vote the next year will be very close. We get what we deserve when we don't vote and when we do vote. So it's really up to the people in the town. And I would just like to commend, like I've heard other people do, the boards work very effectively for you, but you handcuff them by not voting. Sound of applause.

Mr. Shea asked for any questions. He then thanked the Superintendent of Schools, Town Manager, and town officials for their participation. There being no further discussion, the budget will be submitted for referendum on Wednesday, May 10, 2017 at the Avon Senior Center/Community Room, 635 West Avon Road, Avon, CT, between the hours of 6:00 a.m. and 8:00 p.m. Thank you all very much for coming.

The meeting adjourned at 9:15 p.m.

# Town of Avon Board of Finance

**Annual Town & Budget Meeting**  
Recommended Fiscal Year 17/18 Budget  
*May 1, 2017*

## Board of Finance *Balances*

Spending for  
Requested  
Services



Revenues  
Required to  
Fund Requested  
Services

*The proposed \$90,913,236 budget for Fiscal Year 2017/2018  
would require a 3.62% tax increase to a mill rate of 30.59.*

## Board of Finance *Considers*

- The best interest of Avon as a whole
- Input from Town Council and Board of Education
- Interaction with residents
- Public hearing comments
- Economic conditions
- Tax demands of other levels of government
- Estimates of revenue sources and projections
- Future borrowing requirements
- Voting history

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## Recommended Budget Summary

	Adopted FY 16/17	Recommended FY 17/18	\$ Inc/ (Dec)	% Inc/ (Dec)
Town Operating	\$23,295,518	\$24,096,598	\$801,080	3.44%
Board of Education	56,621,408	58,292,975	1,671,567	2.95%
Debt Service	2,779,790	\$2,818,850	39,060	1.41%
Capital Improvement*	4,410,037	3,689,506	(720,531)	-16.34%
Sewers**	1,947,682	2,015,307	67,625	3.47%
<b>TOTAL</b>	<b>\$89,054,435</b>	<b>\$90,913,236</b>	<b>\$1,858,801</b>	<b>2.09%</b>

\* Capital Improvement amount of \$3,689,506 funded in part (\$765,000) by Sewer Fees.

\*\* Funded by Sewer Fees.

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## How will this Level of Service be Funded?

### Non-Tax Revenues

*(Licenses, Fees, Permits, Interest, Grants,  
includes Board of Education gross revenues)*



\$11,017,970  
(12.12%)

### Property Tax Levy

*(About 77% will come from single family homes  
& condos)*



\$79,895,266  
(87.88%)

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## Mill Rate Increase Needed 3.62% for Mill Rate of 30.59

Recent Mill Rate Increases	
Proposed 2017/2018	3.62%
2016/2017	2.50%
2015/2016	1.69%
2014/2015	7.60% *
2013/2014	2.60%
2012/2013	2.44%
2011/2012	2.45%

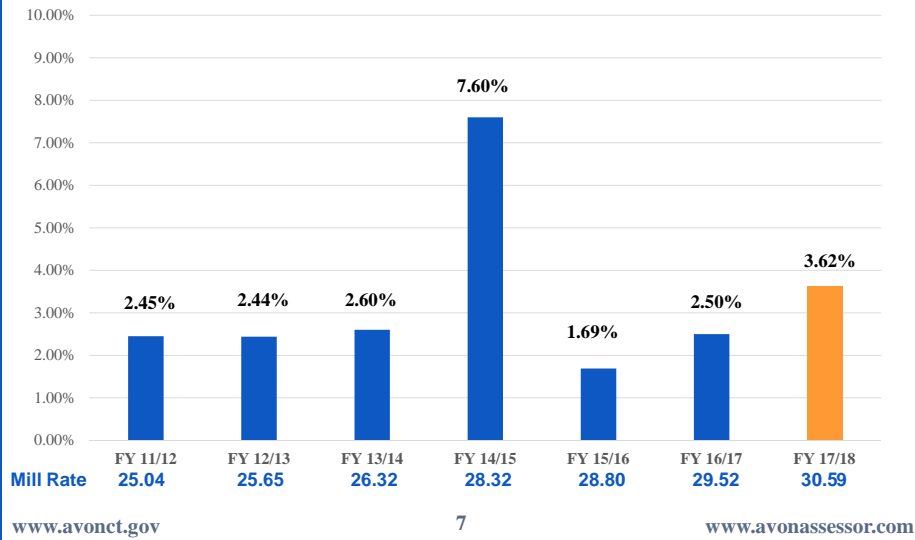
\* Gross increase, due to decline in Grand List following revaluation; net increase was 2.55%.

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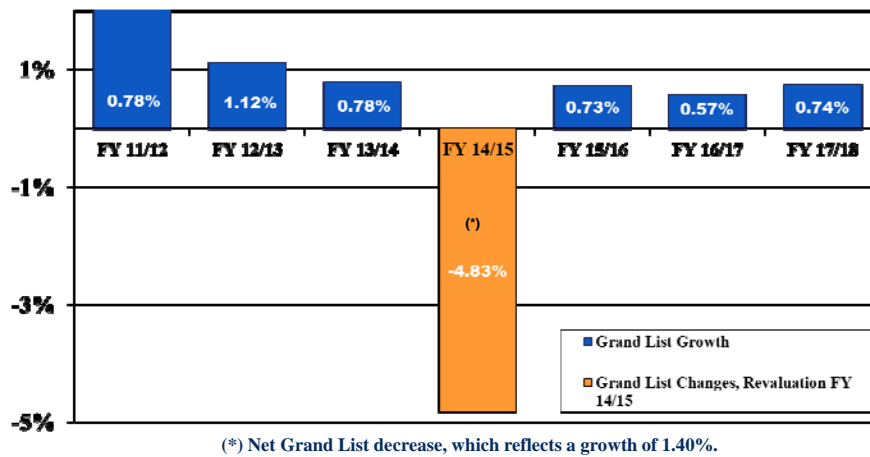
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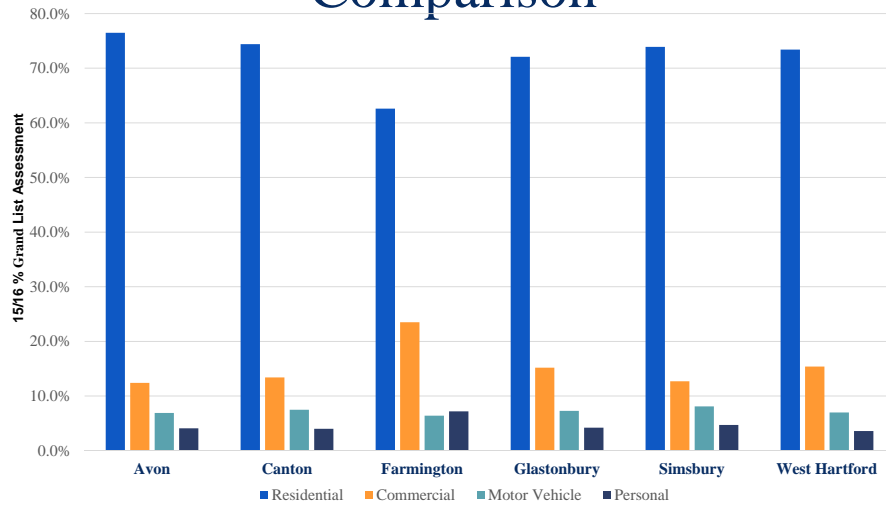
## Mill Rate Change Comparison



## Avon Grand List Changes



## Grand List Components Town Comparison

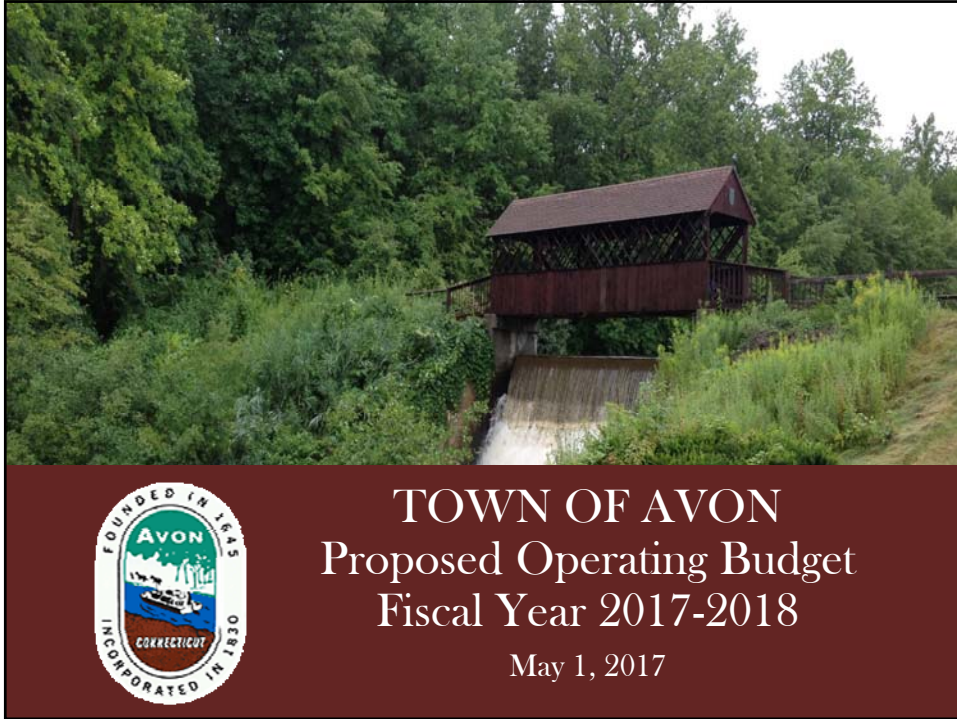


[www.avonct.gov](http://www.avonct.gov) Source: Office of Policy and Management

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

Please Vote on  
Wednesday, May 10<sup>th</sup>  
6:00 a.m. – 8:00 p.m.  
at the  
Avon Senior Center



## Mission Statement

*It is the mission of the Town of Avon to provide quality town services at a reasonable cost to all citizens and taxpayers.*





## Capital Budget Projects FY 2017/2018

Road Improvements	\$624,506
APD Building Improvements	\$250,000
Fisher Meadows Field Expansion	\$250,000
PGS Air Handling/RTU Replacement (Phase II)	\$340,000
Sewer Projects	\$765,000
Reconstruction of Old Farms/Thompson Road	\$125,000
Equipment Replacements	\$913,000
Other Capital Projects	\$322,000

**TOTAL Capital Program** **\$3,689,506**



## Tax Relief Programs

- **Who is eligible?**
  - Property Owners—age 65 or older, or those who are disabled, and whose income is \$57,500 or less
- **What is the benefit?**
  - Benefits range from \$460 to \$2,215
  - Total cost (2015 Grand List Year) = \$202,760; or \$28.41 per Real Estate Account
- **When and where do I apply?**
  - Applications can be dropped off at the Assessor's Office, 60 West Main Street, Building 5, 1<sup>st</sup> Floor
  - Deadline for applications is May 15, 2017

**For more information, please contact the Assessor's Office at 409-4335.**



## Tax Relief Programs (cont.)

Town	Income Limits	Total Cost	# of Applications
State	\$42,900	N/A	N/A
Avon	\$57,500	\$202,760	272
Canton	\$48,000	\$188,499	133
Farmington	\$48,900	\$297,978	257
Simsbury	\$52,900	\$315,446	373
Granby	\$59,800	\$279,552	184



## Town Council Proposed Budget FY 2017/2018\*

	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/(Dec)</u>
Town	\$ 23,295,518	\$ 24,096,598	\$ 801,080	3.44%
Sewers	1,947,682	2,015,307	67,625	3.47%
Debt Service	2,779,790	2,818,850	39,060	1.41%
Education	56,621,408	58,292,975	1,671,567	2.95%
C.I.P	4,410,037	3,689,506	(720,531)	-16.34%
<b>TOTAL</b>	<b>\$ 89,054,435</b>	<b>\$ 90,913,236</b>	<b>\$ 1,858,801</b>	<b>2.09%</b>

\* As recommended to Board of Finance on March 28, 2017

# Want to Know What's Happening in Avon?

*Get the details sent directly to your inbox! Log on to the Avon Town Website:*  
**www.avonct.gov**

- Click on "Subscribe to News" under Quick Links
- Enter Your Email Address:
- Confirm Email:
- Check the box under "Urgent Alert" to receive Town-wide urgent/important news
- Check the boxes under "Meeting Agenda" for which Town Board/Commission(s) you would like to receive agendas
- Check the boxes under "Meeting Minutes" for which Town Board/Commission(s) you would like to receive minutes
- Check the boxes under "News or Announcement" for the following:
  - ☐ Avon Free Public Library (Friends Programs, alerts for new items, events)
  - ☐ Board of Education
  - ☐ Town News and Announcements (Town-wide news, events, community-wide fundraisers)
  - ☐ Human Resources (employment opportunities within the Town of Avon)
  - ☐ Recreation and Parks Department (activity announcements, schedule changes, weather cancellations)
- Verify and enter security code.
- Click on

Once you submit your email address, you will receive a confirmation email and notices for the categories you selected.



## TOWN OF AVON Proposed Operating Budget Fiscal Year 2017-2018

May 1, 2017



***Board of Education Proposed Budget  
2017-2018***

***Town Meeting - May 1, 2017***

**Mission Statement**

***Our mission is to inspire in each student a joy  
and passion for learning and a commitment  
to excellence, personal integrity, and social  
responsibility.***

**Statement of Beliefs**

***We educate students intellectually, socially,  
emotionally, and physically to acquire  
knowledge and skills, to develop creativity  
and character, and to pursue their interests,  
realize their potential, and meet the challenges  
in a constantly changing world.***

### **Goals of Budget Request**

1. Continue our mission as stated in District Strategic Plan.
2. Meet contractual obligations without adversely impacting programs.
- 3. Adhere to requested 2.5% soft cap (Bill No. 502).**
4. Create or strengthen programs to maintain our students in-district.
5. Create additional learning opportunities for **all** students.

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### **Goals of Budget Request**

6. Continue meaningful Professional Development opportunities for all staff.
7. Continue to integrate technology to support high quality, classroom instruction.
8. Continue with nationally recognized, curriculum revision process.
9. Maintain reasonable class sizes Pre-K through Grade 12.
10. Continue to operate in a fiscally responsible manner while advocating for the educational needs of all students.

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## **Budget Development Approach**

### **Three-Pronged**

1. **Reductions** made from proposed requests = **\$2,207,796.67**
2. **Re-appropriation** of existing funding to achieve Strategic Actions of District Strategic Plan = **\$0.00**
3. **Requests** to continue to advance Strategic Actions of District Strategic Plan = **\$75,092.60**

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## **2017-2018 Board of Education's Proposed Budget Summary**

2016-2017 Adopted Gross Budget	\$ 54,466,706	(A)
Non-tax Revenues	<u>-2,895,336</u>	(B)
Proposed Net Budget*	\$ 51,571,370	(C)
2017-2018 Gross Budget Request	\$ 56,306,408	(D)
Projected Non-tax Revenues	<u>-2,810,500</u>	(E)
Net Budget Request*	\$ 53,495,908	(F)
Difference in Dollars 2017-2018 (Net)	\$ 1,924,538	(F-C)
Difference in Percent 2017-2018	<b>3.73%*</b>	(F/C)*

**\*Used to determine tax rate**

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### **Drivers of Total Proposed Budget**

<b><u>Category</u></b>	<b><u>Budget</u></b>	<b><u>Percent</u></b>
Salaries and Benefits	\$ 44,958,703	79.85%
Transportation (Includes Sp.Ed.)	\$2,996,352	5.32%
Utilities	\$1,273,849	2.26%
Contracted Services	\$2,406,895	4.27%
SPED and Magnet Tuitions	\$3,161,089	5.61%
Supplies and Equipment	\$1,440,450	2.56%
All Other	\$69,070	0.12%
Total Gross Budget Request	\$56,306,408	3.38%
Non-tax Revenue	<u>-\$2,810,500</u>	
Total Net Budget Request	\$54,495,908	3.73%

**Total Proposed Budget Increase Impacting Mill Rate = 3.73%**

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### **What Accounts for Requested Funding Increase of \$1,839,702?**

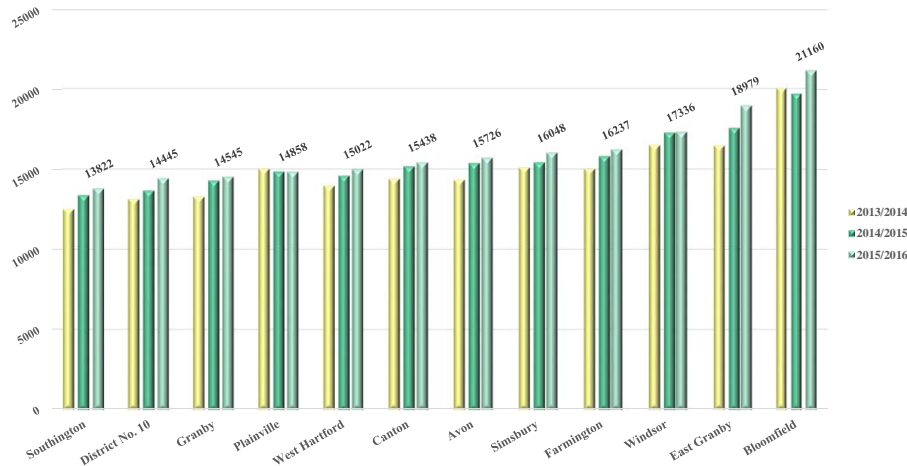
<b><u>Category</u></b>	<b><u>Increase</u></b>
Salaries	\$264,089.88
Benefits	\$787,956.75
Utilities	\$73,503.97
Contracted Services	\$679,518.20
Tuition	\$101,915.92
Supplies & Equipment	\$(47,816.91)
All Other	<u>\$(19,465.50)</u>
<b>Total Gross Budget Increase</b>	<b>\$1,839,702.31</b>

**Total Proposed Budget Increase Impacting Mill Rate = 3.73%**

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## **Net Current Expenditures Per Pupil** **2015/2016 to 2017/2018**

*Excludes Transportation and Debt Service*



Data Source: Connecticut State Department of Education

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## **Non-Local Property Tax Revenue**

<b><u>General Fund Revenues</u></b>	<b><u>2016/2017 Expected</u></b>	<b><u>2017/2018 Projected</u></b>	<b><u>Variance</u></b>
AHS Parking Fees	\$35,250.00	\$29,000.00	(\$6,250.00)
Athletic Gate Receipts	\$20,000.00	\$13,000.00	(\$7,000.00)
Athletic Pay to Play Receipts-AHS	\$162,000.00	\$156,000.00	(\$6,000.00)
Athletic Pay to Play Receipts-AMS	\$21,840.00	\$22,500.00	\$660.00
Early Beginnings Grant	\$45,000.00	\$45,000.00	\$0.00
Employee Dental Contributions	\$109,344.74	\$106,000.00	(\$3,344.74)
Employee Life Ins Contributions	\$14,030.97	\$23,000.00	\$8,969.03
Nutrition Services Indirect Costs	\$30,000.00	\$30,000.00	\$0.00
Open Choice Attendance	\$750,000.00	\$720,000.00	(\$30,000.00)
Pre-K Program Tuition	\$38,620.00	\$46,000.00	\$7,380.00
Special Education Excess Cost	\$1,190,000.00	\$1,190,000.00	\$0.00
Special Education Tuition Reimbursement**	\$475,000.00	\$430,000.00	(\$45,000.00)
TEAM Program	\$4,250.00	\$0.00	(\$4,250.00)
<b>Total General Fund Revenues</b>	<b>\$2,895,335.71</b>	<b>\$2,810,500.00</b>	<b>(\$84,835.71)</b>

\*\* - Revenue goes directly to town and is not required to be spent on education

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## **Open Choice Attendance Revenue** **Allocations**

### **Open Choice Attendance Projected Revenue** **\$720,000.00**

- (01.3.1100.111) RBS Kindergarten Teachers (\$115,000.00)
- (01.3.1111.111) RBS World Language Teachers (\$115,000.00)
- (01.6.1100.111) PGS Kindergarten Teachers (\$115,000.00)
- (01.6.1111.111) PGS World Language Teachers (\$115,000.00)
- (01.8.1220.111) Pre-K Teachers (\$60,000.00)
- (01.8.1196.560) Tuition/Magnet Schools (\$200,000.00)

### **Early Beginnings Grant Projected Revenue** **\$45,000.00**

- (01.8.1220.111) Pre-K Teachers (\$45,000.00)

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## **Non-Local Property Tax Revenue** **Hartford Special Education** **Reimbursement Directly to Town**

<b><u>Year</u></b>	<b><u>Amount</u></b>
2012 – 2013	\$565,335
2013 2014	\$497,831
2014 -2015	\$635,070
2015 – 2016	\$430,054
2016 – 2017	\$475,000 (anticipated)
2017 – 2018	\$430,000 (projected)

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## **Grant Revenue**

<b><u>Grant Description</u></b>	<b><u>2016/2017 Expected</u></b>	<b><u>2017/2018 Projected</u></b>	<b><u>Variance</u></b>
Adult Education Cooperative	\$2,010	\$2,010	\$0.00
IDEA 611-Part B	\$523,000	\$563,000	\$40,000.00
IDEA 619 - Preschool	\$15,537	\$17,000	\$1,463.00
SHEFF Settlement	\$201,550	\$101,220	(\$100,325.00)
Immigrant Grant	\$0	\$0	\$0.00
Title I Improving Basic Programs	\$120,000	\$121,924	\$1,924.00
Title II Part A Teachers	\$32,000	\$32,000	\$0.00
Title III	\$7,175	\$7,175	\$0.00
<b>Total Grants</b>	<b>\$901,272</b>	<b>\$844,334</b>	<b>(\$56,938.00)</b>

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## **Enrollment Summary** **October 1, 2015 to October 1, 2016**

### **Outside Enrollment Study (2015/2016)**

Projected enrollment as of October 1, 2016 = 3,232

Projected decrease (3,274-3,232) = 42

### **2016/2017 Approved Board of Education Budget**

Superintendent of Schools Projected Enrollment = 3,215

Projected decrease (3,280 – 3,215) = 65

### **Avon Public Schools Comparison of Seated Enrollment**

Official Enrollment as of October 1, 2015 = 3,280

Official Enrollment as of October 1, 2016 = 3,275

Actual decrease = 5

### **2017/2018 Projected Enrollment:** 3,220

Projected decrease = 101 as of March 2017

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### PROJECTED 2012-2018 ENROLLMENT AND CLASS SIZE SUMMARY

- \*Average class size for high school is calculated by using the enrollment and sections from four (4) required courses - English, Math, Science and Social Studies.
- \*\*Teaching Assistants are maintained Grade K-3

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Grade	Average	Average	Average	Average	Average	Average	Average
K	17.40	17.40	19.00	18.29	21.68	16.50	**19.80
1	19.18	19.30	21.00	21.00	20.90	17.80	**18.00
2	21.42	20.33	19.30	21.90	22.50	19.77	**19.36
3	21.83	21.17	20.33	21.50	21.10	20.95	**21.41
4	23.50	21.25	21.17	23.08	21.40	22.00	20.90
5	22.00	21.54	19.62	23.00	22.75	21.90	22.00
6	21.93	20.85	21.54	23.00	23.17	23.17	21.90
7	24.08	21.07	18.07	22.92	22.33	23.58	23.17
8	23.67	19.73	26.17	22.75	23.08	22.82	23.58
9-12	23.66	19.04	19.38	18.60	18.98	18.83	*19.23

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### **Projected Enrollment 2017/2018**

School	Grade	Actual 2016-2017	# Sect	Average Class Size	Projected 2017-2018	# Sect	Average Class Size
APS Pre-K	Pre-K	56			56		
PGS	K	99	6	16.50	99	5	19.80
PGS	1	123	7	17.57	99	5	19.80
PGS	2	155	8	19.38	123	7	17.57
PGS	3	123	6	20.50	155	7	22.14
PGS	4	124	6	20.67	123	6	20.50
Total in sch		624			599		
RBS	K	99	6	16.50	99	5	19.80
RBS	1	90	5	18.00	99	5	19.80
RBS	2	102	5	20.40	90	5	18.00
RBS	3	107	5	21.40	102	5	20.40
RBS	4	118	5	23.60	107	5	21.40
Total in sch		516			497		
TBS	5	219	10	21.90	242	11	22.00
TBS	6	278	12	23.17	219	10	21.90
Total in sch		497			461		
AMS	7	283			278		
AMS	8	275			283		
Total in sch		558			561		
AHS	9	251			275		
AHS	10	239			251		
AHS	11	281			239		
AHS	12	253			281		
Total in sch		1024			1046		16/17 - 17/18
GRAND TOTAL		3321	As of March 2017		3220	As of March 2017	(101)

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### **Open Choice Enrollment Information**

<u>Year</u>	<u>Enrollment</u>	<u>Revenue</u>
2012 – 2013	93	\$ 428,000
2013 – 2014	135	\$ 720,000
2014 – 2015	135	\$1,183,500
2015 – 2016	111	\$1,188,000
2016 – 2017	132	\$1,056,000
2017 – 2018	134	Projected

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### **What Is The Impact of This Budget on Staffing?**

	<u>2016-2017</u>	<u>2017-2018</u>	<u>Difference</u>
<i>Certified:</i>	301.7*	286.7	-15.0
<i>Non-certified:</i>	188.5**	181.0	- 7.5

**Notes:**

\* Includes 4.0 FTE unbudgeted certified staff in August 2016 due to enrollment increase from projections.

\*\* Includes 5.0 FTE unbudgeted, non-certified staff in August 2016 due to enrollment increase from projections.

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Budget Implementation Reduction Scenario				
Location	Description	FTE	Amount	Notes
FY 17/18 Budgeted Personnel Reductions			\$5,646,343.28	
<b>Personnel - Certified</b>				
Elementary PGS	Grade KD	(1.00)	(\$85,138.00)	Enrollment, Teacher Assistants maintained.
PGS	Grade 1	(2.00)	(\$149,156.00)	Enrollment, Teacher Assistants maintained.
PGS	Grade 2	(1.00)	(\$74,933.00)	Enrollment, Teacher Assistants maintained.
RBS	Grade KD	(2.00)	(\$207,176.00)	Enrollment, Teacher Assistants maintained.
PGS/RBS	Library Media Teacher	(1.00)	(\$78,062.00)	No fill of anticipated retirement. Elementary reorganization.
<b>Total Elementary</b>		<b>(7.00)</b>	<b>(\$584,465.00)</b>	<b>(4.0 FTE) No fill created by unanticipated retirements</b>
Secondary AHS/AHS	Theater	(0.40)	(\$37,585.20)	Maintains .8 FTE (.2 AHS / .6 AHS) to instruct academic classes.
AHS	Art	(1.00)	(\$66,707.00)	
AHS	Language Arts	(0.40)	(\$37,585.20)	
AHS	Math	(0.40)	(\$37,585.20)	
AHS	Music	(0.60)	(\$53,172.20)	
AHS	Music	(0.60)	(\$62,152.80)	No fill of unanticipated retirement. Secondary reorganization.
AHS	Science	(0.60)	(\$40,369.80)	
AHS	Social Studies	(0.80)	(\$66,696.00)	
AHS	Wellness	(1.00)	(\$58,685.00)	Change in special area model at AHS.
AHS	Wellness	(0.20)	(\$20,717.60)	
AHS	World Language	(1.20)	(\$112,755.60)	
<b>Total Secondary</b>		<b>(7.20)</b>	<b>(\$583,109.20)</b>	
Support Staff AHS	Counselor	(1.00)	(\$6,770.00)	*Avon Education Association interpretation and subsequent request has adjusted the personnel relating to this reduction.
<b>Total Support Staff</b>		<b>(1.00)</b>	<b>(\$6,770.00)</b>	
<b>Personnel - Non-Certified</b>				
AHS	Tutor	1.00	\$23,400.00	Restored.
PGS	Teaching Assistant	(1.00)	(\$25,200.00)	Presently vacant.
RBS	Teaching Assistant	(1.00)	(\$25,200.00)	Presently vacant.
DW	Unaffiliated Clerical	(0.50)	(\$22,049.25)	RIF
DW	Maintenance	(1.00)	(\$59,904.72)	RIF
DW	Secretary I	(1.00)	(\$55,181.93)	No fill of vacancy created by unanticipated retirement.
TBS/AHS	Clerk Typist	(1.00)	(\$16,672.50)	RIF
PGS/RBS	Clerk Typist	(1.00)	(\$16,672.50)	No fill vacancy created by unanticipated retirement, presently vacant.
<b>Total Non-Certified</b>		<b>(5.50)</b>	<b>(\$187,480.93)</b>	
<b>Other Reductions</b>				
DW	Capturing Kids Hearts		(\$8,009.80)	increased reduction to CKH professional development.
DW	Education Consultant		(\$5,000.00)	
Athletics	JV Tennis		8,511.00	Restored.
Athletics	JV Golf		4,900.00	Restored.
Athletics	DV Volleyball		6,183.00	Restored.
Athletics	Supplies/Services/Fees		(\$8,584.00)	Equal reduction to all Athletic line items to be made by Athletic Director.
DW	"Pre-Bought" Supplies		(66,428.35)	
<b>Total Other Reductions</b>			<b>(\$119,518.15)</b>	
<b>Additions</b>				
DW	Social Worker		(\$65,000.00)	Reduced.

## What Is The Impact of This Budget?

**ALL DW Addresses major Pupil Services Department issues**  
(Details listed below)

01.1.1100.151	DW	Transition Coordinator Stipend	4,438.00
01.8.1100.151	DW	Assistive Technology Coord. Stipend 7-12	4,438.00
01.8.1100.151	DW	Assistive Technology Coord. Stipend PK-6	4,438.00
01.8.1200.110	DW	ESY Coordinator (Pupil Services)	8,985.60
01.8.1200.111	DW	RBT Training –BCBA (Pupil Services)	8,000.00
01.8.1200.330	DW	Level I Wilson Training (Pupil Services)	8,578.00
01.8.2210.152	DW	RBT Training – 5 Paras (Pupil Services)	4,300.00
01.8.2510.650	DW	504 Direct Module (Pupil Services)	4,000.00
01.8.1100.151	DW	Unified Arts Stipend K-12	4,438.00

01.1.1102.641	AHS	Textbooks - AHS Honors Chemistry	5,477.00
01.1.1105.641	AHS	Textbooks - AHS Social Studies	18,000.00

**Total Decision Packages + \$75,092.60**

### **Budget Details**

- **Factors** impacting proposed budget include:
  1. Contract obligations
  2. Compliance with Bill No. 502 (2.5% soft cap)
  3. Continued phase-in of HSA/HRA
  4. Absorb grant revenue losses
- **97.3%** (\$54,796,888) of proposed budget going to non-discretionary expenses (salaries, benefits, transportation, tuitions, utilities and contracted services).
- **79.85%** (\$44,958,703) of the total proposed budget is associated with meeting salary and benefit obligations to staff.

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### **We are committed to ....**

- Maintaining clear, concise communication and transparent processes
- Providing rigorous, comprehensive, and innovative programming
- Meeting the needs of all students within local, state, and national requirements
- Continuously improving through systematically assessing actions and outcomes via use of third party reviews
- Using all resources efficiently and effectively to the greatest advantage of all students.
- Working collaboratively and cooperatively with all local Boards and Town officials

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*Questions regarding the 2017-2018  
Board of Education's Proposed  
Budget may be sent to  
**20172018budget@avon.k12.ct.us***

*All budget materials are available on  
the school district website at  
**www.avon.k12.ct.us***