

**BOARD OF FINANCE
PUBLIC HEARING MINUTES
APRIL 2, 2018**

I. CHAIR BOARD OF FINANCE: Thomas Harrison

A. Preside and convenes meeting

Board of Finance Chairman Thomas Harrison called to order the Public Hearing at 7:05 p.m.

Mr. Harrison commented this is not a huge turnout, but it is a good solid audience, you know the questions, the issues and it keeps us on our toes. He introduced himself as the Chair for the Board of Finance. This is our one event per calendar/fiscal year that is our meeting, we set the rules, and are going to take advantage of it tonight.

Mr. Harrison commented there are a lot of familiar faces here, a lot of the regulars, but on the Town and Board side we have some new faces and we welcome them. The Town Council has a new Chair, Heather Maguire. The Board of Education has a new Chair, Debra Chute. The Board of Finance also has a new Vice Chair and official bell ringer, Cathy Durdan. The Town Charter requires that during the budget season the Board of Education and the Town Council develop their budget requests, they submit them to us at some point and we then hold a public hearing which we are doing tonight.

He introduced the members of the Board of Finance starting with our newest members Katrina Marin and Ken Birk (who also served one term on the Board of Education) as well as Michael Oleyer, Cathy Durdan, Margaret Bratton, Dean Hamilton, and the Town Manager's assistant and Board Clerk, Jennifer Worsman. He also recognized Brandon Robertson, Town Manager, and introduced the new Superintendent of Schools, Bridget Carnemolla.

B. Advises the audience of the order of presentation tonight

The procedure here will be, the Town Council will speak first with slides and present what their budget request is; the Board of Education will make its information available about the budget request for its activities. After that, the Board of Finance will produce some slides on how do we pay for all of this with the requests by the other two Boards. Our role in this under the Town Charter is to find the money. Following the Board presentations there is the opportunity for residents of the Town to speak out, ask questions, complain, compliment, whatever you would like to do or ask how come you're not repaving my street this year or why aren't we spending more money to get smaller classrooms or whatever you would like. Most of you have been here before so you know that drill. We will stay as long as necessary. There is no such thing as asking a silly question; the only dumb question is the one that you don't ask; if you don't understand something that is in one of the slides or that one of the speakers said, please ask.

C. Leads Audience in Pledge of Allegiance to the Flag

Mr. Harrison led the audience in the Pledge of Allegiance to the Flag.

II. CHAIR, BOARD OF FINANCE: Thomas Harrison

Calls on Chair, Town Council to present proposed Town Council, Sewer, Debt Service and Capital Improvement Budget for FY 2018/2019.

Mr. Harrison called on the Town Council Chairperson Heather Maguire to come forward to make her presentation.

III. CHAIR, TOWN COUNCIL: Heather Maguire

Presents the Town Council, Sewer, Debt Service and Capital Improvement Budget for FY 2018/2019

Chairperson Maguire guided the audience through a Power Point Presentation. The slides are attached to these minutes. She introduced the other Council members in attendance: Bill Stokesbury, Jim Speich, David Pena, and Jeff Bernetich. Other key people you should know are Brandon Robertson who was just introduced by Mr. Harrison, Grace Tiezzi, the Assistant to the Town Manager, and Peg Colligan, Director of Finance. So now we'll take a look at the big picture. Not including the operating budget of the Board of Education-the Town, Sewer, Capital and Debt Service budgets equal \$33,536,579. This equates to an increase of \$916,318 or 2.81% over the current year budget of \$32,620,261. The increase to the Town operating budget, not including sewers, capital and debt service budgets is 3.87% or \$932,843. Costs related to the sewers are funded by fees/assessments. Over the next few slides we will break down the how's and why's of the FY 2018/19 recommended budget. At the very base of our process, the mission remains the same. She stated the Town's mission statement.

Chairperson Maguire noted that tonight we will highlight the budget, however she encouraged all to review the budget on line. Hard copies are available in the Town Manager's Office and at the Library and as a side note, our budget document continues to be recognized by (GFOA) Government Finance Officers Association, an organization that is committed to promoting professionalism and excellence in governmental financial management. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. We are one of only 9 towns in CT that receive this recognition and we have received it for 33 consecutive years, the longest in the State of Connecticut. A shout out to Peg Colligan, Grace Tiezzi, and their team for putting together this incredible document. So not including the Board of Education's operating budget, the top three activities funded by the Town's operating budget are: Public Safety, including Police, Avon Volunteer Fire Department, and Water Company charges for fire hydrant rentals which encompasses 42.90% of the operating budget; Public Works which includes Administration, Roadways, Machinery and Equipment, Buildings and Grounds, etc. encompasses 25.07% of the operating budget; and lastly General Government, including our Town Manager, Finance, Assessment, Revenue Collection, and IT, is roughly 14.12% of the Town operating budget.

Chairperson Maguire highlighted Strategic Objectives. The plan for allocating for scarce resources were structured around the Town Council's three key objectives as we reviewed the proposed FY 19 operating and capital budgets: maintain capital budget funding levels. The emphasis would be on road improvements, as well as municipal buildings and grounds and school facilities. This includes a General Fund capital budget increase of about \$196,000 year over year. There is \$509,095 budgeted for road improvements. The capital budget for education facilities is \$440,000 and includes funding for projects requested by the Board of Education including Phase I of District Wide Security Upgrades and the replacement of the fire alarm at Avon High School. This year's increase in the capital budget is due to a small decrease in our debt service payments. Our next objective is to sufficiently fund our long term liabilities. Our defined benefit plan(s) were closed to new employees in 1997. This budget provides 100% of the annual required contribution for these plans to be funded. The investment return assumption was reduced as recommended by the plan actuary. Funding for the Other Post-Employment Benefits (OPEB) is budgeted at the level recommended by the plan actuary. Our last main strategic objective is ensuring we properly fund our core services. We continue to focus on delivering high quality core government services with a focus on public safety. We continue to contract with private vendors where efficient and effective. Some of these services include street sweeping, grounds maintenance, janitorial services, IT Services, catch basin cleaning, snow removal for various town properties, and field irrigation maintenance.

Chairperson Maguire highlighted the "Big Rocks." The Town, Sewer, Capital, Debt Service budgets total increase \$916,318 or 2.81%. The Operating Budget consists of three categories: Personal Services, Services and Supplies and Capital Outlay. Personal Services and Wages

comprise about 74.02% of the Town's Operating Budget. The Town of Avon is a service organization, so it should be no surprise that the primary budget driver is people. Approximately \$193,419 of the increase to salaries and wages is due to: funding a previously approved but unfunded Police Officer position for \$89,817, funding a part-time civilian Accreditation Manager in the Police Department to manage CALEA audit requirements for \$56,583. We have been CALEA accredited since 1993. The Commission for Accreditation on Law Enforcement purpose is to improve the delivery of public safety services, primarily by maintaining a body of standards covering a wide range of up to date public safety initiatives. We are also funding a new full-time Maintainer in the Department of Public Works who will be funded for a partial year to maintain the new fields at Fisher Meadows at a cost of \$32,000. Additional funding for part-time library staff to provide Wednesday evening hours from September until June for ten months for \$14,931. Currently the Library closes at 6:00 on Wednesday. This would provide consistency of the hours and provide for more opportunity for programming. \$177,433 for the Defined Benefit pension plan. This plan was closed, as I mentioned earlier, in 1997 and we currently have nine active employees. This contribution was determined by the plan's actuarial valuation. There is also a slight increase in our DC, defined contributions. The majority of current employees are on this plan, the contributions are driven by salaries and currently range from 8.25% to 9%, and an increase in Social Security (FICA) is also a percentage of wages.

Chairperson Maguire highlighted Employment and Population Growth since 1970. She noted that the purpose of this slide is to illustrate the growth of the population and the growth in the full time workforce since 1970. Since that time, the Town has maintained a very consistent ratio of employees to population, approximately .5%. The population of Avon has increased about 40% since 1990. During that time, five new full-time employees have been added. In 1970, the ratio of employees to population was .5%. Currently, the ratio is about .57%. Rather than add employees the Town has developed better working methods and has entered into agreements with private service providers as appropriate. This provides the Town with more flexible methods of service delivery and cost savings. Population isn't the only thing that's grown in Avon since 1970. Did you know the Town maintains approximately 100,000 additional square feet of buildings? Single family housing units have increased by 66 % and miles of Town roads have increased by about 50%.

Chairperson Maguire highlighted Capital Budget Projects for FY 2018/2019. She noted that the capital budget (all funds) has increased by \$45,089 when compared to FY 18. The total capital budget is \$3,734,595. Items with a minimum value of \$20,000 and a useful life of more than five years are included in the capital budget. Highlights include, as she mentioned before, \$509,095 for road improvements, Phase III of the Police Department building improvements, funding for the improvements of the existing irrigation system at Fisher Meadows, Phase I of District Wide Security Upgrades at the BOE, the Replacement of the Fire Alarm at Avon High School, and the first of eight annual payments for the potential acquisition of the property located at 828 West Avon Road. A couple of other notes - the capital budget includes funding in the amount of \$752,000 for various sewer infrastructure projects which is funded by user fees. This year our debt service budget is \$2,755,750, a \$63,100 decrease from FY18.

Chairperson Maguire wanted to take a little bit of time to talk a little bit about the potential land acquisition. She knows we are talking about the budget but this is a small part of the capital budget and we will be having more meetings, we still have a Town Council meeting where we will be discussing it as well as a Town Meeting in early June. For those that are new to this she wanted you to hear it tonight. The Town has reached a tentative purchase agreement with the owners of the approximately thirty-eight acre property located at 828 West Avon Road. This parcel is noted as one of twenty-one properties in the Town's Plan of Conservation and Development (POCD) that are a high priority for acquisition. Some of the terms of the agreement: the Town is to purchase the property for municipal use with no restrictions, no structures are to be acquired, and the Town is to acquire a utility easement over property located at 8310 Gillette Way in the Town of

Farmington. This property is also owned by the seller for the purpose of future planning/development. The Town is to lease back to the seller a “buffer zone” of approximately twenty-two acres at the rear of the property for a period not to exceed eighteen years to be used solely for agricultural and farming purposes. The Town intends to lease the remaining 16.92 acres closest to West Avon Road to a yet undetermined private party for agricultural purposes. No portion of the property will be available for public access while the lease to seller is in effect. Purchase & Financing: Purchase price is \$2,000,000. The bond will be privately placed with the seller at an interest rate of 1.75% payable FY 2019/2020 through FY 2025/2026 to finance \$1,600,000 portion of purchase price not paid from capital budget. Soft costs include surveys, attorney’s fees, bonding fees and is expected to be \$70,000 for a total cost of acquisition \$2,173,250. Per the Town Charter, appropriation will require approval at a Special Town Meeting which we are anticipating in early June. As you saw in our capital plan our first payment would potentially be due July 1, 2018 in the amount of \$400,000; \$470,000 will be appropriated and included in the proposed fiscal year 2018/2019 capital plan for the first year payment and soft costs associated with this acquisition and seven bond principal and interest payments in fiscal years 2019/2020 through 2025/2026 to be included in the Town’s debt service budget.

Chairperson Maguire highlighted Existing & Projected Net Debt Service. This graph depicts existing and projected, unapproved and subject to change debt service. The Debt Service budget for FY 19 reflects a decrease of \$63,100 or -2.24%. Projected debt projects include: Athletic Fields at \$2.5 million, a Radio System for \$ 3 million, a Fire Station for \$5 million, and Old Farms Road Renovations for \$6 million. These are all subject to change, have not been approved, and are in discussion stages at this point. As you may know, both Moody’s Investors Service and Standard and Poor’s have reviewed and reaffirmed Avon’s AAA credit rating. This rating ensures that the Town continues to receive the most competitive rates possible. Since FY 14 total debt service expenditures have decreased by \$1,039,940. Based on current approved projects, all outstanding general obligation debt is retiring by 2029.

Chairperson Maguire highlighted Town-Board of Education Cooperative Ventures. The Town Council and Board of Education continue to encourage “intra local” cooperation. As a recent example, the SRO program has been reinstated at the Board of Education. This slide illustrates just a few of the areas where Town and School Department staff work closely together. The Town also has access to Board of Education electrician/HVAC staff. In addition to cooperative ventures between the Town and the Board of Education, both organizations also participate in a host of regional cooperative programs. Avon continues to partner with Canton to share equipment and facilities related to Animal Control Services. In addition, Avon partnered with Farmington to build a shared fire training facility for the use of our fire personnel. Additional Town examples include the North Central Municipal (accident reconstruction, SWAT, dive, traffic and narcotics task force), the Farmington Valley Health District, CRCOG Purchasing Programs which we use to purchase road salt, State grant to offset equipment cost and share with neighboring communities – items such as a tool cat with attachments for trail maintenance, a genie lift, mini excavator, gator and a paving box. Education examples include the Capitol Region Choice Program and the Hartford Region Choice Transportation as well as a number of initiatives with the Educational Resource Collaborative, such as copier and printer management programs, environmental services, fixed asset audits, the Farmington Valley Diagnostic Center, job fairs, and substitute teacher pools. We are actively seeking out areas of potential cooperation with our neighboring towns.

Chairperson Maguire highlighted Public Safety. She noted that from the Town perspective we focus on three core service delivery objectives: Public Safety, Public Works, and Social Services. Did you know that the Police Department has been nationally accredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA) since 1993. The Department is very active in our schools with students and staff. 6th grade students participate in the DARE program each year. Recently, the SRO program has been revitalized in the school system. The Department partners with our community through outreach programs such as special trainings, and routine

contacts. Programs include Coffee with a Cop, Bear Awareness Training, Au Pair Training, community liaisons with larger home associations including Pond Place, Secret Lake, Farmington Woods, and Whispering Pines. Our officers are leaders in regional initiatives and programs including North Central Municipal Emergency Services, Accident Reconstruction, Hostage Negotiation, and Narcotics Teams. The photo here is from the Chess with a Cop tent at Celebrate Avon. Kids were invited to compete against Officers in exchange for tokens to use at the event. The Avon Volunteer Fire Department is also active in our schools and community providing Stop, Drop and Roll and countless educational visits in our schools they teach our children how to be safe in an emergency situation. The Avon Volunteer Fire Department just recently sponsored a blood drive in our community and as highlighted on the slide are celebrating their 75th Anniversary! This is a yearlong celebration with activities such as a road race on April 14th and culminating with a weekend long celebration in mid-September.

Chairperson Maguire highlighted Public Works. She noted that Public Works maintains 112+ miles of road, 100,000+ square feet of interior building space and over 1,000 acres of Recreational Open Space zoned property, plus 28 miles of trails (including the rail trail), Sycamore Pool, plus 172 units of equipment and apparatus. In FY 18, DPW crews built a new storage building for the Police Department as part of the Avon Police Department improvement capital project. The storage building was Phase I of improvements to the Police Department buildings; next, DPW will turn its attention to the administration building to accommodate a larger Emergency Operations Center and interior renovations to the patrol building. This aerial truck was purchased through the FY 17 capital budget. The Town makes every effort to fund capital projects and equipment purchases on a pay as you go cash basis rather than bonding. Our talented Public Works Department continues to do projects in house as a way of reducing costs rather than use expensive outside contractors.

Chairperson Maguire highlighted Recreation, Social Services and the Senior Center. She noted that Recreation offers programming for every age group, cooking, sewing, fishing, camping, swimming, special trips. Last year there were over 14,000 participants in our aquatics programming, 560 in our summer camps and 462 in our sports leagues. Registration for summer 2018 activities will begin soon-lookout for the summer brochure in the Valley Press and on the Town website. This is a photo of last summer's swim team practicing at Sycamore Hills. A major restoration of both pools and upgrades to the pump house structure, equipment and mechanicals occurred in FY 16 funded through the capital budget pay as you go. We're gearing up to begin the Fisher Meadows Expansion Project with seven additional multi-purpose fields which will increase our field stock by 29%. Social Services are always here to help with client/counseling assessment, Dial-A-Ride, and coordinating with area non-profits. Our Senior Center - last year the Senior Center held over 2,100 programs with almost 19,000 seniors in attendance. Weekly activities include the Community Renewal Team Meal Program on Tuesdays & Thursdays, shuffleboard, adult coloring, Zumba, Wii bowling and so much more. Be sure to check out our monthly Senior Center newsletter on the Town's website for more details and a calendar of all events.

Chairperson Maguire highlighted our Avon Free Public Library – Avon's living room. She noted that almost 45% of Avon's population has a library card and the Library had over 164,000 visitors last year in FY 17. Total circulation of 285,596 items for adult, children, young adult, and downloadables. Last year the Library held 1,184 programs with 33,000 people in attendance. A little shout out to our Library Director, Mr. Glenn Grube who is this year the President of the Connecticut Library Association. He brings a lot of great ideas and has done a wonderful job. These photos showcase some of the Library's popular events including the Farmers Market, AvonCon and the Quarter Scale 1903 Wright Brothers glider that was built by residents of all ages. This spring be sure to check out the Amazing Castle Exhibit in the Children's room until May 12th, Avon Con "A Celebration of Fairy Tales" on April 21st and dozens of other events. Head to the Library's website for a full calendar of activities for all age groups.

Chairperson Maguire commented that now we are back to where it all started and you can see how your money is spent. Not including the operating budget of the BOE-the Town, Sewer, Capital and Debt Service Budgets equal \$33,536,579. This equates to an increase of \$916,318 or 2.81% over the current year budget of \$32,620,261. The increase to the Town operating budget, not including sewers, capital and debt service budgets, is 3.87% or \$932,843. Costs related to the sewers are funded by fees. She noted that to get up-to-date information please visit our website, www.avonct.gov. Sign up to receive email alerts of upcoming meetings and all of the events in Avon. And as you'll hear again tonight please join us again Wednesday night for the Board of Finance workshop, the Town Meeting on May 7th and please don't forget to vote at the referendum on May 16th. Thank you very much.

IV. CHAIR, BOARD OF FINANCE: Thomas Harrison

Calls upon Chair, Board of Education to introduce our new Superintendent of Schools who will present the proposed Board of Education Budget for FY 2018/2019.

Mr. Harrison called on the Chairperson of the Board of Education, Debra Chute to come forward.

V. CHAIR, BOARD OF EDUCATION: Debra Chute

Chairperson Chute introduced her fellow Board members: Vice Chair Jay Spivak, Secretary Jeffrey Fleischman, Jackie Blea, Jason Indomenico, and in appertain to everyone, David Cavanaugh, Houston Putnam Lowry, Laura Young, and Bogdan Oprica. She is very grateful to be able to introduce you to our new Superintendent who has not even been with us quite a month yet but is fully prepared to present this budget to you. She called upon Dr. Bridget Carnemolla, Superintendent of Schools, to present the proposed Board of Education Budget for FY 2018/2019.

Dr. Carnemolla thanked the Board of Education Chair, Debra Chute, and the Board members who are here this evening and who are not here for all that already has been done to help her to get acclimated and to do the monumental task of working the ins and outs of this budget so she could be here with you this evening to present it. In addition, a tremendous amount of support and assistance since she began from Brandon Robertson, Town Manager, our Police Chief, the Fire Marshal, this is in addition to everyone who has been helpful to me in the schools, not only have they been helpful to me in the daily operations, they have certainly been helpful to me in understanding every piece of this budget as she came tonight and likewise the Board of Finance and its Chair Mr. Harrison have been very helpful and the Town Council members. She has had a great experience even if it is only a month.

Dr. Carnemolla guided the audience through a Power Point Presentation. The slides are attached to these minutes. She noted that we look to develop a budget that is true to our mission. Our mission governs all aspects of our work so development of the budget that is true to that mission is essential to our work and one of the most essential pieces of the work that we do. And as with all budget development we have to set priorities as we begin and make sure they are clearly aligned to what our mission is as a school district. As you see we based it on five basic priorities. Generally speaking our priority is to continue to improve and provide our students with excellent instruction and programs, while seeking ways to minimize our costs, increase our own efficiency, and of course make the most of potential revenues. We had several contracts that were recently negotiated: our administration, our paraprofessional union, our secretaries and this budget reflects those changes. We had some cuts to our revenues including a Title I which is a federal grant program that we receive for the Town and was reduced nearly \$100,000 last year. We also had additional cuts made to the federal IDEA grants. You will see here as she speaks more on this evening that we are looking to ensure that we are following closely the lines of revenue in addition to the expenditures.

She noted that the budget this evening we have presented is a 2.08% increase over last year; this is in the gross revenue that we are looking for from the General Fund. One of the things we have to map out as we connect a budget to priorities in our mission is to move toward the end and say

where would we land the plane with this budget, what would we achieve in this budget year and in seeking ways to meet our needs and most efficiently possible we first looked at what our needs were and what our current expenditures were and look to align them and to reallocate positions and funds where necessary instead of simply adding funds onto the budget. Some of what you see here is a reassignment of personnel which is based on enrollment. Our current grade five is quite a bit larger than the year preceding it so as that grade level moves into grade six we will need additional teachers so we are reassigning teachers to cover grade six in the coming year at Thompson Brook and we are also reassigning a math coach teacher to an enrichment assignment. We also have to consider as we do this that often times students come and enroll for the first time in Avon Public Schools from magnet schools and turn back to us often in sixth grade and will also sometimes increase the population as we move forward from fifth to sixth grade.

Once we looked at the staffing we had and what we might be able to reallocate we were also looking to leverage our efficiencies as a district with some of the existing positions and some additions. So this budget adds a total of 7.6 certified and non-certified positions. Much of this is based on needing to be more efficient in our own operations but also in some of the changing requirements that we are faced with from both the state and federal government. For example, there is an increase of a business teacher at the High School for a new course. There is a personal finance course that is now required. The English Language and Arts teacher and Special Education teacher increases at Avon High School are positions that are added due to enrollment. The social worker at the Middle School and Thompson Brook will assist students with social and emotional health and other issues impacting on their well-being. In this day and age we all have a good understanding of why these positions are necessary. And our social workers are also a resource for families to access when they are seeking help with a variety of issues that may be impacting their children. We have a STEM teacher added to Roaring Brook and Pine Grove. This is one position to be split between the two. There had been two library media specialist positions; one position was eliminated, there was a retirement, and one now spends one week at each school. So as we add on this STEM teacher who will replace the lost library media specialist with him/her and we will then be able to allow the two schools to decide how to split those two individuals between the two schools, a library media specialist and the STEM instructor and they will work in part with our Makerspace areas which we will talk a little bit more about later. We also have one Assistant Principal currently working twelve months. This budget funds two Assistant Principals working over the summer to work on scheduling, the student handbooks, and other projects that really should be in place before the beginning of the school year. Being understaffed during the summer when some of the most crucial administrative tasks are done at the school, including scheduling and preparing for the students is difficult and therefore they are not adding on these two positions as a whole, they are just simply making use of the positions we have and adding time on. And also changing the Thompson Brook to a 1.0 which is a reinstatement of a position that had been cut in this year. We are looking to add a Director of Human Resources; the Board of Education currently does not have one, to ensure that our processes are followed, that we are complying with state and federal law, that our evaluations are completed in a timely fashion, we have up-to-date employee handbooks and forms, and annual notifications that have to be made, both locally from the state and federal levels and many other practices that she is sure we can all understand would be needed from a Director of Human Resources standpoint. We are also increasing the school days to five days a week for three old students; these would still be half days but now all students would be able to go five days a week; that is a change between what we had done with regular education students and students who have special needs and needed additional services; now both groups of students will be able to go five days a week. We are also adding a custodian who would be split between Avon Middle School and Central Office. One reason for this is that there is a discrepancy in the amount of square feet covered by our current custodians and we need additional help to be able to meet the needs of the Middle School. In addition, we really need additional help to be able to ensure that we maintain our Central Office properly as we don't currently have someone fully assigned there so we only have a custodian that can come certain hours, certain days and it is not conducive to being able to clean and maintain the building properly, especially with the amount of public meetings that are

held at night. One of our charges is to ensure that we maintain our buildings properly and utilize our taxpayer dollars as stewards for these buildings to keep them as good of a condition as we possibly can and hopefully adding this additional custodian will be another step in that direction to ensure that we are doing all that we can to maintain these buildings.

Dr. Carnemolla noted that we have a strategic plan that has been in place; it technically has expired as of the time that she came onboard and am looking forward to working with our faculty members, our staff and our community members and the Board of Education to develop a new one. We should develop a new plan with goals and action steps for the future for the entire district. So there is some funding in this budget to hire a facilitator to work with the Board and all stakeholders to develop this plan. This budget also transfers 5.15 positions from the IDEA grant, which is a federal grant that is funding to school districts for students with disabilities to our local operating budget. As she mentioned earlier, one of the things that we are looking for is to capitalize on revenue sources such as this that come in on the one hand; on the other hand we continue to see a decline in these types of funding from the state and local government so it behooves us to ensure that we can pay for these essential positions and not have them at the mercy of what might be federal cuts and have continued to be federal cuts. And as she mentioned we will put Makerspaces in each school as a result of this budget. Makerspaces are collaborative spaces that provides students with tools and materials that encourage inquiry in Science, Technology, Engineering, and Math (the STEM acronym) through experimentation, design, and inventions; a very hands on way for the students to learn more about Science, Technology, and Engineering and these will help us to modernize our library spaces and utilize it more for innovation, creativity, and collaboration which fits in with what we do in our library and collaborating what we do in our library between more traditional library media specialists and also a STEM program. We are also looking to put two part-time folks in for summer custodial help. As you are aware, summers are also the busiest time for our custodial maintenance departments as we both work with our (inaudible) programs and cleaning the school buildings for the next year.

Dr. Carnemolla highlighted the Proposed Budget Drivers. She noted that these are the categories we put the budget drivers into. Percent is the percent of the overall budget in each of these categories, not the percent increase. Some things that are notable are that part of this is the increase in the bus company's contract, a minimal increase in particular, considering some of what we have seen other districts go out and getting bids. In previous years we had a 1.774% contractual increase for Transportation. We also have a bit of an increase with Tuitions but it is also offset by a decrease in a different sort of tuition when we break out special education and magnet schools. We have also increased our legal fees going into the 2018/2019 year for Contracted Services because of the number of contracts that we will begin negotiating. We have increases in Salaries, decrease in Benefits which is due in part to the negotiation of the Health Savings Accounts (HSAs) into the contracts of all employees of the Board of Education and also reflects that we have had a good claim year, a full year for our insurance company to give us more accurate rates from the twelve month projection, we had a good year. You will also see we have some efficiencies, there is a decrease in Utilities which is primarily a result of the joint procurement with the Town for a reduction in electricity rates and likewise we partnered with the Town to redesign our phone systems, which ultimately resulted in a more modern system but also for a lower monthly cost. She noted that Supplies and Equipment includes the district in its entirety.

Dr. Carnemolla highlighted the Summary of General Fund Revenues. This is primarily grant funds and also things such as parking fees and athletic gate receipts. These are projected revenues because we do the best we can in any given budget year to project forward what we may get in things such as gate receipts but even in this day and age what we may or may not get from the state and federal government so given the uncertainty of funding from the state and the federal government we budget these revenues conservatively. As you can see we are projecting about \$173,000 variance, negative revenues in the coming year. Part of that is continual reduction in the amount that we are reimbursed related to Special Education, specifically to what we are reimbursed

when students require outplacement tuition which goes above and beyond our normal pupil expenditure.

Dr. Carnemolla highlighted Grant Revenues. Based on the trends we analyzed year over year, our grants again have been continually reduced. This is a huge variance of about \$28,000 and you can see we are projecting less funding in IDEA; this is grant funding from federal government for students with disabilities. We are looking at a small negative amount from the SHEFF Settlement. We are continually seeing less under Title I funds which is also a federal government and just a small amount from Title III which is also from the federal government. This is why we need to continue to remove salaries from that IDEA grant for the essential positions that they all are. Most are for special education or other student services that are necessary to both our students and mandated under federal law so on one hand we have to provide them and on the other hand they continue to erode our funding so it is our best interest to fund some of those locally and not counting on grant money that they are continually taking from all districts.

Dr. Carnemolla highlighted Open Choice Attendance Revenue Allocations. As you know we are participating in the Open Choice Program with Hartford Public Schools. The money that is paid to us in tuition through Open Choice can only be used for specific educational programs so this is a breakdown of how we have allocated those funds to both salaries and to programs. The way this works is each year we declare x number of seats for Hartford students, however many we can allow based on our own enrollment and they may or may not be filled but we have to give a number that could be filled. They fund on a sliding scale so if we fill up to 4% of total enrollment with Hartford students we receive \$6,000 per student, 4% and over is \$8,000 per student. It is based on a specific snapshot of numbers and time on October 1 enrollment. In this year we are at 4.02%. In the coming year we expect to be just under 4%. Pre-K and K we are afforded Early Beginnings Grant as part of our Open Choice Program and we get \$4,500 per Open Choice student enrolled in Pre-K or K.

Dr. Carnemolla specifically thanked all of the team members at the Avon Public Schools, our district leadership team certainly has been very helpful putting this together and also thanked the Interim Superintendent who was here prior to my arrival, Dr. JeanAnn Paddyfote, for putting together all of the nuts and bolts related to this budget before my arrival so that we would maintain this timeline and then working closely with me to finish it. Thank you.

VI. CHAIR, BOARD OF FINANCE: Thomas Harrison
Presents Board of Finance Overview

We have heard two very well developed, very carefully thought out, and nicely described spending requests. Now the question is where does the money come from? The Board of Finance's job is to figure that out. The quick answer is, almost 90% of the money to pay for all of this comes directly from every one of us in this room through the property tax to pay for all of these funding requests and our Board has a role of balancing spending requests with the ability of the taxpayers in this room to pay for all of it. That is what we do. We will go through some of the things that we look at and how we expect to get that. You ultimately have the final say because unlike some of the stuff that goes on in Washington or in Hartford, here in Avon and the other towns in the state it is the voters who can decide how much we want to tax ourselves which is a very nice thing.

Mr. Harrison guided the audience through a Power Point Presentation. The slides are attached to these minutes. He highlighted the Requested Budget Summary. This is the big picture. You see the spending request for all things combined \$92,919,694, about a 2.2% increase and you see how it's broken down. One thing, we do have a slight discrepancy in the spending requests. Bridget talked about the Board of Education's spending is \$57 million and change; we have \$59 million and change; the difference is the presentation that Bridget gave is based on General Fund revenues, the stuff coming directly from the taxes and that adds up to \$57 million; there are some additional dollars that aren't in the total Board of Education spending from special revenues that do not come

from the property tax but they are there just when you throw them in the total spending on Education is \$59.3 million. So if anyone was paying that close attention to almost a \$2 million difference, that is why; Bridget was focusing strictly on revenues received from the property tax and there is a little bit after that gets thrown in. So this is what we do – it is a balancing act. We have requests over here with level of revenues to pay; if the spending requests that have been submitted are approved by the voters that would require a mill rate increase of 2.48% which is a significant decrease from last year of about 3.6%. That was the year we had kinds of last minute reductions from the state but this year we are a little bit more comfortable with the projections so we estimate if we recommend and you approve these spending requests that is how much the tax will go up.

Mr. Harrison highlighted all of things that the Board of Finance takes into consideration as we make our decisions. He highlighted Avon Revenue Options. So we really only have two sources to look at: property tax and “other stuff.” Where we get this \$92 million, these are the sources. He highlighted Revenue Raised by Source. He noted that \$82 million of the \$92 million comes from property tax, about 89%; that is a pretty significant chunk of money that is coming out of our property taxes and it has gone up over two years. This all depends - where this money comes from is the Grand List. Things are happening with it and to it that are going to affect our ability to pull money out of that Grand List. Net Grand List means after certain properties are exempt, like churches for example, municipal buildings, so the Net Grand List is the thing to keep in mind when we are talking about where we go to start looking for taxes. You can see the Grand List went up from year to year by 0.145%. And those of you who have been around for a while can remember in the early 2000s we were having Grand List growth of 4%, 5%, much bigger; we are not growing as much, we don’t have as much land undeveloped or unimproved yet so the Grand List is not going to be a huge source of revenue for us going forward but right now it is about 88-89% of our revenue stream comes from the Grand List

Mr. Harrison highlighted what the Grand List is. It is basically the value of all of the taxable property in Avon; land is the biggest single factor. For assessment and tax purposes the Grand List reflects market value but the taxes come from 70%, your house or property is assessed at 70% of the market value. He highlighted New Money Raised by Growth in Net Grand List. If we were to put the same mill rate in this fiscal year and put it on the newly increased 0.145% we would raise a grand total of \$115,000 more dollars. We can’t do it; if these spending levels are approved we have to get a bigger amount than that from our Grand List and that is why the mill rate would have to go up. He highlighted why the grand list is important; the formula to calculate the required mill rate. He noted that every \$1,000 slice of your assessed value is what we apply the mill rate to. You can go on to avonassessor.com, enter your property address and set up to show if this amount is approved what your new property tax will be. He highlighted Avon Grand List Changes. This is the lowest we have had in the last five years. In the FY 14/15 it actually declined which didn’t help because just to keep even we would have to increase the mill rate that year to a certain amount. State law requires that we do a revaluation of all real property every five years. This calendar year is the fifth year of that cycle so this summer you will see people going around town looking at homes to figure out if they have grown or declined in value; five years ago they declined in value; the Assessor already has the professionals signed up to look at every property in Avon, current sales and comparable houses are factored in; the assessment year begins as of October 1st so it will be used this time year and we don’t know yet if it will go up or repeat what happened five years ago and go down. We will know by October 1st what the new Grand List is; there will still be room for appeals and processes if you don’t like the assessment for your particular business or property.

Mr. Harrison highlighted Mill Rate Change Comparisons. It has been going up even when the Grand List went down five years ago. He highlighted the Town-by-Town Mill Rate Comparisons. There is a formula called the Equalized Mill Rate; the State Office of Policy and Management figures that out and when they apply it to the towns with which we compete for prestige and that sort of thing, you can see we have lowest mill rate of everybody but East Granby and Farmington. Farmington benefits from all of the commercial property with Marriott and United Technologies,

etc. We are not bad in terms of competitiveness. What this means is if you take your house and put it down in Canton or another town that is how much your mill rate would be.

Mr. Harrison highlighted Unassigned Fund Balance. He noted that people always ask every year, why don't you ease the mill rate by taking money out of surplus. We've seen what happened when the State tried that and used that up several years ago and they are broke now basically. So we don't use surplus just to meet our everyday expenses. There are policies in place. This helps us when we have to go the bond market because we have a surplus, they know what the policy is and we get a much better bond rating. There is talk about turf fields that would probably be bonded if approved by the voters and the benefit of this surplus policy would help us get a good rating. The Board of Finance has a further policy here using surplus and not used to fill a hole to keep the mill rate down. It is for extraordinary needs, a piece of property becomes available in the Town that the Plan of Conservation and Development would like to keep so surplus is not going to be a factor in figuring out the mill rate for next year; both policies would not permit that.

Mr. Harrison highlighted Property Tax and Assessments. We don't have a huge commercial base compared to Farmington and other towns; we are not located close to Bradley Airport where a lot of distribution factories are built. The biggest single one source within our property tax is the residential property. He highlighted Non-Property Tax Revenues. We don't get a huge amount from these sources, \$10 million and a couple hundred thousand less than in the current year. He highlighted Declining Budgeted State Revenues. We are not getting as much in intergovernmental grants. We don't know yet about next year so we have to go into our budget season not knowing what is going to be out there for us but being conservative because we know we're not going to get as much as we need. He highlighted Spending Trends. The bulk of it, 66.7% is Education related, 30% is Town related, and 3% is for sewers but a lot of the sewers are paid by the users. He highlighted Calculating the 2.48% Tax Increase. We have to raise an extra \$1.9 million and will come from property and non-property taxes. The property taxes portion of it is the Grand List; about 88-89% of our money is Grand List related. Avon has all the land it is ever going to have and can tax. He highlighted Tax Impacts based on assessment percentile. He highlighted Board of Education Requested Spending FY 18/19. It includes the extra revenues that Bridget did not have in her charts. The Board of Education's share of the debt service is primarily the principal and interest we are paying on previous school construction projects. Two-thirds of the budget of the spending if you approve it goes to school related subjects. He highlighted Town & Sewers Requested Spending FY 18/19. He highlighted the Requested Budget Summary. That is the presentation. We will be happy to take questions in a moment. He noted that Wednesday night we have what the Town Charter calls a conferring among the three Boards; the meeting is open to the public and will be here in this building but it is not an opportunity for public comment. Under the Town Charter the Board of Finance, after we digest what we hear tonight and confer with the other two Boards, have the authority to make adjustments as we deem necessary; we could increase some of the spending requests and have a respective tax increase; we could decrease some of the spending requests and lower the tax increase but that is something that is permitted to our discretion; it is based on comments heard tonight and especially of the Boards all of which are open to your observation but not to speak out on that night; that will be this Wednesday at 7 p.m. in his room. Then we have a Town Meeting which is required by the Charter and is the first Monday in May; it is a public hearing but an explanation to the public of what the Board of Finance is recommending to the referendum that will be held the following week. The other Boards will be here to explain if anything has changed in the budget and if not they will urge everybody to support it. That then adjourns to a Referendum. The Charter says if the referendum does not receive a vote of 9% of registered voters it is automatically being approved. The last two years we have not hit that 9% requirement and each year the actual vote totals were in favor of the budget. Two years ago it was only by four votes. There are people who will intentionally stay home hoping to keep the count below 9% so that it will be automatically approved. A lot of our fellow Americans died to reserve our right to vote and if you don't take advantage of it don't complain about what happens. He would really very much like to get above that 9% so that the vote will actually matter. The highest

we ever had was in 2010 with the famous march down West Avon Road event and had about 45-46% turnout that year.

CHAIR, BOARD OF FINANCE: Thomas Harrison

Calls upon the audience for questions and comments on the Town Council, Board of Education, and Board of Finance budget presentations.

This is your opportunity to speak, tell us what you think, what you like, you don't like, what you want the Board of Finance to do, preserve the budgets as submitted, reduce them, increase them. He can pretty much with some level of confidence tell you that we probably won't be increasing it but if you feel that way let us know. This is your chance to ask questions. All three Boards and presenters are here. If you would like to speak please come up to the podium. We need your name and address in Avon; if you are not a resident but a property owner please give the address of the property that you own. The purpose of this question is only to make sure you are eligible to speak and to vote.

Leonard Tolisano, 591 West Avon Road – I have never been to any of these workshops. I came tonight to tell you something that has been bothering me for years about the maintenance of a facility here in Town. I think many people on the different Boards whenever I have run across them at different meetings I have told them about it but I can see from this budget there probably isn't anything in it that will address my concerns. My concern is this – there is a recreational facility in this Town for which not a penny is ever spent. It involves the Board of Education, it involves Public Works, it involves recreation, public health, a whole range of facilities or purposes in this Town that utilize this facility but nothing is ever done for it and it is in fact the sidewalk right across the street. Because I live on West Avon Road opposite the Baptist Church and my man cave is up on the second floor and windows face the street I can observe all of the activities and being retired I have a lot of time to look out the window. What is interesting about it is the users of that sidewalk and that runs from the public library, runs all the way up, comes up to this intersection and then it branches off and goes east, runs down to the Farmington Trail. But my concern is the piece that runs from this building all the way back to the Library. As I understand it that sidewalk is in state right of way but there was an agreement for the Town to either build it or maintain it back many years ago. I have been here since '86, I do not recall this stretch ever being worked on but there was pieces of it put in in concrete further up. When I say pieces I mean there might be twenty feet in concrete in one area and then it is blacktop and then a long stretch of concrete. So who uses this facility? As I look out my window I see people my age walking because their doctor said to go out and walk. They can walk all the way down to the trail but I think if I were out there walking which I don't do, I would like to be some place where people would see me in case I keeled over from a heart attack. Now who else is out there? Well, the Board of Education is over here and they have lots of facilities up there on their site but they use that sidewalk as a running trail for their kids. If you go out there and look at that sidewalk and he took the walk up this evening, it is so fractured, it probably went in there in the '80s, it is so fractured and broken up and so uneven that I am surprised that, and this usually is ten to fifteen kids running as a little mob, one of them falls and they're all going to go down. I would say also for the elderly probably it is a very uneven surface and makes it very difficult for them to walk there. Who else is out there? Mothers with carriages with their kids, little babies; there are kids riding bicycles, they are supposed to be riding in the street but god forbid they should do that, that is probably a nearly suicide attempt and so consequently there is a whole range of people using this sidewalk for a variety of purposes but the Town has not spent really much on it at all. They used to allocate some portion of the budget to build sections of it but I guess they gave up doing that when things got tight. So I am going to finish now by telling you that I think it is worthwhile to consider adding at least some incremental increase in the budget to account for the reconstruction of that sidewalk since it is a recreational facility and used across the board by a whole range of people and your goals talk about activities for all of the people in the Town of Avon and this is a facility that is used even more than the trail because the trail once it snows for most users they don't go down there anymore. But this sidewalk

gets plowed by the Town and people are out there walking on it or pushing baby carriages or riding their bikes or following each other in groups of athletic exercise. So that is the only thing that I want to say. It has been boiling around in my head for several years. I have made it clear I think to a number of people within the Town government that they should do something about it but I don't see anything happening so I think it is about time we should think about doing something over there. It is a very useful facility, it benefits a whole range of people, it is active throughout the year and it connects a lot of facilities, this Senior Center is connected to the Library by that particular sidewalk. It is within the Town's control because they have right of access to it because of their agreement with the State. So that is what I wanted to say and I think you should think about it. Mr. Robertson commented that Mr. Tolisano and I are alums from the Town of Simsbury. He was a very well regarded Town Planner there. Mr. Robertson responded regarding the sidewalk on West Avon. We are aware of it, it is a concern, we have tried twice now through the Small Town Economic Assistance Program administered by the State of Connecticut Office of Policy and Management to try and get some funding to get that sidewalk replaced with cement like you see in front of the High School. It is about a \$500,000 project believe it or not, it doesn't look like it should be that much but it is. We have been unsuccessful with both grant requests and I can tell you that as recently as the fall the Director of Public Works, Bruce Williams, and I walked it, recognize that if nothing else there is a need to do a quick overlay just to make sure it is evened off but in terms of the project to really address the issue it is about priorities and you all saw what is included in the cash capital budget for FY 19 and as much as that section of sidewalk needs work we have 112 miles of road in Town that also need work and hundreds of feet of building (inaudible) need to be addressed in all of the (inaudible) so we recognize it and as other grant programs become available we will try to avail ourselves of them and see how it favors in priority in setting future years. Mr. Harrison thanked Mr. Tolisano for raising that issue.

Allison Szekeres, 157 Kingswood Drive – I am 17. I am a junior at Avon High School. First, I am going to have to explain the reason why I am up here. So I grew up in a suburb of Philadelphia and when I was in kindergarten there was an active shooter situation across the street at the high school. I was in lockdown for around three hours with my hands over the head in the hallway, back against the concrete wall. My mother had no idea where she was. They didn't tell us. My entire school was locked out. My uncle who was a SWAT member for the county over was at my school. And that is something I carry with me every single day of my life and I have seen the security measures that have gone into place after a situation like that, not only as a student but as a member of the community, as a daughter of a teacher. So with everything that has come to light recently it is important to me that security measures are updated at Avon High and other public schools in the Avon community. I was interested because I understand this is both a Town issue as well as a Board of Education issue and I wanted to know more about what your plans are for upgrading security in all levels of the public school system. Dr. Carnemolla responded I don't have the numbers with me this evening because they are in the current year that we are operating from as you know from the capital budget projects that were approved and you asked for a reallocation of funds from the Board of Finance to continue to implement security measures. I spoke about this at the last Board of Education meeting. We have a list of items that was generated through the collaboration with the Avon Police Department and physical threat assessments that were done at all five Avon schools. The list is prioritized also and it includes additional cameras at each school, inside and out which I have been asked many times and will take the opportunity to answer this now, we will be monitoring the cameras, the cameras will be visible to the individuals that work in the offices, the administrative secretaries to the SRO within the school building which as you know we now have back, the hall monitors that currently all three are at the High School, but also and perhaps even more importantly I have the type and number of cameras that we are putting in along with the fiber that we are running to the Police Department. Our Police Department will be able to login and watch the cameras during any kind of security event that they need to monitor it. For example, a worst case scenario tragedy of having an active shooter in the building which often times is not the most feasible threat but that is one we have seen more and more often in recent years, they are able to login to Dispatch and communicate directly with officers that are in the

building, that is part of the upgrades being done. We are also moving toward a different way of securing buildings with an electronic key fob to enter all five buildings and the reason for that is that when you have a key card you can keep track of who is coming in and out of the buildings and can also turn them on and off quickly. We had an issue with someone who unfortunately had to be restricted from one of the schools; we can do that and control our access easier than with keys. We are also working to change some entryways in some of the schools where we don't have two-tier entryway, people traps, to provide a secondary place where a person is stopped as they come inside a building; that is something we are working with engineers on and will be put out to bid so that we ensure that we obviously maintain the structure properly; someone from that project who was so worried about it has already gotten quotes and so forth for that work to be done. Ms. Szekeres commented that she knows personal concerns of being in the High School, some of the doors would be locked on the outside, the interior door to the building and that is a concern. Has there been any discussion of specific technology to help with the security inside the building, room by room, situations like that. Dr. Carnemolla asked if you mean individual classrooms or interior doors. Ms. Szekeres responded yes, to secure individual classroom doors. Dr. Carnemolla responded that one of the things that has been done too is an inventorying of all the locks on the interior doors to make sure that all the doors do lock and there are a number of replacements that are still ongoing right now with related issues, likewise blinds for rooms where they did not exist to close off the sight line into a room and are in the process of updating those and putting them in where they don't exist and had already begun before we had asked for this reallocation of the funds. What I am referring to for anyone who may not know, there had been money appropriated to the Board through the capital budget process to do some upgrades to science labs a couple of years ago at the Middle School; those turned out not to be feasible based on the structure of the building and so looking to make security upgrades the Board of Education requested the Town Council and the Board of Finance to reallocate existing funds from capital projects to these security upgrades that she is talking about tonight. Another thing, concrete barricades in front of the buildings that stop cars, trucks, and anyone with vehicles who may be able to drive in because there are some of our buildings that currently do not have those in place also. Ms. Szekeres commented that her last question, another concern from the student body that I have heard is the difference between the fire alarm system and a different threat in the building. Has the school considered maybe a different blue light system like they have on college campuses, something to differentiate whatever threat might be at the school? Dr. Carnemolla responded this is another project that is actually already underway, replacement of the fire alarm, it is happening at the High School and has already happened at Roaring Brook School. She was just at the meeting at the High School with the Fire Chief, Police Chief, and the Director of Public Works looking at the changeover in the fire alarm system because one we have been having issues with the fire alarm system and two because some of the upgrades that will happen are referring to exactly what you are talking about because there will be an override. Fire Marshal Jamie DiPace confirmed it is just Roaring Brook School. Dr. Carnemolla stated that it is already installed at Roaring Brook with the lockdown buttons that are going to coordinate with a different message that plays over and it overrides the system and calls into the alarm company and the alarm company in turn calls the Police Department. So we have that at Roaring Brook. We are looking to take out the system on and off over the course of the summer and do all of those upgrades at the High School. Does that answer your question? Ms. Szekeres responded for now.

Rob Keane, 156 Kingswood Drive – Regarding the sidewalk piece, it is not an issue, I don't live over here, but if we year after year gone after funding to correct a situation which sounds like may actually be a physical hazard and I would imagine the Town is self-insured for liability, those two things wouldn't be a good idea to have, you know to leave that situation to continue to be uncorrected, right simply somebody injures themselves, there is a lawsuit, it wouldn't take too many lawsuits to pay \$500,000. One of you guys probably already know this and as a general concept again probably restating the obvious, education that is kind of what this Town has going over it, the mill rate is going to be going up but the Grand List isn't going to be growing as you said, but at the end of the day it is kind of the schools, that is why people move here, salaries go

up, everybody kind of understands it; as you all, the Board of Education, everybody gets together and works on the whole thing, just as somebody who is already paying more taxes than he wants to that is kind of the name of the game of living in Avon which you want to have really good schools and part of being a more desirable Town in the Farmington Valley so again, I'm sure it is something that everybody already has heard but just felt the need to say it.

Ellen Rotelle, 295 Ciderbrook Road – My question is what proactive measures is the Town Council or Finance Board taking to increase the commercial and industrial assets of Avon. So if you're saying that there is no more land to build houses then what do you do. Mr. Harrison responded that I said we're not getting additional land that we can tax; all the taxable land is already here; it is not all developed. Ms. Rotelle responded that is my question, what are the proactive actions that a Town Council or the Town of Finance taken to increase either building more houses or bringing more industry in, what do you do? Mr. Harrison responded that we have activities that are going on and deferred to Mr. Robertson to respond; it is a good question. Mr. Robertson stated it is actually a very long answer so I will try to be brief. First of all, with respect to economic development, the planning and land use process in Avon is at a significant advantage and one of the things that applicants are always looking for and we hear this from potential applicants is economy. You can look at other communities that have five boards and commissions ranging from separate planning and zoning to conservation to economic development and goes on and on. In terms of applicants in Avon they are guaranteed a pretty quick up or down process so that process gives the Town a reputation and when you become a Town that has a reputation for being easy to work with, whether it is again the application is ultimately approved there is a lot of value in that. The decision of a business owner to make an application is often times really out of the Town's control, looking at certain criteria, they have site selectors that are in that business that evaluate various factors from educational level of the workforce to the proximity to major highways to the basic quality of life in the area, what kind of quality of life will their executives have for instance, are the schools good, good open space, good services, etc. So by encouraging a good regulatory environment and encouraging a cross section of development where you have the quality of schools and quality of educational services and good public services whether it is public safety, library, or infrastructure, those things all help. There is also the function of keeping open communications with the various other stakeholders we have whether it is the MetroHartford Alliance, whether it is the local Chamber of Commerce, the Rotary Club, it is a matter of keeping your ear close to the ground; obviously we know who our primary property owners are, we talk to them and we do business visitations and we ask if there things that we can do better, things that would help them to expand. In terms of our Planning and Zoning function and the Assessor's staff is always ready, willing, and able to talk with anybody who has an idea that would require some sort of regulatory approval. So we pursue it on all of these fronts but again what I would say about the Grand List is that it is harder to move it from a percentage basis because it is about \$2.6 million so we need a lot of value to aromatically increase it. One of those projects that could do that is the Village Center Project which people always misunderstand and that is not a Town project, it is a project that we are working closely with the developer to help them through the regulatory process. But again, it is much a longer conversation, the bottom line is how you set the table, what the community has to offer, what the regulatory structure is from Planning and Zoning perspective and ways of going through the process and maintaining relationships, talking to current business owners because the easiest thing to do is to maintain what you have and keeping an ear out to what is happening in the regional activity. Ms. Rotelle asked how many applications has Avon received this year. Mr. Robertson responded applications for what. Ms. Rotelle responded for businesses because you said the application process is easy and then again what you mention was very informative but what proactive things we do because those are all things that seem that we are waiting, you used the metaphor of setting the table, are we sending out invitations? Mr. Robertson responded no, we don't send out invitations, they know where to find us, not sure what we would send invitations for. For instance, we have done invitation events through the Chamber of Commerce where we have worked with Lisa and her team to have the business community come in and do a question and answer but it is proactive in the sense of doing the business visitations, talking with the property

owners, a good example is continually having a dialogue with the owner of the Dakota property on Route 44 and try to prompt them to do something. So no, I am sorry if you walked away with that impression, it is not entirely reactive, it is proactive being out there and talking to people and in terms of being able to tell you how many applications have been submitted, I can't do that off the top of my head and there are different types of applications that would be submitted for different uses. For instance, if you look at the former Nassau's Furniture at the corner of 44 and the Waterville Road, there is an application that the Planning and Zoning Commission approved there for an expansion of the footprint for a Raymour and Flanigan store. There is a pet good store that was recently approved where the Old Colony Grill by Michael's, I'm sure others could come to mind. Mr. Harrison thanked Ms. Rotelle for raising a very good question, very relevant to what we are talking about here.

Joe Bartosiewicz, 5 Colby Way – I have been here twelve years in a row saying the same stupid thing. I am a certified financial planner, been in the business for thirty-eight years so I still have another twenty years to work but I don't get a pension but this is what I do. The question that I have, but I have a couple of things, I was just wondering if you guys are looking at this globally. We all know the (inaudible) of taxes are no longer deductible, we all know that a lot of people in this Town are moving out because there is no longer a benefit for being in this State and I know many of my clients living here, about 44% are moving out, and a lot of them are in Avon. And the average person who lives in Avon that are my clients that are moving pay \$68,000 to \$75,000 a year in income tax and about \$20,000 or more in property taxes so they can only take a deduction of \$10,000 so they lose a \$70,000 to \$80,000 in deduction and that increases their tax liability \$35,000 a year so the 2.48% increase is nothing; what they are losing is the \$35,000 tax. They are all moving south, they are all moving to Florida, Texas, New Hampshire. I talked to Trish Murphy today, everybody knows Trish Murphy. Mr. Harrison responded yes, the real estate agent. Mr. Bartosiewicz stated three years ago I said right on here that the average house in Avon will fall 25-50% in five to ten years, you will see in the minutes. I just talked to her today, she said the average house in Avon has already fallen 20-25% in one year. So my house, I live on Colby, there was a house that was just sold on Meadow Ridge, she was asking \$800,000 she sold it for \$649,000. She agrees with me that the average home in Avon will fall 50% in five years. The State workers account for a deficit of more than \$2.5 billion, you can't lay them off, they got the union deal, whoever they pay off; the corruption is outrageous from the State and unions. What is Avon going to do when the Grand List goes down to 50%? Nobody is going to be paying 4-7% of their property values in taxes. So remember, I just want to know, people don't move out of this Town because of lack of services. They move out because of high taxes; that is why they are all moving into tax free states; they are moving to Florida because there is no income tax, they are moving to Texas because there is no income tax; they move to other places because there are no income taxes and the taxes are significantly lower. The average accountant in Florida makes \$35,000, the average teacher makes \$42,000, they don't have pensions, they don't have outrageous costs, but people don't care, they are just moving. So when Avon is stuck with thousands of houses, what are you guys going to do when the budget is \$200 million and there are no homes and the average house is now \$150,000, not \$384,000. What is your long term plan? When you have all of these teachers making \$150,000 plus 75% of their highest thirty years with all of the overtime they can pack in, health insurance that might cost \$70,000 a year. I pay \$36,000 a year for my healthcare for one kid and one wife that is crazy so we all move on. What are you going to do when the average house punts? Mr. Harrison responded I don't think anybody has a simple answer. Many of the issues you raise are way beyond what anybody in Avon can deal with. Mr. Bartosiewicz stated but to deal with the cost of municipalities, the cost of pay or play. I am telling you, twelve years ago I said this, the budget was \$40 million, we are now more than doubled and I said the average home is going to go down if it has. Three years ago I said the average home is going to go down 25-50% in five to ten years. It has already gone down 25% across the board, nobody is buying houses. What are you going to do in five to ten years when the interest rates are going to go up more, the average affordability of homes is going to go dramatically, taxes are going to rise dramatically, we are going into a recession in a couple of years and the nobody, businesses are moving out, rich people are

moving out, what are you going to do, what if your long-term plan? Mr. Harrison responded that we don't have a ready answer; if we lose the values that you are talking about, we will address the issues as they are. Avon residents, I think, are smart enough to understand if they want a particular level of services that they have to be paid for, we are already losing a lot of the State revenues that we receive to help. We cannot by law propose an unbalanced budget so something will have to be done that I cannot tell you today what it is going to be. Mr. Bartosiewicz stated so a guy who is living here that has a \$150,000 house will be paying \$40,000 in their taxes, that is what is going to happen. Mr. Harrison responded that this is not a satisfactory answer but it is the best answer I think anyone in this room can do. We will have to do the best we can. If we don't have the money here we can't create it by increasing the mill rate because that doesn't generate the money. If the Grand List doesn't grow we will have to deal with the Grand List we have; that is the best answer I can give you tonight. Mr. Bartosiewicz commented that is like a person jumping out of an airplane and at least 2,000 people know that he has no parachute, you guys aren't doing anything about it. What was the salary increase for teachers this year? The response was 2%. Mr. Bartosiewicz commented that when you look at the, and I really don't want to be rude, I am concerned. Mr. Harrison responded so are we. Mr. Bartosiewicz stated I am a certified financial planner. Mr. Harrison asked Mr. Bartosiewicz, do you have a suggestion you would like us to consider besides reduce spending, is there any other thing that you would like to propose before you finish your remarks. Mr. Bartosiewicz responded that he talks to Brandon a lot; we were talking about Avon Connect; people are buying everything online, they are going to Amazon, Main Street is getting killed, there are so many retail stores, so many retailers are dying, they pay a fortune in taxes, a fortune in healthcare, they get no pension, they get nothing, they starve if they don't sell, that is our lifeline. Why can't we have an Avon Connect; let's say you have Avon Day; you would have Avon Connect, all the retailers, all the businesses in Avon give certain discounts to people by going to them instead of going online or going to the mall or to another town; if you are an Avon resident and deal with the people in Avon you get a discount; we are connecting Avon people to Avon stores; it would create a loyalty, some sort of allegiance. Why can't you have Entrepreneur Day, teach children how to be entrepreneurial, why can't you have Thompson Farms teach children how to sell; in other words every March right now you have Home Depot who gets all of the business in another town, why can't you have the kids learn how to deal with the business from the Imperial Farms in Simsbury, the kids could learn how to sell, they could learn how to sell the plants, rocks, and everybody comes to the farm, the kids could get like \$10 an hour and the extra money could go to the school for whatever, for Play for Pay. Why can't you charge more if they go to the swimming pool? There are a lot of people in this Town who don't use the swimming pools; if you use it you pay, just like everything else, it's just a private enterprise. But all I am saying is this, in the next five to ten years with interest rates going up, us going into recession, people moving out like crazy, health care tripling, most likely house prices plummeting, you guys are going to have serious problems. 25% decline in one year.... Mr. Harrison responded that nobody is disputing what you are saying. I am making a suggestion here; you mention you have a number of clients, would you be willing to put your suggestions to us in writing and give a copy to me or the Town Manager and if you've got ideas on, you're asking what do you guys plan to do, why don't you give us some suggestions of what you think we should do. You had a couple here tonight. Why don't you put that in writing? Mr. Bartosiewicz asked if you guys see that there is a problem here. Mr. Harrison responded yes. Could I ask you to do that? Mr. Bartosiewicz responded sure.

Susan Namerow, 38 Stony Corners – To follow-up to the previous speaker, this is about values of our homes. I had my house on the market and I took it off. Right now my house, market value according to the Town Assessor Office is \$30,000 to \$50,000 more than I can get for my house so that is number one and will hopefully be corrected this summer when they do revaluations. One of the main reasons and the biggest problem that I have is sewers. The Town needs to get going on sewers. I have already petitioned one in on my street because they only did part of my street. I could hook up but I would have to pay \$7,000 for me to hook up and I am right next to it but I am not in that group. They are moving forward on that one. The only way it gets done is if neighbors or people ask and that is a part of the valuation issue. I have many people who say you have a

septic, take a shower. It makes a big difference. The Town really needs to make it a priority. That's all I am saying. Mr. Robertson responded I would just say that the WPCA will be delighted to hear that, they are in the sewer business.

Chip Lyons, 134 Winding Lane – I want to follow-up on what the lady just said. My question is more for the Town Manager. We are part of this mess that is going on in the lower part of Winding Lane. This construction sewer started last fall. It is now April 2nd. Our properties are a mess. Our street is an absolute disaster. The Town has been out and dug up parts of the street, refilled it again. I guess I need to find out when does this nightmare end, when is this project going to be finished. Mr. Robertson responded I think the answer to that is it is overseen by the Engineering Department in conjunction with the WPCA and if you want to leave your number I can have the Town Engineer call you tomorrow morning. Mr. Lyons responded that would be great – I would love to have this project done, sure. I also want to follow-up on a couple of comments that were made. I understand we have a world class education system, congratulations. But the most important service standard that you can address in this new budget for education is safety, safety of our schools. These numbers are great, the spending increases, etc. If our safety is breached and we have not secured our schools properly all of these numbers that were displayed tonight will drop precipitously, our land values will drop dramatically. The safety of our schools, the safety of our students, our educators and our Town residents should be the number one priority over an additional janitor or some of the other items that are being addressed. I stress to the Board, I stress to all of you folks, and we must secure our schools for the safety of our kids, for the values of our properties, just for the well-being of everyone in our Town. I am so thrilled that you spoke tonight (speaking to Ms. Szekeres), thank you, and I am sorry you went through what you went through. Thank you very much. Mr. Harrison commented I think we all agree that the issue you raised, everybody on the boards either has had or currently has or will soon have personal connections with the schools too, is an important issue to the elected officials as well so we are very much appreciative of you raising the issue. Dr. Carnemolla responded that it is important to delineate that these are ongoing projects that we are looking to continue from this year into next year again in line with capital improvement budget. It should not be that the security improvements are made or not made based on whether or not, for example, we added in half of a custodian to clean Central Office. Those numbers that we spoke about are very specific to money moved from the General Fund and not from capital improvement. We have been able to establish a great partnership, for example, with the Police Department and we do not see at this point a dollar amount for the SRO that we have reinstated for example so I did not speak specifically to security numbers during the presentation as we have been addressing them through other means. The improvements that I spoke about tonight are approximately \$675,000. Again that is money that we have requested to be reallocated from one project to another for exactly the same reasons that you are speaking about tonight. I just want to be clear that just because that is not a part of the presentation I gave her tonight doesn't mean that we won't continue on the path of re-evaluating our school security and safety because that is part of what we do on a daily basis by working so closely with our Police and Fire Departments. Debra Chute, Board of Education Chair, stated I just wanted to take a moment to recognize that as a parent of a few students in the schools, it is very important to me, it is very important to our Board that security is a priority. We care about our students, we care about our staff and we are acting proactively right now every day having these conversations so I want you to know that it is a pressing issue that we are addressing and we are grateful that the Town is supporting that effort.

Jon Neville, 112 Tamara Circle – Thanks for the few moments to be here, thanks for all of your work. I appreciate what you have done, I like living in Avon because you are responsible with our money or try to be but I think what that man said kind of stole my thunder. I was just going to say that hardly a day goes by that somebody doesn't tell me that they're moving out of Connecticut. I was talking to a co-worker today who just bought a house in Florida. Even if a fraction of what he is saying is true we're in trouble. It is not because we have a revenue problem. I don't think more revenue is going to solve the problem; it is a spending problem just like it is with the State. I listen to all the Republicans that keep saying it's not a revenue problem, tolls are not going to solve our

problem, it's a spending problem so hopefully you guys know that and I'm just here to represent the average joe whose property value has probably not gone up in over ten years; bought my house ten years ago, I'll be lucky to sell it for what I bought it for. I'm guessing, I have put some improvements in, a roof, maintenance, and things like that but I probably won't get those back. I don't get a pay raise and my taxes go up and so I just appreciate what you are doing and want you to know that a lot of us that are struggling just to make ends meet. Mr. Harrison responded we can relate to that very much so. My wife and I in our career of changing jobs and moving around we have been spectacularly successful, every place we moved out of the market the market was at the bottom and we moved into a market that was at the peak and it's not easy to plan that so I know exactly what your concern is; we have hit that including when we moved here.

Dick Burkett, 40 School Street – I read in the paper the other day that they're planning on putting in astro turf for about \$5-6 million and the reason we're doing they said was that the field had not been maintained and we all know taxes go up because of spending so is that in the budget now? Mr. Harrison commented that for that to happen the voters will have to vote it up or down; there is nothing in the budget proposal today and when and if it happens it will be up to the voters to approve so there is nothing that is locked in at this point; it is the Council that will make the initial decision. Mr. Burkett also stated I'd like to find out when they are going to fix my road, I've been asking for six to seven years and we got three school buses that go up and down that street and one place from curb to curb is only sixteen feet across, school bus is eight and when UPS comes down he's eight, it's kind of difficult to get around that corner; when are you going to do something about it. Mrs. Maguire stated that the turf field is currently a proposed project; when we went through the design phase we looked at a price tag of roughly \$5 million; we looked at it as a three-part process in the payment – the Town would do \$2.5 million, private fundraising, and hopefully money from the State. At this point there is no known money coming from the State and it has been made very clear to us that there will be no money coming from the State and we really have very little as far as private fundraising, we have nothing so we are looking at what the Town can do. The Town Council is going to have to sit down and really look at this project; at this point it is a wish list item; the idea of maybe downsizing the project and something that will have to be discussed; as far as the overall maintenance of the current field, that is something that would be handled by the Board of Education but always something that we would be looking at. But at this point we don't have a \$5 million project out there but it is something that we will be talking about and we're hoping in some way, shape, or form to get a turf field in there. It is not in this year's budget. Mr. Robertson commented that there has been some activity, the intersection has been approved, the sewers are in and in terms of straightening out that S curve it is the abutter - we need their permission. Mr. Harrison followed up on the funding issue with the State. Heather Maguire and Brandon Robertson met last week with the Governor's budget director, head of Office of Policy and Management, and who sorry to have to this was not only not particularly forthcoming with money but was rude, was very hostile, basically started with we're not going to pay Avon anything for that turf field. We understand that the State is broke. It was probably Heather's first time dealing with them, Brandon has before, but they could have at least been polite with us. If anything goes forward with that turf field project it is going to come from us, we are not going to get any help from the State, maybe some private citizen fundraising, but the State is not going to be part of the picture and why Heather was mentioning we may have to scale it down in terms of size. It was very disappointing to have that kind of treatment. Unfortunately the State today is basically broke.

Bruce Corbett, 171 Huckleberry Hill Road – I want to thank you for your efforts because I know it started in November when you started to develop your budgets and then in February, an early morning on a Saturday you got together and pulled it all together and I want to thank the various boards for doing that. I found out where we were by a Hartford Courant article on March 20th which indicated that there would be a meeting tonight for one and there would be contractual salary increases and there would be another day or so, or part of a day at the Library, and an additional police person. And out of those three items we got a budget increase which I thought was pretty high just when you consider those three items. My concern is we have, and I'm not sure whether

negotiations have started yet for the next three-year meeting because I think we have another year on the salary schedule, I would like to have Mr. Harrison and perhaps the Finance Committee talk to the Board of Education negotiators when it is appropriate and I don't know whether it is appropriate yet or not because negotiations start quietly and burst upon us to respond to, but to find out what the ability to pay is for this Town. It is a critical issue and we have for many years been under the influence of it because we are a well to do Town that we have the ability to pay. I think we are a well to do Town because of the various boards taking good policy. But I think in the process when we negotiate with teachers' salaries and they are a big issue in the budget we need to come in with the full understanding of the ramifications of the Arbitration Act and the ability to pay. So I would hope that would be something that the Finance Board would do. I am also trying to get people to turnout to vote and the history of voting in the Town has not been that good and you can see it on one of the pages in the handout. It seems to me that the budget is a stepchild or the orphan of the Town and we have three or four or five, we had 8 percent, but we need nine percent of the eligible voters to vote and I would hope that we can do something to get those voters out. The voting history we have indicates that, and according to one of your flyers on page 4, you consider voting history and I would hope that when you have considered voting history, what does that mean when the Finance Board realizes that less than nine percent of the people turnout to vote. Mr. Harrison responded you have heard me say a couple of years that it really frosts me that people don't turnout. Bruce is referring in the general handout, there is a page going back about ten years of voting history at the referendum and you notice it is dropping precipitously, the last two years it was below nine. I don't know what we have to do to get people to come out to vote. It is a matter of stressing with people if you don't vote don't complain. We really want to see a good turnout and I am with you 100% on that. Mr. Corbett stated, I would like to thank you for your efforts and maybe people feel that because you do the kind of job that you do they don't need to turnout; the boards have done a very good job on that part. Mr. Harrison responded, thank you for saying that but a big area where we are not successful is getting the voter turnout to switch back up again. Mr. Corbett stated it is important to have people involved in our democracy, thank you. Mr. Harrison commented on the ability to pay. Within the arbitration laws there is a requirement that if it is being challenged you look at the ability of the Town to pay and we generally when we are in those situations the arbitrators with the courts say Avon can pay a lot but in the last year we had a very successful decision, I don't think it was on teacher contracts. Mr. Robertson responded it was for police. What Tom is referring to is that with the collective bargaining agreement for the association representing the police officers we did go first into mediation and then into arbitration. For those who don't know, arbitration is basically where you go in with the attorneys and you present the case to a three-member panel, there is a neutral, a management, and a labor representative and you submit your proposals. One of the primary factors that the panel considers is the ability of the community to pay and historically for a number of reasons like the net grand list per capita, unassigned fund balance levels, a lot of reasons Avon has been considered to have the ability to pay but for this arbitration process we made the argument that while Avon is in a good position, we have a AAA/Aaa bond rating, we are not dependent on the State for intergovernmental revenue but we are exposed and we talked about how our revenue from the State had been declining and given the State's almost impossible position it is going to decline more, they did include language in the award that recognized that while Avon is a well-managed community that could be considered to have high enough levels there are going to be headwinds and the decision went in our favor for the wages.

Diane Hornaday, 505 Huckleberry Hill Road – I am not as cordial as Bruce and I have been attending these various budget hearings for over forty-five years and have voted here, yes indeed, and I have lived in Town for well over fifty years and I have to say I don't think I ever attended, I'm sorry to say this Mr. Harrison, a less informative Board of Finance hearing. I think I got more from what the residents asked. The presentations were lovely but we are being requested to spend money with no justification for some of those items. There was no printed handout from the Board of Education and what was up on the screen was barely legible because of the colors that were chosen. My question is where can we see the Board of Education's proposal in addition to web

sites because some people don't have computers as amazing as that may be amongst us. Is it available at the Library? Ms. Chute responded that our budget is always posted online on our web site but it is posted at the Library as well for you to access; there should be physical copies, even at the Town Clerk's Office. Ms. Hornaday stated it is disappointing and bad because there is no further opportunity for public input; this is it, like I said, I got more information from the other residents, thank you. Mr. Harrison responded it is in, but it is not completely in because as you know at the Town Meeting on the first Monday in May, citizens have the opportunity to speak and to lobby, support the budget, reject the budget so you will have another opportunity to present your views on whether this is a good budget or not. The tax increase talked about will depend upon if the voters approve it.

Bruce Corbett, 171 Huckleberry Hill Road – I guess I would like to know when teacher negotiations are beginning or have they begun. The Board of Education responded they have not begun yet. Mr. Harrison asked if they are scheduled for this calendar year. The Board of Education responded yes. Mr. Corbett commented that being a retired teacher I know that Avon teachers are doing very well where about 80% of them are getting \$10,000 more than teachers in touching towns and I think that this is a manifestation of the concept of the ability to pay and maybe not fully understanding our position in the negotiation, arbitration situation, thank you.

Mr. Harrison called for final comments. There were none. He thanked all, whether you spoke or not. He reminded everyone the next budget meeting is with the three boards at the Budget Workshop on Wednesday night at the Senior Center.

VII. CHAIR, BOARD OF FINANCE: Thomas Harrison

Advises audience that there being no further discussion, the Budget, in its final format, will be presented to the Annual Budget Meeting on Monday May 7, 2018, at the Avon Senior Center Community Room, 635 West Avon Road, Avon, CT at 7:00 p.m. and will be submitted to vote at Referendum on May 16, 2018, 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. He thanked all for coming and all who spoke; it is very valuable, it makes a difference.

Dr. Carnemolla apologized as she was unaware that we should print separate documents to bring and she will print them out and distribute them around the Town facilities. She also welcomed anyone to come in to her office and meet and go through the budget.

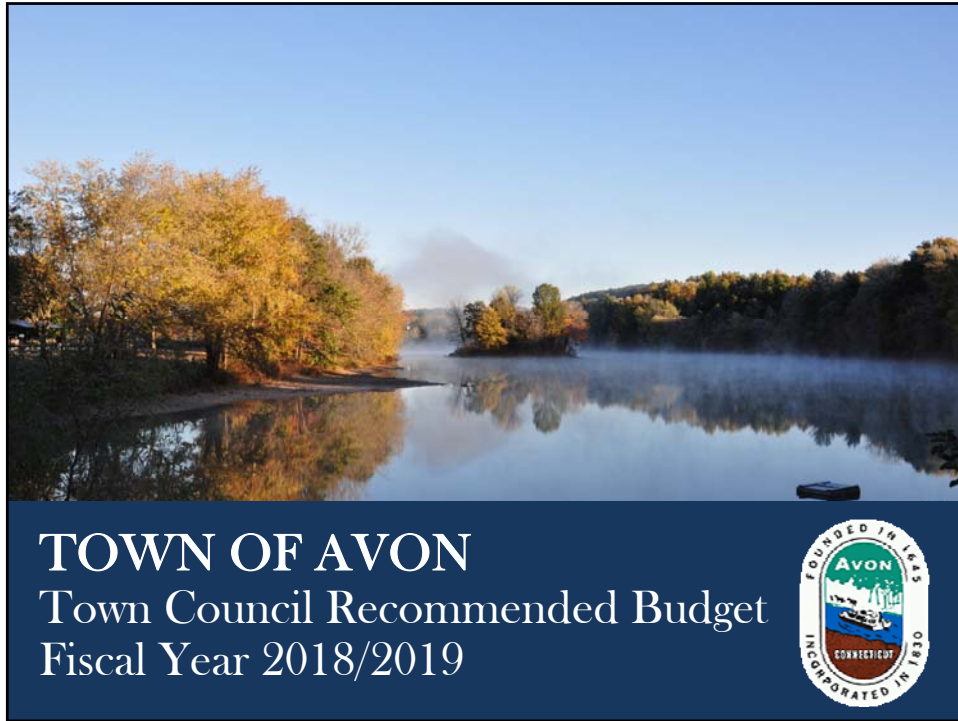
VIII. ADJOURN

The meeting adjourned at 9:34 p.m.

Respectfully Submitted,
Cathy Durdan, Secretary

Attest: Jennifer Worsman, Clerk

All referenced material is available to the public in the Town Manager's Office.



Town Council Recommended Budget FY 2018/2019*

| | <u>FY 17/18</u> | <u>FY 18/19</u> | <u>\$ Inc/(Dec)</u> | <u>% Inc/(Dec)</u> |
|--------------|----------------------|----------------------|---------------------|--------------------|
| Town | \$ 24,096,598 | \$ 25,029,411 | \$ 932,843 | 3.87% |
| Sewers | 2,015,307 | 2,016,793 | 1,486 | 0.07% |
| Debt Service | 2,818,850 | 2,755,750 | (63,100) | (2.24%) |
| Education | 58,292,975 | 59,383,115 | 1,090,140 | 1.87% |
| C.I.P | 3,689,506 | 3,734,595 | 45,089 | 1.22% |
| TOTAL | \$ 90,913,236 | \$ 92,919,694 | \$ 2,006,458 | 2.21% |

* As recommended to Board of Finance on March 1, 2018

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.



3

Activities Funded by the Operating Budget

- General Government
- Public Safety
- Public Works
- Health & Social Services
- Recreation & Parks
- Education—Culture
- Conservation & Development



4

Strategic Objectives

- **Maintain Capital Budget funding levels with Emphasis on:**
 - Road Improvement
 - Municipal & School Facilities
- **Continue to Adequately Fund Long-Term Liabilities**
 - 100% of the Annual Required Contribution for Pension funds
 - Other Post-Employment Benefits (OPEB) Obligation
- **Continue to Focus on Core Services**
 - Public Safety
 - Integrate Private Vendor Contracts where Efficient & Effective



5

Operating Budget Increases at a Glance The “Big Rocks”



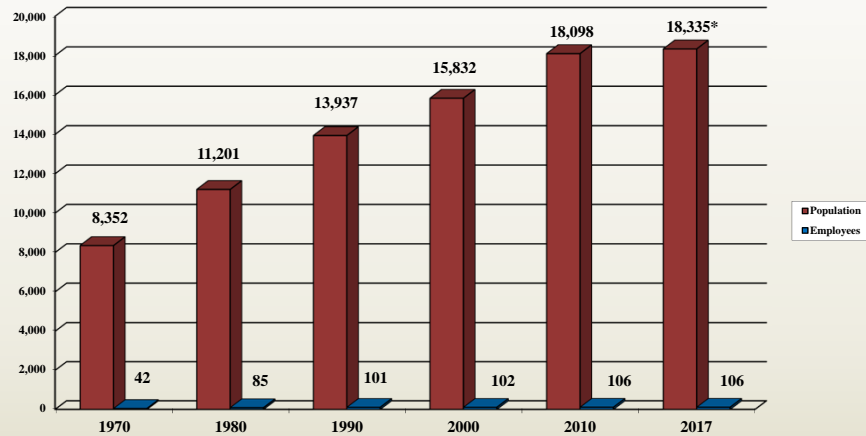
Overall 2.81% spending increase

Major Drivers:

- | | |
|---|-------------|
| ▪ Increases in Wages and Salaries | + \$458,911 |
| ▪ Increase in DB “ARC” <i>(plan closed to new employees in 1997)</i> | + \$177,433 |
| ▪ Increase in Defined Contribution | + \$ 43,248 |
| ▪ Increase in Funding Social Security | + \$ 35,026 |

6

Employment and Population Growth Since 1970



Population to FTE ratio in 1970 = 0.5%, in 2017 = 0.57%

Source: 1970-2010 US Census; 2017 US Census American Community Survey

7

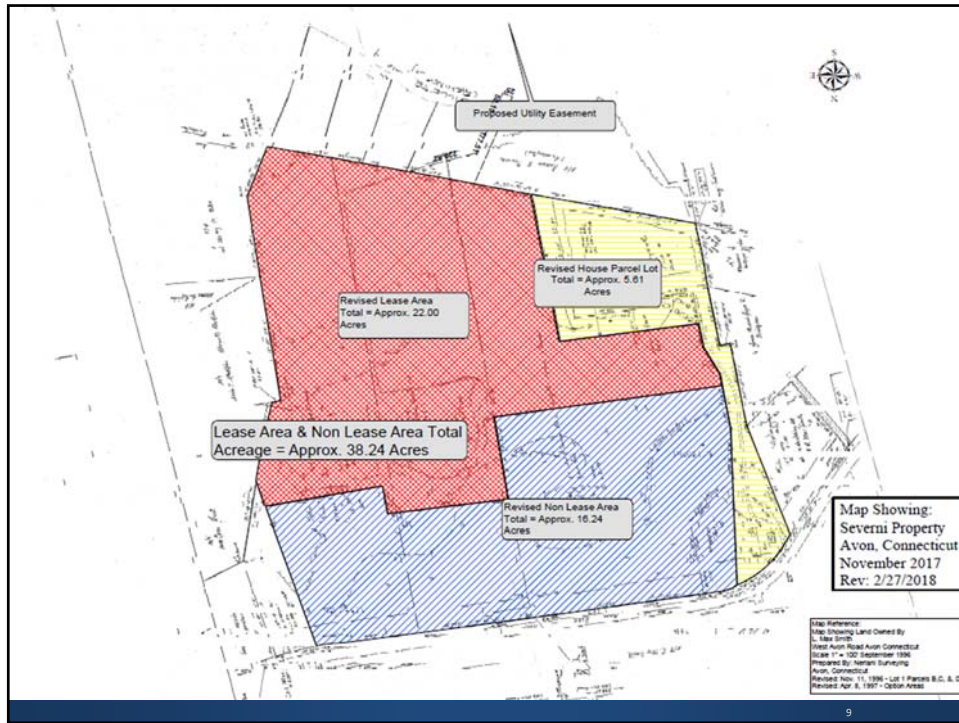
Capital Budget Projects FY 2018/2019

| | |
|--|-----------|
| Road Improvements | \$509,095 |
| APD Building Improvements | \$300,000 |
| Fisher Meadows Existing Irrigation Improv. | \$220,000 |
| District Wide Security Upgrades Phase I | \$265,000 |
| AHS Fire Alarm Replacement | \$175,000 |
| Sewer Projects | \$752,000 |
| Potential Land Acquisition | \$470,000 |
| Equipment Replacements | \$618,500 |
| Other Capital Projects | \$425,000 |

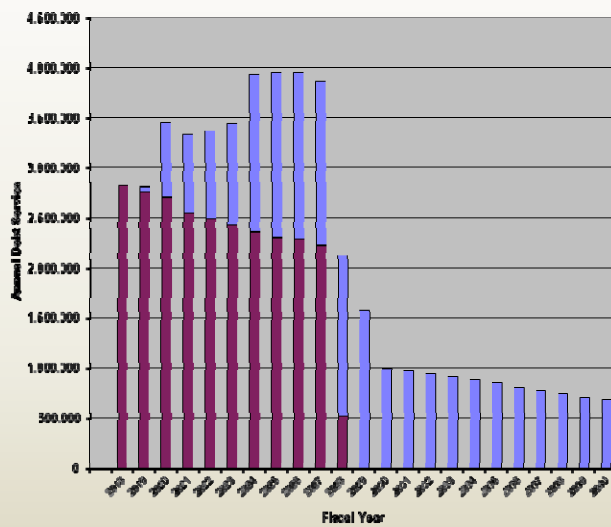
TOTAL Capital Program \$3,734,595



8



Existing & Projected Net Debt Service*



*Note: This graph reflects Existing and Projected Debt Financing including:

- \$2,500,000-Athletic Fields/Facilities
- \$3,000,000-Public Safety Radio System
- \$6,000,000-Old Farms Road
- \$5,000,000- Fire Station/Training

Projected debt is an estimate, has not been approved and is subject to revision.

Projected Debt Service indicated in blue.

Existing Debt Service indicated in purple.

Town-Board of Education Cooperative Ventures

- Vehicle & Equipment Maintenance
- Purchasing
- Capital Project Administration
- Use of Athletic Fields, Town Facilities & School Buildings
- Health, Liability, Auto, Property, & Worker's Compensation Insurance
- Financial Services (Audit, Banking)
- Legal Services
- Comprehensive Energy Plan
- Staff Sharing (SRO Program)



11

PUBLIC SAFETY

The Avon Volunteer Fire Department...

200 current members
20 pieces of apparatus
600 calls for service annually

Celebrating its 75th anniversary in 2018!



The Police Department...

36 sworn officers
80K-100K dispatch calls annually
90+ community relations activities annually

Nationally Accredited since 1993



12

PUBLIC WORKS

The Department of Public Works...

112 miles of road, treated for **17** snow storms last year

139,000 square feet of interior building space

1,162 acres of parks and open space

28 miles of trails

2 swimming pools

172 units of equipment and apparatus
Town-wide

550 tons of recyclables processed annually



13

RECREATION

The Department of Recreation & Parks...

14,000 participants in aquatics programming

560 summer campers

462 athletics participants



SOCIAL SERVICES

The Senior Center...

2,100 senior programs with **19,000** participants

100 health clinics

3,800 senior meals served

The Department of Social Services...

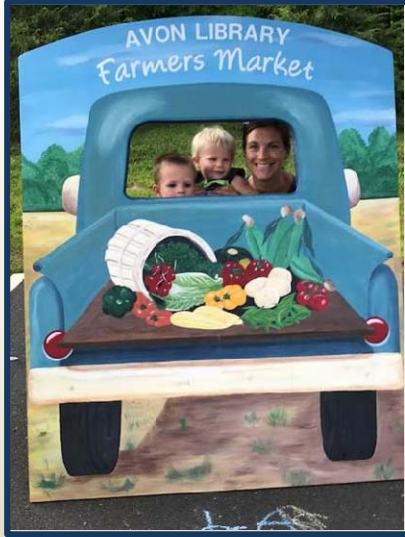
2,494 Dial-a-Rides

171 Energy Assistance Applications



14

AVON FREE PUBLIC LIBRARY



45% of residents have a library card
164,000 visitors last year
285,986 items in circulation
1,184 programs annually with **33,147** attendees
 Library Director currently serving as President
 of the Connecticut Library Association!



15

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|--------------|----------------------|----------------------|---------------------|--------------------|
| Town | \$ 24,096,598 | \$ 25,029,411 | \$ 932,843 | 3.87% |
| Sewers | 2,015,307 | 2,016,793 | 1,486 | 0.07% |
| Debt Service | 2,818,850 | 2,755,750 | (63,100) | (2.24%) |
| Education | 58,292,975 | 59,383,115 | 1,090,140 | 1.87% |
| C.I.P | 3,689,506 | 3,734,595 | 45,089 | 1.22% |
| TOTAL | \$ 90,913,236 | \$ 92,919,694 | \$ 2,006,458 | 2.21% |

* As recommended to Board of Finance on March 1, 2018

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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.

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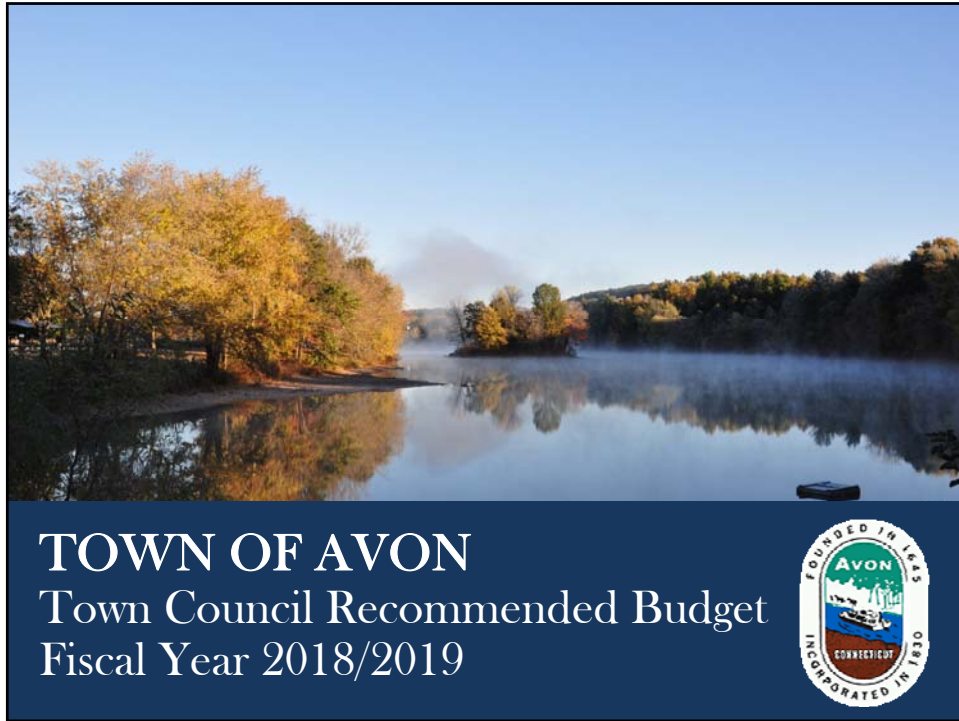
Next Steps in the Budget Process

Board of Finance Budget Workshop Wednesday, April 4 @ 7:00 p.m.
Senior Center

Town Meeting Monday, May 7 @ 7:00 p.m.
Senior Center

Budget Referendum Wednesday, May 16

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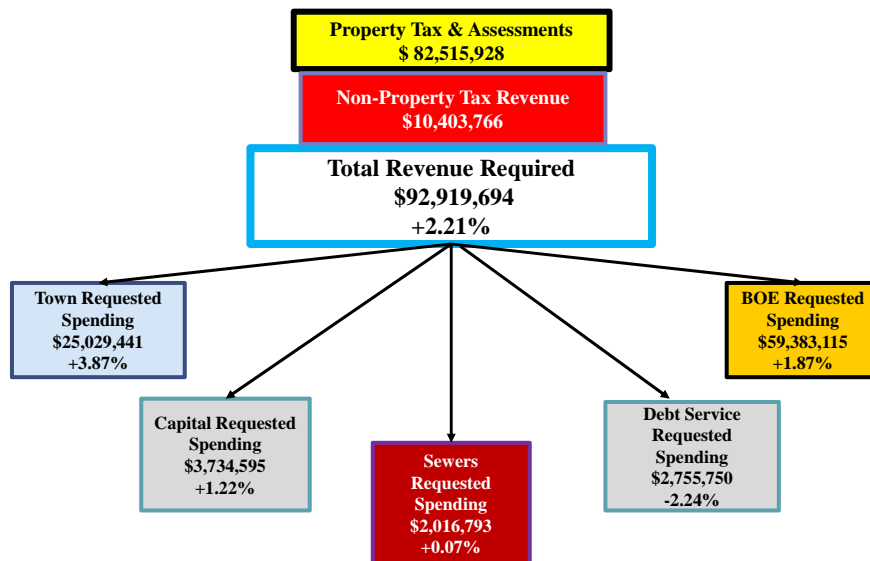
Town of Avon Board of Finance

Public Hearing

Requested Fiscal Year 18/19 Budget

April 2, 2018

Requested Budget Summary



Board of Finance *Balances*

The
Requested
Amount of
Spending for
Services



The Level of
Revenues
Required to Pay
for these
Requests

*The proposed \$92,919,694 budget for
Fiscal Year 2018/2019 would require
a 2.48% tax increase.*

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

Avon Revenue Options *Limited*

- **Restrictive State Laws—**
 - No local income or sales taxes
 - No local tobacco, alcohol, gas, or hotel taxes
- **Avon Revenue Choices—**
 - Property taxes and assessments
 - Non-property tax sources
 - *Licenses, Permits, Fees, Grants*

Revenue Raised by Source

| | Adopted FY 17/18 | Requested FY 18/19 | % Inc/ (Dec) |
|---------------------------------|----------------------|-----------------------|-----------------|
| Taxes & Assessments | \$ 80,284,081 | \$ 82,515,928 | 2.78% |
| <i>% of revenues</i> | <i>88.31%</i> | <i>88.80%</i> | |
| Non-property Tax Sources | \$ 10,629,155 | \$ 10,403,766 | (2.12)% |
| <i>% of revenues</i> | <i>11.69%</i> | <i>11.20%</i> | |
| TOTAL | \$ 90,913,236 | \$ 92,919,694 | 2.21% |
| Net Grand List | \$ 2,611,809,940 | \$ 2,615,585,560 | 0.145% |
| Mill Rate Required | 30.59 | 31.35 | 2.48% |

What is the Grand List?

The **Grand List** is the compilation, by value, of all taxable and tax exempt property within the Town. The **Grand List** can be broken into four categories:

- (1) **Real Estate**—all residential and commercial property and all improvements such as buildings, sheds, pools etc.
- (2) **Personal Property**—anything that is moveable and is not a permanent part of commercial real estate. For example, the furniture, machinery and equipment owned or leased, and used, by a business.
- (3) **Motor Vehicles**—vehicles that, in the normal course of their operation, most frequently leave from and return to or remain, within the Town of Avon.
- (4) **Other**—vacant land

Reminder: Your property is assessed and taxed at 70% of market value.

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New Money Raised by Growth in Net Grand List

| | |
|---|------------------------|
| FY 2017/2018 Net Grand List | \$2,611,809,940 |
| FY 2018/2019 Net Grand List (as of 4/2/2018) | \$2,615,585,560 |
| % Increase | 0.145% |
| \$ Raised by growth in Net Grand List | \$115,496 |

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Why is the Grand List Important?

Property Tax Revenue Required
divided by
 FY 2018/2019 Net Grand List
multiplied by 1000
 = FY 2018/2019 Required Mill Rate

\$81,998,607

÷

\$2,615,585,560

x 1000

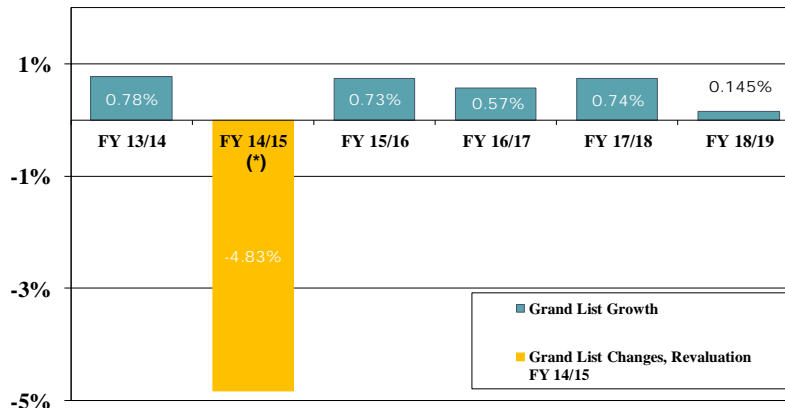
= 31.35

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Avon Grand List Changes



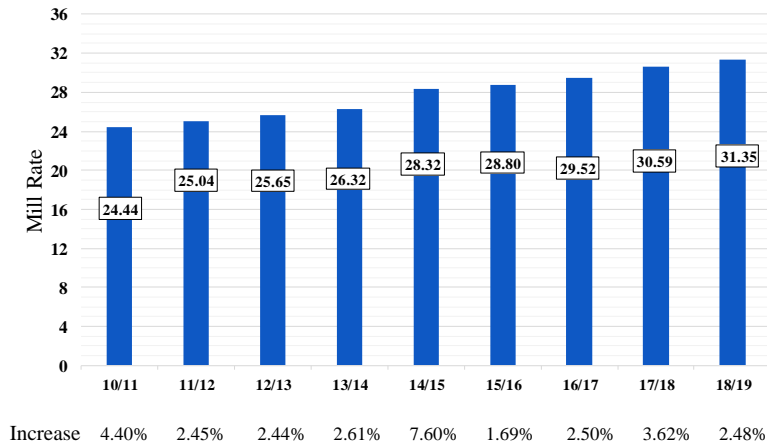
(*) Net Grand List decrease, which reflects a growth of 1.40%.

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Mill Rate Change Comparison

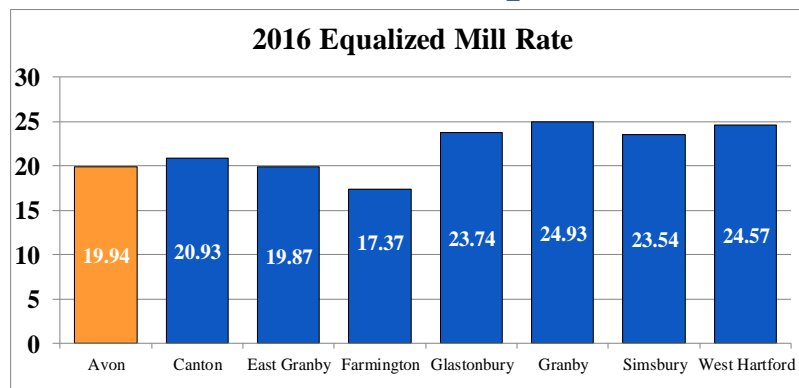


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Town-by-Town Mill Rate Comparison



* The Equalized Mill Rate is used so we may compare mill rates among towns, using this formula:

$$\frac{\text{Net Grand List} / \text{Assessment Sales Ratio}}{\text{Budget Needs [taxes to be raised to meet the budget]} / \text{Adjusted Net Grand List}} = \text{Equalized Mill Rate}$$

Source: Office of Policy and Management

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Unassigned Fund Balance

- **Unassigned Fund Balance**: General Fund balance that is available for appropriation.
- **Town Council Policy**: To maintain unassigned fund balance of 10% of general fund actual expenditures.
- **Board of Finance Policy**: Restricted use. To meet an "extraordinary need or unusual opportunity which...must be timely met."
- Unassigned Fund Balance as of current FY18 budget:
 - \$8,954,322 or 10.41%
- Projected FY19:
 - \$8,954,322 or 10.25%

Property Tax and Assessments

| Property Tax & Assessments contributes <u>88.80%</u> of FY 18/19 Required Revenue | Adopted FY 17/18 | Required FY 18/19 | FY 18/19 % Prop. Tax & Assess. |
|---|---------------------|---------------------|--------------------------------|
| a) Residential | \$61,598,841 | \$63,334,590 | 76.57% |
| b) Commercial/Industrial | 9,971,152 | 10,180,460 | 12.30% |
| c) Motor Vehicles | 5,464,960 | 5,512,350 | 6.66% |
| d) Personal Property | 2,732,480 | 2,789,280 | 3.37% |
| e) Other | 127,833 | 142,368 | 0.18% |
| Subtotal | \$79,895,266 | \$81,998,607 | 99.08% |
| f) Assessments – Various | 388,815 | 517,321 | 0.92% |
| Total | \$80,284,081 | \$82,515,928 | 100.00% |

Source: Assessor's Office

Non-Property Tax Revenue

| Non-Property Tax contributes <u>11.20%</u> of FY 18/19 Required Revenue | Adopted FY 17/18 | Required FY 18/19 | FY 18/19 % Non-Prop. Tax |
|--|---------------------|----------------------|-----------------------------------|
| Intergovernmental <i>i.e. grants</i> | \$3,859,329 | \$3,776,931 | 36% |
| Licenses, Fees & Permits <i>i.e. building permits, recording & conveyance</i> | 1,120,775 | 1,032,675 | 10% |
| Charges for Current Services <i>i.e. landfill, recreation fees</i> | 4,258,827 | 4,643,206 | 45% |
| Other Local Revenues & Other Financing Sources <i>i.e. investment interest</i> | 1,390,224 | 950,954 | 9% |
| TOTAL | \$10,629,155 | \$10,403,766 | 100% |

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Declining Budgeted State Revenues*

| | Budget | Actual/ (YTD**) | Budget v. Actual | Budget Year over Year Inc/ (Dec) |
|---|--------------|--------------------|---------------------|--|
| FY 2016/2017 | \$ 4,741,745 | \$ 3,439,173 | (\$ 1,302,572) | -- |
| FY 2017/2018 | \$ 3,859,329 | \$ 2,061,963 | (\$ 1,797,366) | (18.6)% |
| FY 2018/2019 | \$ 3,776,931 | -- | -- | (2.1)% |
| Cumulative Inc./ (Dec) FY 2016/2017 – FY 2018/2019 | | | | (20.3)% |

*Funding levels subject to change throughout state budget process.

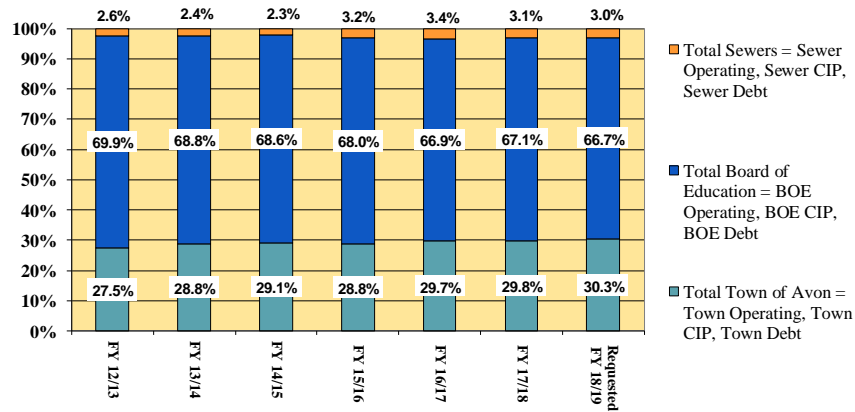
**YTD as of March 26th of fiscal year

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Spending Trends



Note: CIP= Capital Improvement Program

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Calculating the 2.48% Tax Increase

| | |
|---|-----------------------------|
| 1. Total Unified Budget Request | \$ 92,919,694 |
| <i>Where do we get the Money?</i> | |
| 2. Non-Property Tax Revenues (intergovernmental, fees, permits, etc.) | \$ 10,403,766 |
| 3. All Other Assessments (supplemental real estate/motor vehicle, prior levies, sewer assessments, etc.) | \$ 517,321 |
| 4. Grand List at Current Mill Rate (includes growth) | \$ 80,010,762 |
| Subtotal | \$ 90,931,849 |
| <i>Where do we get the Rest?</i> | |
| 5. Additional Funding Needed | \$ 1,987,845 |
| 6. Tax Increase Required to Fund Requested Spending | \$1,987,845 ÷ 80,010,762 |
| | <u>= 2.48%</u> |

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Tax Impact

Requested Spending Assessed Home & Vehicle Values in Avon (Single Family Homes & Condos)

| Assessment Percentile | Assessed House & Vehicle Values | Current Property Tax Adopted (30.59 mills) | Property Tax If Budget is Approved (31.35 mills) | Difference Proposed Tax Increase (31.35 mills) |
|-----------------------|---------------------------------|--|--|--|
| 25% | \$205,510 | \$6,287 | \$6,443 | \$156 |
| 50% | \$267,180 | \$8,173 | \$8,376 | \$203 |
| 75% | \$374,660 | \$11,461 | \$11,746 | \$285 |

Reminder: Your property is assessed and taxed at 70% of market value.

For your specific real estate & motor vehicle taxes, please visit:

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Board of Education Requested Spending FY18/19

| | Requested FY 18/19 | % of Total Budget |
|---|----------------------|-------------------|
| Board of Education Operating | \$ 59,383,115 | 63.91% |
| BOE Share of Debt Service | 2,119,660 | 2.28% |
| BOE Share of CIP | 440,000 | 0.47% |
| BOE Operating, Debt, and CIP TOTAL | \$ 61,942,775 | 66.70% |

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Town & Sewers Requested Spending FY 18/19

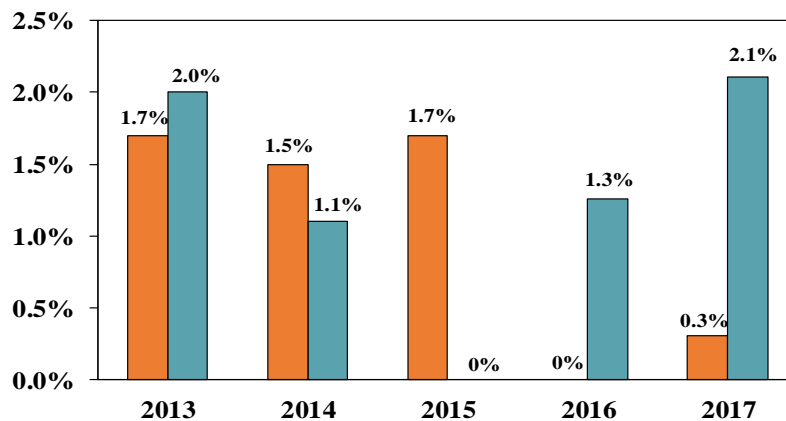
| | Requested FY 18/19 | % of Total Budget |
|------------------------------------|-----------------------|----------------------|
| Town of Avon Operating | \$ 25,029,441 | 26.94% |
| Town Share of Debt Service | 636,090 | 0.68% |
| Town Share of CIP | 2,542,595 | 2.74% |
| SUBTOTAL | \$ 28,208,126 | 30.36% |
| Sewers Operating, and Share of CIP | 2,768,793 | 2.98% |
| TOTAL | \$ 30,976,919 | 33.30% |

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Social Security Cost-of-Living Adjustment (COLA) & Consumer Price Index (CPI)



Sources: US Social Security Administration and Bureau of Labor Statistics

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Requested Budget Summary

| | Adopted FY 17/18 | Proposed FY 18/19 | \$ Inc/ (Dec) | % Inc/ (Dec) |
|----------------------|----------------------|----------------------|---------------------|-----------------|
| Town Operating | \$ 24,096,598 | \$ 25,029,411 | \$ 932,843 | 3.87% |
| Board of Education | 58,292,975 | 59,383,115 | 1,090,140 | 1.87% |
| Debt Service | 2,818,850 | 2,755,750 | (63,100) | (2.24)% |
| Capital Improvement* | 3,689,506 | 3,734,595 | 45,089 | 1.22% |
| Sewers** | 2,015,307 | 2,016,793 | 1,486 | 0.07% |
| TOTAL | \$ 90,913,236 | \$ 92,919,694 | \$ 2,006,458 | 2.21% |

* Capital Improvement amount of \$3,734,595 funded in part (\$752,000) with Sewer User Fees.
 ** Paid for by user fees

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Next Steps

Budget Workshop

Not a public hearing, but open to public to observe

Wednesday, April 4 @ 7:00 p.m.

Avon Senior Center Community Room

Town Meeting

Monday, May 7 @ 7:00 p.m.

Avon Senior Center Community Room

Referendum

Wednesday, May 16 @ 6 a.m.-8:00 p.m.

Avon Senior Center Community Room

Wednesday, June 6 (if needed)

Wednesday, June 20 (if needed)

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Town of Avon Board of Finance

Public Hearing

Requested Fiscal Year 18/19 Budget

April 2, 2018



Board of Education Proposed 2018-2019 Budget
April 2, 2018

AVON PUBLIC SCHOOLS

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.

BUDGET DEVELOPMENT PRIORITIES

- Meet contractual obligations without adversely impacting programs.
- Continue to provide students with quality instruction to improve student performance.
- Reassign staff as needed.
- Reduce the district's reliance on Individual's with Disabilities Education Act (IDEA) grant funding.
- Leverage district operational efficiencies.

2018-2019 BOARD OF EDUCATION PROPOSED BUDGET

| | |
|--------------------------------|---------------|
| 2018/2019 Gross Budget Request | \$ 57,478,605 |
|--------------------------------|---------------|

| | |
|--------------------------------|-----------------|
| 2017/2018 Adopted Gross Budget | - \$ 56,306,408 |
|--------------------------------|-----------------|

| | |
|------------------------------------|---------------------|
| <i>Gross Difference in Dollars</i> | \$ 1,172,197 |
|------------------------------------|---------------------|

| | |
|------------------------------------|--------------|
| <i>Gross Difference in Percent</i> | 2.08% |
|------------------------------------|--------------|

WHAT DOES THIS BUDGET ACHIEVE?

- Maintain current positions and reassign personnel based on enrollment
 - Reduce a .5 team at Avon Middle School and reassign the two teaching positions to Grade 6 at Thompson Brook School
 - Reassign K-6 Math Coach teacher on special assignment to K-6 Enrichment teacher on special assignment

WHAT DOES THIS BUDGET ACHIEVE?

- Provide funding for additional certified and non-certified positions
 - Increase Business teacher at Avon High School, .4
 - Increase English Language Arts teacher at Avon High School, .2
 - Add a Special Education teacher at Avon High School, 1.0
 - Add a Social Worker
 - Add a Science, Technology, Engineering, Math (STEM) teacher .5 at Roaring Brook School and .5 at Pine Grove School
 - Increase Avon High School ten month Assistant Principal to twelve month position
 - Increase Thompson Brook School Assistant Principal from .6 to 1.0
 - Add a Director of Human Resources, 1.0
 - Increase Preschool 3-Year Olds Para-educators to five days per week, .6
 - Add a Custodian .6 at Avon Middle School and .4 at the Central Office

WHAT DOES THIS BUDGET ACHIEVE?

- Provide funding to update the district's Strategic Plan
- Provide funding for 5.15 positions currently funded through the Individuals with Disabilities Education Act (IDEA) grant
- Provide Makerspace opportunities for students K-12
- Provide summer custodial help
- Provide a Board clerk to attend all Board and standing committee meetings
- Provide new textbooks, technology, and supplies for K-12 Makerspaces and K-6 *Enrichment for All* program

PROPOSED BUDGET DRIVERS

| <u>Category</u> | <u>Budget</u> | <u>Percent</u> |
|----------------------------------|---------------|----------------|
| Salaries and Benefits | \$ 45,720,704 | 79.54% |
| Transportation (Includes Sp.Ed.) | \$ 3,000,837 | 5.22% |
| Utilities | \$ 1,239,330 | 2.16% |
| Contracted Services | \$ 2,676,247 | 4.66% |
| SPED and Magnet Tuitions | \$ 3,026,816 | 5.27% |
| Supplies and Equipment | \$ 1,707,808 | 2.97% |
| All Other | \$ 106,863 | 0.19% |
| Total Gross Budget Request | \$ 57,478,605 | 2.08% |

WHAT ACCOUNTS FOR REQUESTED FUNDING INCREASE OF \$1,172,197?

| <u>Category</u> | <u>Increase</u> |
|------------------------------------|------------------------|
| Salaries | \$ 1,521,114.64 |
| Benefits | (\$ 759,114.37) |
| Utilities | (\$ 80,519.00) |
| Contracted Services | \$ 316,737.41 |
| Tuition | (\$ 157,173.43) |
| Supplies & Equipment | \$ 293,357.81 |
| All Other | \$ 37,793.85 |
| Total Gross Budget Increase | \$ 1,172,196.91 |

SUMMARY OF GENERAL FUND REVENUES

| <u>General Fund Revenues</u> | <u>2017/2018 Expected</u> | <u>2018/2019 Projected</u> | <u>Variance</u> |
|------------------------------------|-------------------------------|--------------------------------|--------------------|
| AHS Parking Fees | \$29,000 | \$29,000 | \$0 |
| Athletic Gate Receipts | \$13,000 | \$8,000 | (\$5,000) |
| Athletic Pay to Play Receipts-AHS | \$156,000 | \$158,000 | \$2,000 |
| Athletic Pay to Play Receipts-AMS | \$22,500 | \$21,000 | (\$1,500) |
| Early Beginnings Grant | \$45,000 | \$0 | (\$45,000) |
| Employee Dental Contributions | \$106,000 | \$94,000 | (\$12,000) |
| Employee Life Ins Contributions | \$23,000 | \$12,000 | (\$11,000) |
| Nutrition Services Indirect Costs | \$30,000 | \$29,798 | (\$202) |
| Open Choice Attendance | \$720,000 | \$720,000 | \$0 |
| Pre-K Program Tuition | \$46,000 | \$75,000 | \$29,000 |
| Special Education Excess Cost | \$1,190,000 | \$1,190,000 | \$0 |
| Special Education Tuition Reim. | \$430,000 | \$300,000 | (\$130,000) |
| TEAM Program | \$0 | \$0 | \$0 |
| Total General Fund Revenues | \$2,810,500 | \$2,636,798 | (\$173,702) |

GRANT REVENUES

| <u>Grant Description</u> | <u>2017/2018 Expected</u> | <u>2018/2019 Projected</u> | <u>Variance</u> |
|----------------------------------|-------------------------------|--------------------------------|-------------------|
| Adult Education Cooperative | \$1,834 | \$1,800 | (\$34) |
| IDEA 611-Part B | \$590,885 | \$580,000 | (\$10,885) |
| IDEA 619 - Preschool | \$16,359 | \$16,000 | (\$359) |
| SHEFF Settlement | \$101,225 | \$100,000 | (\$1,225) |
| Title I Improving Basic Programs | \$115,959 | \$100,000 | (\$15,959) |
| Title II Part A Teachers | \$30,000 | \$30,000 | \$0.00 |
| Title III | \$7,175 | \$7,000 | (\$175) |
| Total Grants | \$863,437 | \$834,800 | (\$28,637) |

OPEN CHOICE ATTENDANCE REVENUE ALLOCATIONS

| | |
|--|----------------------------|
| <u>Open Choice Attendance Projected Revenue</u> | <u>\$720,000.00</u> |
| • (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 | (\$105,000.00) |
| • (01.8.1196.560) Tuition/Magnet Schools | (\$155,000.00) |

THE VALUE OF TEAM WORK

THANK YOU

-
-
-
-
- ▶ "Teamwork is the ability to work together for a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that enables common people to attain uncommon results."

Andrew Carnegie

A huge thank you to the District Leadership Team and all staff members who helped develop the proposed 2018-2019 budget.