



TOWN OF AVON



60 West Main Street • Avon, CT • 06001-3719
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BUDGET MESSAGE

TO THE TOWN COUNCIL

JANUARY 31, 2020

The proposed fiscal year 2020/2021 Town, Board of Education, Sewer, Capital and Debt Service budgets are submitted for your review. The proposed budgets total \$99,958,464. This equates to an increase of \$4,564,319 or 4.78% and requires a property tax levy increase of 4.20%. The mill rate would increase from 32.90 to 34.10, or 3.65%.

The total proposed budget, not including the operating budget of the Board of Education, but including the Town, Sewer, Capital and Debt Service Budgets is \$36,641,582. This equates to an increase of \$1,776,777 or 5.09% over the current year budget of \$34,864,805. The increase to the Town operating budget, not including Sewers, Capital and Debt Service budgets is 5.32% or \$1,377,798.

The most significant factors contributing to the increase in the proposed fiscal year 2020/2021 operating budget are related to personal services and are as follows:

- | | |
|--|------------|
| • Increases in Wages and Salaries | \$ 546,758 |
| • Increase in funding for the Defined Benefit Plan | \$ 420,626 |
| • Increase in funding for Retiree Health Insurance | \$ 134,050 |
| • Increase in funding for Hospitalization | \$ 66,959 |

Revenue details are included in Tab B and Expenditure details are included in Tab C. Revenues and Expenditures are summarized in the following table:

BUDGET MESSAGE

COMPARATIVE ANALYSIS: FY 2019/2020 AND FY 2020/2021 BUDGETS ALL FUNDS

REVENUES

CLASSIFICATION	APPROPRIATED FY 2019/2020	RECOMMENDED FY 2020/2021	\$ INC/(DEC)	% INC/-DEC
Property Tax & Assessments	\$ 84,744,710	\$ 88,248,088	\$ 3,503,378	4.13%
Intergovernmental	3,733,307	3,495,991	(237,316)	-6.36
Licenses, Fees & Permits	1,032,675	1,021,580	(11,095)	-1.07
Charges for Current Services	5,339,108	6,353,573	1,014,465	19.00
Other Local Revenues	534,345	529,580	(4,765)	-0.89
Other Financing Sources (Uses)	10,000	309,652	299,652	2996.52
TOTAL	<u>\$ 95,394,145</u>	<u>\$ 99,958,464</u>	<u>\$ 4,564,319</u>	<u>4.78%</u>

EXPENDITURES

CLASSIFICATION	APPROPRIATED FY 2019/2020	RECOMMENDED FY 2020/2021	\$ INC/(DEC)	% INC/-DEC
Town Operating Budget	\$ 25,893,427	\$ 27,271,225	\$ 1,377,798	5.32%
School Operating Budget	60,529,340	63,319,612	2,790,272	4.61
Sewer Operating Budget	2,401,673	2,837,922	436,249	18.16
Capital & Debt Service Budgets:				
Debt Service	3,746,038	2,959,750	(786,288)	-20.99
Capital Budget	2,823,667*	3,569,955**	746,288	26.43
Subtotal: Capital & Debt Service	6,569,705	6,529,705	(40,000)	-0.61
TOTAL	<u>\$ 95,394,145</u>	<u>\$ 99,958,464</u>	<u>\$ 4,564,319</u>	<u>4.78%</u>

* Includes \$760,000 in Sewer Projects paid by Sewer Fund.

** Includes \$710,000 in Sewer Projects paid by Sewer Fund.

BUDGET MESSAGE

TOWN OF AVON ANNUAL BUDGET FISCAL YEAR 2020/2021 RECOMMENDED JANUARY 31, 2020

	FY 18/19 ACTUAL	FY 19/20 ADOPTED BUDGET	FY 20/21 GENERAL FUND	FY 20/21 SPECIAL REV. & OTHER FUNDS	FY 20/21 REQUESTED BUDGET	DIFFERENCE	% CHANGE	% BY SUBTOTAL	BUDGET BY TOTAL
REVENUES									
Property Tax & Assessments	82,922,105	84,744,710	88,158,088	90,000	88,248,088	3,503,378	4.13%	88.28%	88.28%
Intergovernmental	4,330,768	3,733,307	1,988,650	1,507,341	3,495,991	(237,316)	-6.36%	3.50%	3.50%
Licenses, Fees, & Permits	1,190,490	1,032,675	1,020,080	1,500	1,021,580	(11,095)	-1.07%	1.02%	1.02%
Charges for Current Services	5,656,996	5,339,108	1,852,650	4,500,923	6,353,573	1,014,465	19.00%	6.36%	6.36%
Other Local Revenues	1,220,570	534,345	518,580	11,000	529,580	(4,765)	-0.89%	0.53%	0.53%
Other Financing Sources (Uses)	523,000	10,000		309,652	309,652	299,652	2996.52%	0.31%	0.31%
TOTAL REVENUES	95,843,929	95,394,145	93,538,048	6,420,416	99,958,464	4,564,319	4.78%	100.00%	100.00%
EXPENDITURES									
TOWN									
General Government	3,415,807	3,501,609	3,715,528		3,715,528	213,919	6.11%	13.62%	3.72%
Public Safety	11,170,182	11,196,031	11,764,488	39,186	11,803,674	607,643	5.43%	43.28%	11.81%
Public Works	6,175,478	6,623,445	6,793,201	180,000	6,973,201	349,756	5.28%	25.57%	6.98%
Health & Social Services	513,097	549,921	587,229		587,229	37,308	6.78%	2.15%	0.59%
Recreation & Parks	1,126,563	1,267,859	894,016	432,512	1,326,528	58,669	4.63%	4.86%	1.33%
Education - Culture	1,705,978	1,720,491	1,784,657		1,784,657	64,166	3.73%	6.54%	1.79%
Conservation & Development	665,953	688,158	714,083		714,083	25,925	3.77%	2.62%	0.71%
Miscellaneous	291,084	345,913	366,325		366,325	20,412	5.90%	1.34%	0.37%
TOTAL TOWN	25,064,142	25,893,427	26,619,527	651,698	27,271,225	1,377,798	5.32%	100.00%	27.28%
BOARD OF EDUCATION									
Salaries	35,572,413	36,963,959	38,799,781		38,799,781	1,835,822	4.97%	61.28%	38.82%
Employee Benefits	9,378,322	9,870,882	10,354,342		10,354,342	483,460	4.90%	16.35%	10.36%
Purchased Prf & Tech Services	1,397,763	1,410,948	1,449,368		1,449,368	38,420	2.72%	2.29%	1.45%
Property Services	981,433	796,286	778,770		778,770	(17,516)	-2.20%	1.23%	0.78%
Other Purchased Services	6,944,449	6,835,614	7,099,317		7,099,317	263,703	3.86%	11.21%	7.10%
General Supplies & Utilities	2,407,001	2,198,265	2,375,163		2,375,163	176,898	8.05%	3.75%	2.38%
Equipment	823,996	419,200	417,861		417,861	(1,339)	-0.32%	0.66%	0.42%
Fees & Memberships	84,844	110,395	118,941		118,941	8,546	7.74%	0.19%	0.12%
Cafeteria Operation	909,701	1,048,991		1,011,269	1,011,269	(37,722)	-3.60%	1.60%	1.01%
Facility Use	50,670	40,000		50,000	50,000	10,000	25.00%	0.08%	0.05%
Prepaid State & Fed. Grants	887,080	834,800		864,800	864,800	30,000	3.59%	1.37%	0.87%
TOTAL BOARD OF EDUCATION	59,437,672	60,529,340	61,393,543	1,926,069	63,319,612	2,790,272	4.61%	100.00%	63.35%
SEWERS									
Operating Expense	2,115,836	2,401,673		2,837,922	2,837,922	436,249	18.16%	100.00%	2.84%
TOTAL SEWERS	2,115,836	2,401,673		2,837,922	2,837,922	436,249	18.16%	100.00%	2.84%
DEBT SERVICE									
Bonds	2,755,750	3,746,038	2,959,750		2,959,750	(786,288)	-20.99%	100.00%	2.96%
Notes									
TOTAL DEBT SERVICE	2,755,750	3,746,038	2,959,750		2,959,750	(786,288)	-20.99%	100.00%	2.96%
OTHER FINANCING USES									
Capital Improvements									
Facilities	2,321,095	1,910,307	1,433,466	1,004,727	2,438,193	527,886	27.63%	68.30%	2.44%
Equipment	618,500	121,360	800,762		800,762	679,402	559.82%	22.43%	0.80%
C.N.R.E.F.	795,000	792,000	331,000		331,000	(461,000)	-58.21%	9.27%	0.33%
CAPITAL IMPROVEMENT PROGRAM	3,734,595	2,823,667	2,565,228	1,004,727	3,569,955	746,288	26.43%	100.00%	3.57%
TOTAL EXPENDITURES	93,107,995	95,394,145	93,538,048	6,420,416	99,958,464	4,564,319	4.78%	100.00%	100.00%

BUDGET MESSAGE

SHORT AND LONG TERM PROGRAMMATIC GOALS

The proposed fiscal year 2020/2021 Budget reflects the stated **mission** of the Town Council and Board of Finance **to provide quality town services at a reasonable cost to citizens and taxpayers.** The mission and goals are reviewed each year as part of the budget process. Short and long-term programmatic goals are discussed below.

LONG-TERM PROGRAMMATIC GOALS

MISSION

Provide quality town services at a reasonable cost to all citizens and taxpayers.

Long Term Goals

1. **Provide continuity in planning and development, as the community approaches build out, by: using an approach toward guiding growth as it naturally occurs, rather than artificially blocking or stimulating development;**
2. **Ensure long-term fiscal stability and programmatic effectiveness by providing professional management of the Town's programs and finances resulting in effective and efficient delivery of quality Town services at a low tax rate;**
3. **Provide a quality educational system with a caring and supportive learning environment by ensuring both high faculty standards and superior educational facilities, resulting in well-prepared students capable of successfully entering the nation's most competitive colleges and universities as well as competing in today's increasingly sophisticated world;**
4. **Provide a safe, secure and pleasing environment where people can live, work and play in harmony with their surroundings.**

In 2017, Avon Public Schools were ranked #1 in WFSB's 2017 Best School Districts in Connecticut with an A+ for academics and an A+ for teachers. In May 2019, Avon High School was one of 41 Connecticut high schools that was awarded the 2019 College Success Award by GreatSchools, a national nonprofit organization that provides information on educational opportunities to parents. Niche, a marketing research company specializing in education statistics, recently released its 2020 list of Best School Districts in Connecticut and ranked Avon as 14th in the state. SchoolDigger ranked Avon High School 6th out of 121 Connecticut high schools. In January 2020, the State released the latest results from the Next Generation Accountability System, which awards a single score based on standardized test scores, graduation rates, and college readiness, among other factors. Avon schools scored between 75.79 and 90.1, and ranked among the top schools in the Hartford area, and the state.

In 2009, Connecticut Magazine rated Avon fourth statewide, and first in Hartford County, in its "Rating the Towns" article. In 2019, Niche ranked Avon #2 on a list of "The Best Places to Live in the Hartford Area." In 2016 the Town contracted with Great Blue Research to conduct a comprehensive impartial town-wide survey as part of the update to the Plan of Conservation and Development that is required every ten years. Respondents were asked to rate the quality of life in Avon, 93.1% provided a rating of either "excellent" or "good."

BUDGET MESSAGE

		Town Council Goals				
Mission and Goals	Page #	Town Mission	Continuity in Planning	Fiscal, Stability/Program Effectiveness	Quality Education	Safe, Secure, Environment
Town Manager						
Receive a 95%+ rating of Excellent or Very Good on Citizen Satisfaction Surveys.	E5					
Registrars of Voters						
Process in accordance with applicable laws.	E7					
Town Clerk						
Record, index, scan and return original documents within one business day.	E10					
Human Resources						
Manage labor actions and unemployment claims efficiently and effectively.	E12					
Finance						
Participate in the annual GFOA budget award program.	E13					
Meet or exceed all audit deadlines.	E13					
Prepare 100% of budget amendments in accordance with the Town Charter.	E13					
Meet 100% of project goals and deadlines.	E13					
Accounting						
Increase and promote electronic transactions	E14					
Assessing						
Manage the appeal process outside of the court system.	E15					
Collector of Revenue						
Maintain a tax collection rate of 99.00(+)%.	E16					
Police Administration						
Increase recruitment, community outreach and community policing efforts.	F4					
Maintain or reduce the average response time to all calls for service.	F4					
Fire Prevention						
Ensure that detected fire code violations are abated in 90% of all instances without formal legal proceedings.	F11					
Maintain Avon’s current ISO Split Rating of 4 - 9	F11					

BUDGET MESSAGE

Town Council Goals						
Mission and Goals	Page #	Town Mission	Continuity in Planning	Fiscal, Stability/Program	Quality Education	Safe, Secure, Environment
Building Inspection						
Issue 95% of all building permits within 2 days of application receipt.	F15					
Conduct requested field inspections within 2 business days for 95% of all requests.	F15					
Maintain an exceptionally low number of appeals (less than 2 per year) taken to either the Building Code Board of Appeals or State Building Official’s office.	F15					
Public Works Administration						
Repair 100% of reported potholes within the statutorily required timeframe.	G3					
Prepare 100% of playing fields for use within two hours of request.	G3					
Respond to 100% of unanticipated snow events within 1 hour.	G3					
Human Services						
Provide vital information or assistance in at least 90% of its cases.	H7					
Parks & Recreation Administration						
Implement Time and Attendance Program for 75% of all employees	I4					
Receive 80-90% of all Program Registrations via On-Line Transactions	I4					
Receive 50-60% of Facility Reservations via On-Line Transactions	I4					
Avon Free Public Library						
Exceed the State’s average circulation/capita and visits/capita.	J3					
Planning and Zoning						
Process 100% of all applications such that there are no appeals on grounds related to procedural defects.	K3					
Administer Town land use regulations in a manner that balances the need for housing, transportation, and economic growth with private property rights.	K3					

BUDGET MESSAGE

TOWN OF AVON STRATEGIC PLANNING DOCUMENTS

Name of Plan	Adoption Date	Purpose
Avon Free Public Library Strategic Plan (2018-2022)	March 2018	This five year plan charts the course for even greater community engagement, responsible growth, and enhanced offerings and services. It serves as a flexible framework to be built upon and amended to reflect and address the challenge of change.
Avon Free Public Library Technology Plan	June 2015	This plan is intended to guide technological development in the Library for the next three years. It will support the library's mission statement, align with our strategic plan, stimulate thought and discussion about the technological needs of our community, and provide structure for planning and budgeting for technology over the next three years.
Avon Public Schools Blueprint for Excellence Strategic Plan (2018-2019)	Dec 2018	To guide overall operations and strategic investments in the Avon Public School Systems.
Business Continuity Plan	Feb 2012	To prepare the Town to restore services to the widest extent possible in a minimum time frame in the event of extended service outages caused by factors beyond our control (e.g., natural disasters, man-made events, etc.)
Commission on Accreditation for Law Enforcement Agencies	Accredited Since 1993	CALEA Accreditation is a national standard and a proven management model that provides Police Departments of all sizes with a dynamic strategic plan that promotes the efficient use of resources and improves the delivery of services.
Comprehensive Energy Management Plan	Oct 2012	To provide a comprehensive action plan for the management of Town and BOE assets, operations, and energy use, including several non-binding "reach" goals with respect to energy use reduction and use of renewables.
Information Technology Plan	Dec 2016	This document identifies goals and objectives for the Town of Avon's Information Technology infrastructure for the next several years.
Natural Resource Inventory & Management Plan	Nov 2009	To guide the management of five properties owned by the Town, including Alsop Meadows Conservation Area, Fisher Meadows Natural Area, Found Land Conservation Area, Huckleberry Hill Conservation Area, and Hazen Park.
Pavement Management Program	Nov 2017	To guide annual resource allocation for prioritizing road improvements and rehabilitation based on objective road condition ratings.
Plan of Conservation and Development	Nov 2016	To guide the Planning and Zoning Commission and the citizens of Avon in making decisions regarding land use, transportation, public services, recreation, open space, natural resources, and housing, over the next decade. An update to the POCD was completed in 2016.
Recreation & Park Facilities Master Plan	Dec 2007	To study expansion of existing recreation facilities and athletic fields and potential development of Town owned parcels for future recreational use and to develop several conceptual recreation plans based upon the report analysis and recommendations.
Roof Asset Management Plan	Nov 2005	To assist the Public Works Department in prioritizing the strategic replacement or improvement of rooftops on all municipal owned buildings.
Waste Water Facilities Plan	Apr 2007	To have a comprehensive document that addresses operations, maintenance, and expansion of the Town's waste water collection system.

BUDGET MESSAGE

Five-Year Financial Forecasting

Understanding the economic environment in which the Town operates is critical to achieving our future priorities. Standard and Poor's and Moody's reviewed the Town's credit rating in February 2016. The Town's AAA rating, originally awarded in 1998, was reaffirmed. The S&P report noted the strength of Avon's economy citing several factors. Likewise, Moody's noted that "Over the longer term, Avon's economic(s) will likely remain stable given its favorable location and strong demographic profile" (2). While Avon's fundamentals are strong, we do recognize the value and importance of long range planning and we have developed a financial forecast.

Financial Forecasting is the process of projecting revenues and expenditures over the long term to identify trends that may have an influence on policies, goals or the provision of services. The following revenue and expenditure projections are dynamic best estimates based on a set of assumptions including economic conditions, historical trends, existing obligations, and other variables. Projections are subject to change based on a myriad of factors including, but not limited to, changes in intergovernmental revenue receipts, the stock of residential and/or commercial property, employee salary and benefit costs, and the expansion or reduction of municipal services, facilities, or infrastructure.

The following matrix contains revenue and expenditure projections for the fiscal years 2021/2022-2025/2026. In general, the Town used an extrapolation method to predict future behavior by projecting historical trends forward. Expenditure and revenue increases were determined using an average of the previous five fiscal years.^{*} For instance, the average growth for fiscal years 2016/2017-2020/2021 was used to project growth in fiscal year 2021/2022. Average growth for fiscal years 2017/2018-2021/2022 was used to project growth in fiscal year 2022/2023, and so on. Existing contractual obligations and trends in intergovernmental revenue receipts were also taken into account, as well as known market trends for personal services items such as health insurance and worker's compensation.

For each fiscal year projected in this forecast, revenues are expected to meet expenditures. If trends continue, the Town should expect an overall average rate of growth of 2.42%, or about \$2.3 million, year over year for Town, Board of Education, Capital and Debt Service Budgets, which is fairly consistent with growth in previous years. It is important to note that this is a status quo forecast, showing that the Town can provide existing services at current levels. It does not account for expanded programming or services, the completion of new capital projects, or the issuance of new debt.

^{*}Note: Board of Education salary line item extrapolated based on six year averages.

BUDGET MESSAGE

TOWN OF AVON FIVE YEAR FINANCIAL FORECASTING - GENERAL FUND FY 2020/2021 - FY 2025/2026

	ADOPTED FY 2019/2020	PROPOSED 2020/2021	PROJECTED FY 2021/2022	PROJECTED FY 2022/2023	PROJECTED FY 2023/2024	PROJECTED FY 2024/2025	PROJECTED FY 2025/2026
Taxes and Assessments	\$ 84,624,710	\$ 88,158,088	\$ 89,261,057	\$ 91,661,003	\$ 94,149,512	\$ 96,723,364	\$ 99,488,828
Intergovernmental	2,278,650	1,988,650	2,338,650	2,338,650	2,338,650	2,338,650	2,338,650
Licenses, Fees & Permits	1,030,175	1,020,080	1,035,381	1,051,326	1,067,096	1,083,529	1,100,216
Charges for Current Services	986,750	1,852,650	1,868,768	1,885,026	1,901,426	1,917,968	1,934,655
Other Local Revenues	520,345	518,580	522,054	525,562	529,083	532,628	536,197
TOTAL REVENUES	\$ 89,440,630	\$ 93,538,048	\$ 95,025,910	\$ 97,461,567	\$ 99,985,767	\$ 102,596,139	\$ 105,398,546
\$ Inc/(Dec)	2,145,368	4,097,418	1,487,862	2,435,657	2,524,200	2,610,372	2,802,406
% Inc/(Dec)	2.46%	4.58%	1.59%	2.56%	2.59%	2.61%	2.73%
EXPENDITURES							
Town							
General Government	3,501,609	3,715,528	3,808,788	3,905,006	4,003,215	4,103,295	4,205,877
Public Safety	11,178,397	11,764,488	12,147,458	12,543,842	12,951,178	13,372,092	13,806,685
Public Works	6,443,445	6,793,201	7,001,768	7,217,310	7,433,830	7,656,845	7,886,550
Health & Social Services	549,921	587,229	608,043	629,687	651,911	674,727	698,343
Recreation & Parks	857,169	894,016	916,667	940,034	963,712	987,804	1,012,499
Education - Culture	1,720,491	1,784,657	1,837,463	1,892,587	1,949,364	2,007,845	2,068,080
Conservation & Development	688,158	714,083	737,384	761,717	786,854	812,820	839,643
Miscellaneous	345,913	366,325	375,483	384,870	394,492	404,354	414,463
TOTAL TOWN	\$ 25,285,103	\$ 26,619,527	\$ 27,433,054	\$ 28,275,053	\$ 29,134,555	\$ 30,019,783	\$ 30,932,141
	3.35%	5.28%	3.06%	3.07%	3.04%	3.04%	3.04%
Board of Education							
Salaries	36,963,959	38,799,781	38,354,308	39,080,374	39,820,185	40,572,786	41,339,612
Employee Benefits	9,870,882	10,354,342	10,192,399	10,447,209	10,708,390	10,976,099	11,250,502
Purchased Prof & Tech Serv	1,410,948	1,449,368	2,207,070	2,383,635	2,598,162	2,831,997	3,086,877
Property Services	796,286	778,770	798,221	802,212	810,234	818,337	826,520
Other Purchased Services	6,835,614	7,099,317	7,555,029	7,932,780	8,329,419	8,745,890	9,183,185
General Supplies & Utilities	2,198,265	2,375,163	2,363,493	2,387,128	2,399,064	2,411,059	2,423,114
Equipment	419,200	417,861	455,586	482,921	511,897	542,611	575,167
Fees & Memberships	110,395	118,941	116,772	120,275	123,884	127,600	131,428
TOTAL BOE	\$ 58,605,549	\$ 61,393,543	\$ 62,042,878	\$ 63,636,536	\$ 65,301,234	\$ 67,026,379	\$ 68,816,404
	1.76%	4.76%	1.06%	2.57%	2.62%	2.64%	2.67%
Debt Service							
Bonds	3,746,038	2,959,750	3,394,648	3,314,993	3,236,443	3,160,103	3,200,000
Notes	-	-	-	-	-	-	-
TOTAL DEBT SERVICE	\$ 3,746,038	\$ 2,959,750	\$ 3,394,648	\$ 3,314,993	\$ 3,236,443	\$ 3,160,103	\$ 3,200,000
	35.94%	-20.99%	14.69%	-2.35%	-2.37%	-2.36%	1.26%
TOTAL CIP	1,803,940	2,565,228	2,155,331	2,234,986	2,313,536	2,389,875	2,450,000
	-41.10%	42.20%	-15.98%	3.70%	3.51%	3.30%	2.52%
TOTAL EXPENDITURES	\$ 89,440,630	\$ 93,538,048	\$ 95,025,910	\$ 97,461,567	\$ 99,985,767	\$ 102,596,139	\$ 105,398,546
\$ Inc/(Dec)	\$ 2,145,368	\$ 4,097,418	\$ 1,487,862	\$ 2,435,657	\$ 2,524,200	\$ 2,610,372	\$ 2,802,406
% Inc/(Dec)	2.46%	4.58%	1.59%	2.56%	2.59%	2.61%	2.73%

BUDGET MESSAGE

Town of Avon Goals, Practices and Policies

The Town Council and Board of Finance, in partnership with the management team and outside professionals, collaborate to establish policies and practices that underpin our goals and objectives. The goal of this collaboration is to maintain Avon's AAA bond rating and ensure that prudent fiscal stewardship and best practices are standard operating procedure. The following practices and policies, in conjunction with the adopted mission and goals listed on pages IV through VI of the Budget Message, influence, shape, and direct the Town's approach to financial management:

Operating Management

- Town policy (see pages S.25 – S.28): Cash and investments will be maintained in accordance with the Town Charter and the adopted Investment Policy to ensure that proper controls and safeguards are maintained. This policy does not cover the financial assets of the pension plans.
- Town practice: Identify alternatives to current service delivery models where departments, in cooperation with the Town Manager's office, identify services and activities that could be provided through a more cost effective/efficient method.

Revenue

- Town practice: Revenues will not be dedicated for specific purposes unless required by law or Generally Accepted Accounting Practices (GAAP).
- Town practice: Reliance on State aid and grants are minimal and revenue estimates must be prudently budgeted. Inconsistent or fluctuating grants should not be used to fund ongoing programs.
- Town practice: User fees and charges (i.e.: Recreation Activities Fund, Sewer Fund, Police Special Services Fund) are examined on a cyclical basis to ensure all direct and indirect costs are recovered.

Operating Budget and Expenditures

- Town policy (refer to Town Council Policy No. 3.1): Purchasing Policy establishes a systematic and uniform system for the procurement of service, supplies, materials, equipment and other commodities required by any department, office or agency of the Town other than the BOE. The policy is reviewed periodically to ensure it reflects best practices.
- Town practice: Funding basis is derived from current revenues and fund balances carried forward from the prior year after unassigned fund balance targets are satisfied.
- Town practice: The utilization of a financial operating plan estimating expenditures for providing services, and the proposed means of financing them. A balanced budget limits expenditures to available resources.

Capital Management

- Town practice: Capital Improvement Program, where a five-year Capital Improvement Program (CIP) will be developed and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure or equipment purchases or construction that results in a capitalized asset costing more than \$20,000 with an expected life (depreciable life) of at least five years.
- Town practice: Pay-as-you-go Capital Improvement Program financing is defined as all sources of revenue other than Town debt issuance. The debt service program capacity from the retirement of debt is shifted to the capital pay-as-you-go line items to fund the Capital Budget.

BUDGET MESSAGE

Debt Management

- Town policy (see page S.16): True or Operating Lease Policy establishes criteria when considering a true or operating lease. By allowing the Town to lease rather than purchase, the lease offers more flexibility in terms of adjusting to changes is treated as an operating expense in the income statement and does not affect the balance sheet.
- Town policy (see pages S.17 through S.24): The Debt Policy establishes parameters and guidance to make decisions on capital spending and issuance of debt as a means to fund them. In order to minimize debt service expenditures, the Town shall endeavor to take appropriate actions to maintain its “Aaa/AAA” credit ratings from Moody’s and Standard & Poor’s.
- Town practice: Prior to new debt, the Financial Advisor presents debt modeling and performs analysis showing how new issued and current debt impacts the Town’s debt capacity; conformance with Town debt policies will accompany every future bond issue proposal.
- Town practice: To keep per capita debt at an acceptable level to municipal securities rating agencies.
- Town practice: To retire 50% of debt within 10 years.
- Town practice: Bond interest earnings will be limited to funding changes to the bond financed CIP, or be applied to debt service payment on the bonds issued for Capital Projects.

Fund Balance and Reserves

- Town policy (see page S.29): The Town established a General Fund Unassigned Fund Balance Policy with a goal of 10% Unassigned Fund Balance.
- Town policy (see page S.29): Use of Unassigned General Fund Balance Policy where any use of “surplus” should only be considered after a showing of substantial support for such use by the requesting authority. Approval of any request shall be given upon a finding that such use will meet an extraordinary need or unusual opportunity, and that such use will result in a tangible and significant benefit to the Town.
- Town practice: 10% of annual Special Revenue Funds operating expenditures reserved for unforeseen emergency expenditures.
- Town practice: Self-insurance reserves will be managed in conjunction with a consultant from a qualified actuarial firm who will provide recommendations on appropriate funding levels.
- Town practice: All fund assignments and reserves will be evaluated annually for adequacy and use requirements. As an example Assignment of General Fund Balance, generated from the sale of assets, is assigned and to be used for future capital asset purchases.

Financial Reporting

- Town practice: Submit Town’s Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association (GFOA) Certification of Achievement for Excellence in Financial Reporting Program.
- Town practice: Submit annual adopted budget to the GFOA Distinguished Budget Presentation Program.
- Town practice: Financial reporting on a monthly, quarterly, and end-of-fiscal year basis.

BUDGET MESSAGE

The proposed fiscal year 2020/2021 budget includes the following short-term financial goals and budget assumptions:

I. Fiscal Year 2020/2021 Operating Budget

a. Revenues: (For Details See Tab B)

1. Property Tax and Assessments: The following goals and assumptions have been made in estimating both Property Tax and Assessment Revenues for fiscal year 2020/2021:
 - Grand List Growth (assessed valuation of Real and Personal Property) at the time of budget preparation was estimated at \$2,573,057,212 an increase of \$13,714,076 or 0.535%.
 - In fiscal year 2020/2021, Supplemental Real Estate revenue is level funded at \$55,750; Supplemental Motor Vehicle tax revenue is also level funded at \$492,136, for 2020/2021.
 - Assessment Appeals and Tax Refunds will approximate 1% of tax revenues;
 - Property Tax Collections will exceed 98.5% with the reserve for uncollectible at \$505,565; and
2. Licenses, Fees and Permits: Revenues from Licenses, Fees and Permits are funded at \$1,021,580, a decrease of \$11,095 year over year.
3. State and Intergovernmental Grants: This category reflects a net reduction of funding in the amount of \$237,316 or -6.36%. This reduction is due to an estimated reduction in the revenues that the Board of Education anticipates receiving through the Special Education Excess Cost Grant. Funding received under this program is a function of the needs of qualifying students as determined by State Department of Education formulas. For a more detailed discussion of intergovernmental revenue trends and underlying assumptions please see page B.5. Although Avon receives a small portion of its total revenues from state grants, reductions in these grants do impact Town services.
4. Charges for Current Services: This category reflects a net increase of \$1,014,465. The most significant increases impact Board of Education Special Education Tuition Reimbursement in the amount of \$800,000 and Sewer Use Charges-Fund #05 in the amount of \$170,597.
5. Other Local Revenues: Net decreases in this category equate to \$4,765.
6. Other Financing Sources: As was also the case in fiscal year 2019/2020, there is no budgeted or planned use of General Fund Unassigned Fund Balance in the proposed fiscal year 2020/2021 budget. Due to favorable tax collections, intergovernmental revenues and charges for services in fiscal year 2018/2019, various assignments in the General Fund were approved.

BUDGET MESSAGE

b. Expenditures: (For Details see Tab C):

1. Personal Services:

FY 17/18	FY 18/19	FY 19/20	FY 20/21
\$17,907,043	\$18,526,209	\$19,275,969	\$20,390,545

Personal services wages and benefits comprise 74.77% of the Town Operating Budget.

- a. Wages and Salaries: Overall wages increased by \$546,758 as compared to fiscal year 2019/2020 representing a 4.93% increase. The total number of budgeted full-time positions is proposed to increase from 106 to 109 year over year, including (1) full-year funding for an additional Police Officer, (2) the reclassification of the Assistant Building Official from part-time to full-time status, and (3) the reclassification of an Administrative Secretary in the Engineering Department from part-time to full-time status (55% in Fund 01, and 45% in Fund 05). Note that the reclassification of the Assistant Building Official occurred in FY20 but was unbudgeted, making the total actual full-time employee count 107 positions in fiscal year 2019/2020. The proposed fiscal year 2020/2021 budget reflects full-year funding for this reclassification. The total employee count also includes one authorized, but unfunded Police Officer. The proposed budget also includes the reclassification of the Assistant to the Town Manager to the Assistant Town Manager; an Assessment Technician to Asst. Assessor; a part-time Recycling Coordinator at the Landfill; and four additional hours/week in the Children's & Teen Room at the Avon Free Public Library. An in-depth discussion on wages and salaries can be found on page C.4.

b. Benefits:

Benefits continue to be a major part of Personal Services costs. The fiscal year 2020/2021 budget includes:

- An increase (\$420,626, 13.36%), for the eleventh year in a row, to the Defined Benefit Plan (closed in 1997). The interest rate has been reduced from 6.50% to 6.25% based on a recommendation of the plan actuary; the reduction accounts for \$74,666, or 17.75%, of the overall Defined Benefit increase. Additional reductions to the interest rate assumptions may be required in the future. Also contributing to the increase are the application of new public sector pension plan mortality tables (PUB 2010) in the valuation calculations completed by the plan actuary, but is offset by the pension assignment in the General Fund.
- The Town's contribution to the Defined Contribution Benefit Plan increased by \$38,559 due in part to proposed wage and salary increases for participating employees.
- Hospitalization funding increased by \$66,959. The total impact of this line item continues to be mitigated by approximately thirty-two (32) employees opting out of the Plan through the Town's Health Insurance Waiver Program, as well as negotiated reductions to the value of the waiver for certain employee groups and increased participation in the Town's HDHP/HSA health insurance plan rather than the traditional PPO. An in-depth discussion of employee healthcare coverage can be found on page C.7.

BUDGET MESSAGE

- The Retiree Health increase of \$134,050 is driven by an annual increase of \$35,000 toward the required OPEB contribution and an increase of \$99,050 required to support active retirees.

2. Supplies and Services:

<u>FY 17/18</u>	<u>FY 18/19</u>	<u>FY 19/20</u>	<u>FY 20/21</u>
\$6,139,750	\$6,375,982	\$6,525,328	\$6,772,135

The Services and Supplies portion of the Town's municipal budget totals \$6,772,135 for fiscal year 2020/2021, an increase of \$246,807 (3.78%). In order to efficiently manage the budget, the Town has contracted for private services in the past where analysis shows that this is the most effective way to provide basic services. This approach will be continued and enhanced as appropriate.

The increase in Supplies and Services is due to increases in the following areas: Building & Grounds Division (contractual services); Avon Volunteer Fire Department (operating grant); Computer Operations (IT consultant services and software upgrades); Highway Division (auto parts and repairs); Town Manager's Office (graduate level public policy student intern); Municipal Insurance (anticipated premium costs); Solid Waste (municipal solid waste (MSW) tipping fees); Police Station (upgraded electronic lock system); and Town Manager's Office (architectural services for upgrades to Building #1).

3. Capital Outlay:

<u>FY 17/18</u>	<u>FY 18/19</u>	<u>FY 19/20</u>	<u>FY 20/21</u>
\$49,805	\$127,250	\$92,130	\$108,545

Capital Outlay includes capital items of less than \$20,000 and/or a life expectancy of less than five (5) years. Capital Outlay represents 0.40% of the operating budget. Major capital outlay expenditures for fiscal year 2020/2021 include the replacement of a zero-turn mower in the Building & Grounds Division.

II. **Capital Improvement Program & Debt Service (For Details, see Tab R)**

Capital Budget and Debt Service Expenditures FY 2016/2017 to FY 2020/2021

<u>FISCAL YEARS</u>	<u>Appropriated 2016/2017</u>	<u>Appropriated 2017/2018</u>	<u>Appropriated 2018/2019</u>	<u>Appropriated 2019/2020</u>	<u>Recommended 2020/2021</u>
Debt-Service	\$2,779,790	\$2,818,850	\$2,755,750	\$3,746,038	\$2,959,750
Capital Improvement Program	\$4,410,037	\$3,689,506	\$3,734,595	\$2,823,667	\$3,569,955
TOTAL	<u>\$7,189,827</u>	<u>\$6,508,356</u>	<u>\$6,490,345</u>	<u>\$6,569,705</u>	<u>\$6,529,705</u>

a. Capital Improvement Program

Projects, programs and equipment over \$20,000 and with a life expectancy over five (5) years are included in the Capital Improvement Program. The Town budget reflects a continued emphasis on "Pay-as-you-go" cash funded Capital Improvement Program. (See Tabs O & R for details).

BUDGET MESSAGE

The proposed Capital Budget for fiscal year 2020/2021 is \$3,569,955. The top six Capital Budget Items, not including sewer related projects, are as follows:

HVAC Repairs – Town Buildings	\$ 580,000
Road Improvements	\$ 506,193
Cider Brook Bridge Rpl.	\$ 331,000
Police Vehicles	\$ 233,000
RBS Roof Replacement Phase II	\$ 210,000
2002 Sterling Dump Truck Rpl.	\$ 210,000

Total	\$ 2,070,193
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b. Debt Service

The Town Debt Service Budget is \$2,959,750, a decrease of \$786,288 or -20.99% from fiscal year 2018/2019. Approximately 80% of the Town's Debt Service is committed to the Town's support for its educational facilities, while 20% has been allocated for non-educational projects. It is the Town's intent to keep its per capita debt at a level acceptable to municipal securities rating agencies and to retire its debt rapidly. Historically, low interest rates have been advantageous to the Town only when issuing debt; the Town had not been able to take advantage of the interest rate situation from a revenue standpoint. However, given current favorable market conditions, for the last several years and again in fiscal year 2020/2021, the Town is continuing to budget \$300,000 in revenue expected from interest income.

This approach rewarded the Town in June 1998, with AAA/Aaa ratings from both Standard & Poor's and Moody's (the first such upgrade in Connecticut by Moody's in nineteen years). This rating was reaffirmed by both rating agencies in June 2002, Standard and Poor's in 2005, by both agencies in 2008 and 2009. In October 2012 and 2016 both Moody's and Standard and Poor reaffirmed the AAA rating with a stable outlook.

RESERVES

Use of Undesignated General Fund Balance:

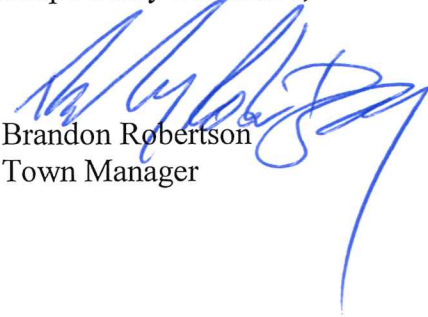
The Town's General Fund Unassigned Fund Balance for the fiscal year ending June 30, 2019 amounted to \$11,175,459 or 12.59% of fiscal year 2018/2019 General Fund expenditures and transfers out. The adopted goal of the Town Council is to maintain a level of unassigned fund balance equal to 10% of the current year adopted budget. No use of unassigned fund balance was budgeted for fiscal year 2019/2020 and no use of fund balance has been budgeted for fiscal year 2020/2021.

BUDGET MESSAGE

Budget Message Conclusion

The annual budget process provides the community with the opportunity and means to review past accomplishments and identify collective goals and objectives for the future. The fiscal year 2020/2021 budget process began in August 2019. The energy, time and resources spent in the budget's creation will be reflected in products purchased and services delivered during the next year. Objectives established in years past have been met, revised or reaffirmed. New objectives have been adopted where appropriate.

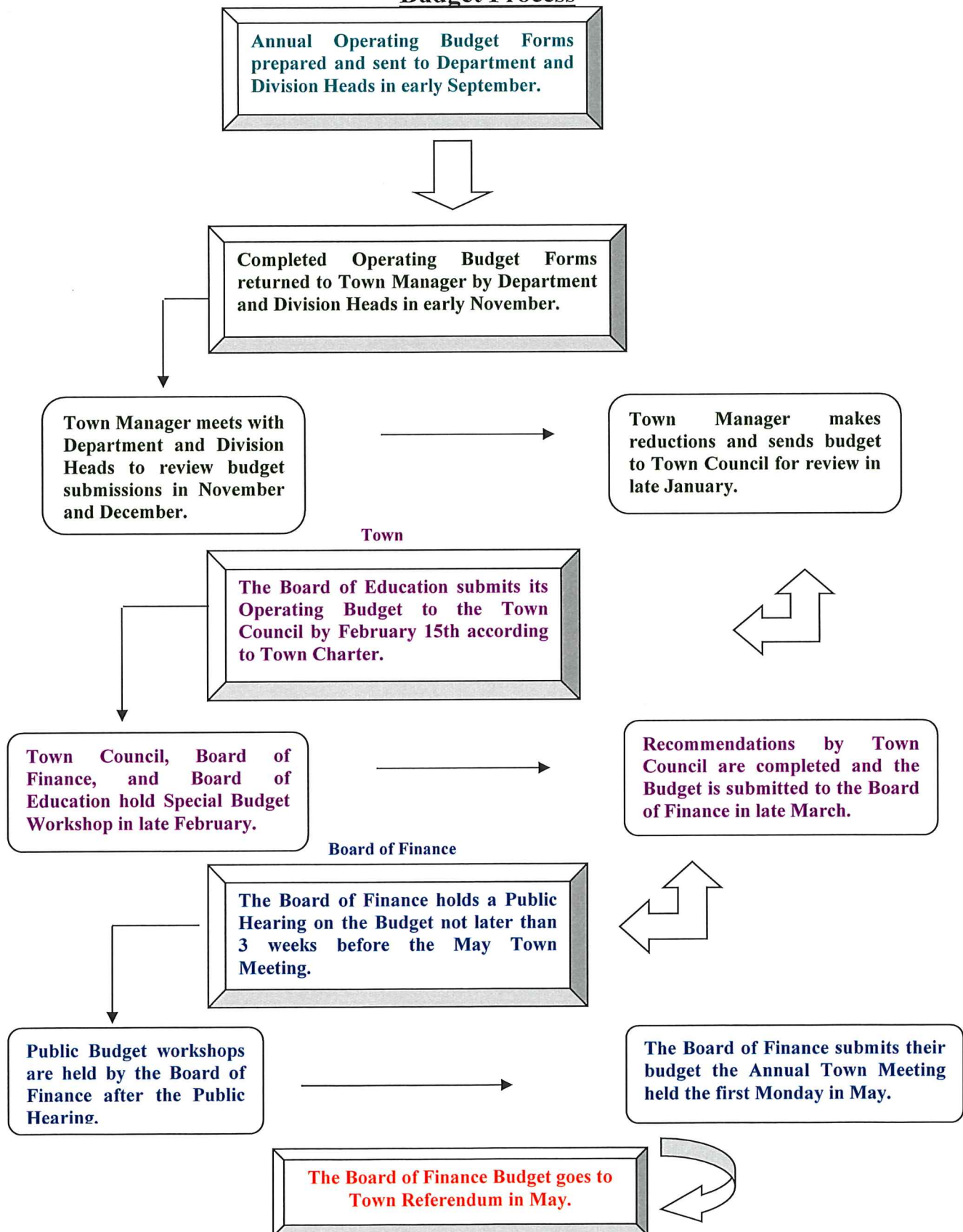
Respectfully Submitted,



Brandon Robertson
Town Manager

TOWN OF AVON –FY 2020/2021 BUDGET CALENDAR

Budget Process



TOWN OF AVON –FY 2020/2021 BUDGET CALENDAR**TOWN OF AVON FY 2020/2021 BUDGET CALENDAR**

ACTIVITY	RECOMMENDED DATE	LATEST DATE PER TOWN CHARTER
Capital Budget Forms Prepared and sent to Departments	August 05, 2019	
Operating Budget Forms Prepared and sent to Departments	September 06, 2019	
Completed Capital Budget Forms returned to Town Manager	October 04, 2019	
(d) CIP Budgets presented at Town Council Meetings by Department Heads	Nov. – Dec. 2019	
Completed Operating Budget Forms returned to Town Manager	November 01, 2019	February 15, 2020
(a) Town Manager meets with Department Heads to review budget submissions.	Nov. – Dec. 2019	
(b) Town Manager makes recommended reductions.	Dec. 2019 – Jan. 2020	
Town Manager's Proposed Operating and Capital Budgets submitted to Town Council	January 17, 2020	March 01, 2020
Board of Education Budget to Town Council	February 07, 2020	February 15, 2020
(a) Town Council holds Special Budget Workshop.	February 2020	
(b) Further reductions are made by Town Manager's Office if necessary.	February 2020	
Capital Improvement Program Submitted to Planning & Zoning Commission for Sec. 8-24 Review	March 17, 2020	
Budget Work by Town Council completed and Budget submitted to Board of Finance	March 23, 2020	April 01, 2020
Public Hearing on Budget held by Board of Finance not later than three (3) weeks before May 04, 2020 Town Meeting	April 06, 2020	April 13, 2020
(a) Board of Finance holds evening Budget Workshop(s) with Town Council and Board of Education after the Public Hearing.	April 07, 2020	
Board of Finance Completes Work on Budget	April 2020	
Copy of Budget approved by the Board of Finance printed in Newspaper at least five (5) days before the Annual Town Meeting	April 28, 2020	April 29, 2020
Annual Town and Budget Meeting First Monday in May	May 04, 2020	May 04, 2020
First Referendum	May 13, 2020	May 15, 2020
Second Referendum (if necessary)	June 03, 2020	June 05, 2020
Third Referendum (if necessary)	June 17, 2020	June 19, 2020

TOWN OF AVON – BUDGET OVERVIEW

AVON'S BUDGET PROCESS

AN OVERVIEW

Avon's Town Charter, which was adopted in 1959 in accordance with the Connecticut General Statutes, and amended in 1964, 1969, 1975, 1980, and 1998, governs the Town's budgetary procedures. Where the Charter is silent, state law governs financial activities the Town might undertake or enter into. The specific legal requirements of the respective offices, agencies, boards and commissions with regard to the budget process are outlined below, as well as a calendar depicting both the recommended and mandatory dates on which actions must occur.

In reality, the budget process is a priority-setting process: defining and prioritizing needs, evaluating alternatives, and then funding or staffing the appropriate alternative to meet the needs. For Town Departments, this begins in August of the year preceding the budget year. At that time, the Town Manager's Office distributes its budget guidance to all departments, agencies, boards and commissions of the Town. The budget guidance includes the budget calendar (usually adopted by the Council in early August), appropriate forms, and any special instructions or policy guidance that would affect the selection, prioritization, staffing requirements or implementation of the budget process.

Capital Budget requests, including those of the Board of Education, are submitted earlier than operational budgets in order to allow the Town Council, Board of Finance and interested citizens an opportunity to hear Department Heads explain and justify their requests in public. A series of public meetings are scheduled beginning in October and extending through late November for these presentations. After the presentations are completed, the Town Manager prepares a recommended Capital Improvement Program that includes Board of Education projects. This program is then submitted to the Town Council for review and modification, if appropriate, in conjunction with the Town Manager's recommended operating budget in late January. The Town Council then establishes an informal schedule of budget work sessions to review, discuss and revise the Town Manager's Operating and Capital Budgets. These work sessions are open to the public and comments on the budget by interested groups or individuals are welcome.

During this same period, the Board of Education and Superintendent of Schools has been preparing the Board of Education's Operating Budget for submission to the Town Council. While the Town Council cannot directly modify the Board of Education's budget, they can make recommendations to the Board of Finance and the Town Meeting. The Board of Education must submit its budget to the Town Council by February 15th.

Upon completion of its review, the Town Council makes appropriate adjustments and formally recommends a consolidated (Town and Board of Education) budget to the Board of Finance. The Board of Finance conducts a Public Hearing in accordance with the Charter, followed by several public meetings to review, in detail, the consolidated budget. The public once again has an opportunity for input (at the Public Hearing) and during the Board of Finance work sessions. After a review of the Budget, the Board of Finance makes what it feels are appropriate adjustments to the budget and recommends a budget to the Annual Budget Meeting in May, which is then adjourned to a referendum.

TOWN OF AVON – BUDGET OVERVIEW

The Annual Budget Meeting allows for further explanation and input to the budget prior to the referendum, in accordance with the Charter. Once adopted, the Budget takes effect on July 1, beginning the fiscal year. Amendments to the adopted budget can be made in several ways as follows:

- (a) Section 9.5.1 (e) of the Avon Town Charter allows the Board of Finance to make additional appropriations from unappropriated general fund resources upon favorable recommendation of the Town Council and certification from the Town Manager that such funds are available.
- (b) Section 9.5.1 (g) of the Avon Town Charter allows the Board of Finance, upon favorable Recommendation of the Town Council, to make emergency appropriations not exceeding four per cent of the current tax levy 'for the purpose of meeting a public emergency which threatens the lives, health or property of citizens.'
- (c) Other amendments to the Town Budget are made in the same fashion, and in accordance with the Charter, as the Annual Budget. These are provided below under 'Legal Requirements'.

The budget process is dynamic and lengthy, with plenty of opportunity for public input. Specific questions concerning the budget process are welcome, and interested citizens or groups are urged to contact the Town Manager's Office for details.

LEGAL REQUIREMENTS OF THE TOWN CHARTER

Section 9.1.1 of the Avon Town Charter deals with the duties of the various Town Agencies, Boards, Departments and Commissions with respect to the Budget and reads as follows:

"It shall be the duty of the Town Manager, with the assistance of the Department of Finance, to compile preliminary estimates for the annual budget.

The head of each office or agency of the Town supported wholly or in part from Town funds, or for which a specific Town appropriation is made, including the Chairman of the Board of Education shall, on or before February 15, file with the Town Manager on forms provided by the Town Manager, expenditure requests of that office or agency and the revenue, other than tax revenues, to be collected thereby in the ensuing fiscal year.

Expenditure requests, except the request of the Board of Education, shall be submitted in accordance with a budget classification plan formulated by the Town Manager with the approval of the Town Council and the Board of Finance. Expenditure requests of the Board of Education shall be submitted in accordance with a budget classification plan formulated by the Board of Finance and approved by the Town Council. Such requests shall be accompanied by data setting forth a program or programs showing services, activities and work accomplished during the current year and to be accomplished during the ensuing year.

Any office or agency shall include as part of its requests, estimates of the cost of proposed capital improvement projects for the ensuing fiscal year and four fiscal years thereafter. Such requests and estimates shall be in the form and at such time as prescribed by the Town Manager.

TOWN OF AVON – BUDGET OVERVIEW

Duties of the Town Manager:

Section 7.3.2 of the Town Charter deal with the duties of the Town Manager with respect to the Capital Improvement Program and reads as follows:

(j) Without eliminating the foregoing, the Town Manager shall have the following duties:

"to prepare and submit to the Town Council, as directed, an annual budget and Capital Improvement Program."

Section 9.2.1 of the Avon Town Charter deals with the duties of the Town Manager with respect to the Budget and reads as follows:

"on or before March 1, the Town Manager shall present to the Town Council a budget consisting of:

- (c) a written statement outlining the important features of the budget plan;
- (b) detailed estimates of revenues by source, itemized receipts collected in the last completed fiscal year, receipts estimated to be collected during the current fiscal year and estimates of receipts to be collected in the ensuing fiscal year;
- (c) estimates of expenditures, in detail directed by the Town Council, for each office or agency for the last fiscal year and expenditures for the current fiscal year to the time of preparing the estimates, total expenditures estimated for the current fiscal year, the requests of the several offices and agencies for the ensuing fiscal year, and the Town Manager shall, at the request of the Town Council, present reasons for any of his recommendations";
- (e) as a part of the annual budget as a separate report attached thereto the Town Manager shall present a program concerning proposed municipal capital improvement projects for the ensuing year and for the four fiscal years thereafter, a copy of which shall be transmitted to the Zoning and Planning Commission. The Town Manager shall recommend to the Town Council a program of projects for the ensuing fiscal year and a method of financing the same. Such method may include but need not be limited to the special tax levy provided in Sec. 9.4.1 of this chapter for the benefit of the "Capital & Non-Recurring Expenditure Fund."

Duties of the Town Council:

Section 9.3.1 of the Town Charter deals with the duties of the Town Council with respect to the budget and reads as follows:

"On or before April 1, the Town Council shall present and recommend to the Board of Finance the budget for the ensuing fiscal year prepared and presented by the Town Manager pursuant to Sec. 9.2 with such modifications as the Town Council deems appropriate. As respects the budget proposal of the Board of Education, such alterations or changes shall be in the form of recommendations. A copy of the budget as recommended by the Town Council shall be available for public inspection at the office of the Town Manager."

TOWN OF AVON – BUDGET OVERVIEW

Duties of the Board of Finance:

Section 9.4.1 of the Town Charter deals with the duties of the Board of Finance with respect to the budget and reads as follows:

- (a) the Board of Finance shall hold one or more public hearings not later than three weeks before the annual budget meeting at which any elector or taxpayer may have an opportunity to be heard regarding the budget for the ensuing year;
- (d) after the Board of Finance public hearing or hearings, and after consultation with the Town Council and the Board of Education, the Board of Finance shall make these revisions in the budget as the Board of Finance deems desirable and shall recommend the budget so revised to the Annual Budget Meeting. Summary copies of the budget showing estimated revenues by major sources and recommended appropriations by office or agency shall be available in sufficient numbers for public distribution at the office of the Town Manager and at the public hearing or hearings;
- (c) the revised budget as submitted to the Annual Budget Meeting shall not be in less detail than the recommended totals for each office or agency. Sufficient copies of the budget to be presented to the Annual Budget meeting shall be available to the public in the office of the Town Manager, and at least five days prior to the Annual Budget Meeting the Board of Finance shall cause to be published in a newspaper having a circulation in the Town, a summary of the budget showing estimated revenues by major sources and recommended appropriations by major sources;
- (d) the Annual Budget Meeting shall receive and consider a resolution for the adoption of the budget recommended by the Board of Finance pursuant to Section 9.4.1(b);
- (e) at the conclusion of the discussion on the resolution for the adoption of the budget recommended by the Board of Finance to the Annual Budget Meeting, the moderator shall adjourn the Annual Budget Meeting to a date certain on a weekday not less than 7 days nor more than 14 days thereafter for a referendum vote by voting machine by those eligible by law to cast ballots for that purpose. All ballots shall be cast in accordance with the provisions of the General Statutes;
- (f) if the majority of the ballots cast at any referendum of the adjourned Annual Budget meeting on a budget recommended by the Board of Finance shall be “Yes” the budget shall be deemed approved as of the date of such affirmative vote;
- (g) an official copy of the approved budget at any referendum setting forth appropriations in accordance with the budget classification established under sec. 9.1.1 shall be filed by the Board of Finance with the Town Clerk within one week following such approval;

TOWN OF AVON – BUDGET OVERVIEW

- (h) within ten days after the approval of the budget at any referendum, the Board of Finance shall fix the tax rate in mills which shall be levied on the taxable property in the Town for the ensuing fiscal year. In accordance with the provisions of Chapter 108 of the General Statutes, as amended, the Board of Finance may levy annually a tax not to exceed two mills to be assessed upon the taxable property in the Town at the same time as the regular annual taxes for Town expenses for the benefit of a fund to be known as the “Capital and Non-Recurring Expenditure Fund” established for the purpose of paying the cost of capital improvements for which the Town is authorized to issue bonds and for no other purpose;
- (i) the Board of Finance shall have the power to transfer from time to time to this fund any portion of the resources of the general fund not otherwise appropriated. Appropriations for construction or for other permanent improvements, from whatever source derived, shall not lapse until the purpose for which the appropriation was made shall have been accomplished, or abandoned by action by the Board of Finance, or by Town Meeting, whichever authorized the original appropriation provided any project shall be deemed to have been abandoned if three fiscal years shall elapse without an expenditure from or encumbrance of the appropriation therefore.

9.4.2 Rejection of Budget

- (a) Subject to the provisions of Section 9.4.4, in the event the majority of the ballots cast at a referendum conducted pursuant to Section 9.4.1(e) or conducted pursuant to Section 9.4.2(c)(ii) shall be "No" the Annual Budget Meeting shall be deemed to be further adjourned to a date certain to be designated by the Town Council in accordance with Section 9.4.2(c)(i), except as prohibited by Section 9.4.2(d).
- (b) Within 20 days after a vote at referendum which results in the rejection of a budget recommended by the Board of Finance pursuant to either Section 9.4.1(b) or pursuant to Section 9.4.2(b)(iii) the Board of Finance shall:
 - (i) after any consultation with the Town Council and the Board of Education the Board of Finance deems advisable, determine those modifications, if any, to the rejected budget the Board of Finance deems appropriate.
 - (ii) conduct a public hearing on the rejected budget including those modifications, if any, determined to be appropriate by the Board of Finance pursuant Section 9.4.2(b)(i).
 - (iii) recommend to the Town Council a budget for vote thereon at referendum at the adjourned Annual Budget Meeting on the date designated by the Town Council in accordance with Section 9.4.2.(c)(i).
- (c) Upon receipt from the Board of Finance of a recommended budget pursuant to Section 9.4.2(b)(iii) the Town Council shall:

TOWN OF AVON – BUDGET OVERVIEW

- (i) designate a date for a vote at referendum on a budget recommended by the Board of Finance pursuant to Section 9.4.2(b)(iii), which date shall be not more than 30 days after the vote on the budget rejected at the immediately prior referendum.
- (ii) instruct the Town Clerk to publish a timely call for a vote at referendum on a budget recommended by the Board of Finance on the date designated by the Town Council pursuant to Section 9.4.2(c)(i) by those eligible by law to cast ballots for that purpose, which call shall set forth the recommendation of the Board of Finance made pursuant to Section 9.4.2(b)(iii).

9.4.3 No more than two referenda may be conducted on budgets recommended by the Board of Finance to the Town Council pursuant to Section 9.4.2(b)(iii) for the same fiscal year.

9.4.4 If the number of persons voting at any referendum conducted pursuant to this Chapter shall be less than nine percent (9%) of the electors of the municipality, as determined by the last completed active registry list, the budget voted upon shall be deemed approved notwithstanding that a majority of the votes cast shall be for rejection of the budget.

9.5 Expenditures and Accounting

- (a) No purchase shall be made by any office or agency of the Town other than the Board of Education except with the approval of the Town Manager or authorized agent.
- (b) No voucher, claim or charge against the Town by other than the Board of Education shall be paid until the same has been approved the Town Manager or authorized agent. No voucher, claim or charge against the Board of Education shall be paid until the same has been approved by the Superintendent of Schools or authorized agent. Checks for the payment of approved claims other than those against the Board of Education shall be drawn by the Town Manager and shall be valid only when countersigned by the Treasurer or authorized agent. In the absence or inability to act of either the Town Manager or the Treasurer, with respect to the above duty, the Council chairman is authorized to substitute temporarily for either but not for both of them. Checks for approved claims against the Board of Education shall be drawn by the Superintendent of Schools or authorized agent and shall be valid only when countersigned by the Treasurer or authorized agent. In the absence or inability to act of either the Superintendent of Schools or authorized agent or the Treasurer with respect to the above duty, the Chairman of the Board of Education is authorized to substitute temporarily for either but not both of them. Any provisions of this Charter to the contrary notwithstanding, the Town Manager or authorized agent may exercise the powers vested in the Superintendent of Schools or authorized agent with respect to purchasing, the approval of vouchers, claims or charges against the Board of Education, and the drawing of checks to pay approved claims, but only if and to the extent and for the period requested by the Board of Education and approved by the Town Council.
- (c) The Town Manager or authorized agent shall prescribe the time at which and the manner in which persons receiving money on account of the Town shall pay the same to the Town Treasurer.

TOWN OF AVON – BUDGET OVERVIEW

- (d) The several offices and agencies of the Town shall not obligate the Town to spend money for any purpose in excess of the amount appropriated for such office or agency; provided, when any office or agency except the Board of Education shall desire a transfer of funds between its appropriations such office or agency shall, with the approval of the Town Council, make application to the Board of Finance whose duty it shall be to examine into the matter, and upon its approval such transfer may be made except that said Board of Finance may, by resolution, delegate to the Town Council all or any part of its authority to examine into and approve such transfers. Authority delegated to the Town Council to transfer between appropriations for such office or agency shall not exceed 1/10 of 1% of the current Town Operating Budget.
- (e) Additional appropriations over and above the total budget may be made from time to time by the Board of Finance upon favorable recommendation of the Town Council and certification from the Town Manager that there are available unappropriated general fund resources in excess of the proposed additional appropriations (see chart on next page).
- (f) Upon the request of the Town Council, the Board of Finance may, by resolution, transfer any unencumbered appropriation or portion thereof from one office or agency to another, except that said Board of Finance may, by resolution, delegate to the Town Council all or any part of its authority to examine into and approve such transfer. Authority delegated to the Town Council to transfer any unencumbered appropriation or portion thereof from one office or agency to another shall not exceed 1/10 of 1% of the current Town Operating Budget.
- (g) Emergency appropriations not exceeding an amount four percent of the current tax levy in any one fiscal year may be made upon the favorable recommendation of the Town Council to the Board of Finance and by vote of not less than four members of said Board of Finance for the purpose of meeting a public emergency which threatens the lives, health or property of citizens. In the absence of available unappropriated general fund resources to meet such appropriation, the Board of Finance shall provide additional means of financing in a manner consistent with the provisions of the general statutes and of this Charter.
- (h) Each order drawn upon the Treasurer shall state the office or agency or the appropriation against which it is to be drawn.
- (i) Every payment made in violation of the provisions of this Charter shall be deemed illegal and every official authorizing or making such payment or any part thereof shall be jointly and severally liable to the Town for the full amount so paid or received. If any appointive officer or employee of the Town shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of this Charter or take part therein, such action may be the cause for his removal.

Supplemental Appropriation Process

