

**BOARD OF FINANCE  
TOWN COUNCIL  
BOARD OF EDUCATION  
BUDGET WORKSHOP  
APRIL 13, 2016**

**I. CALL TO ORDER**

The meeting was called to order at 7:07 p.m. at the Avon Senior Center by Chairman Thomas Harrison. Members present: Chairman Thomas Harrison, Vice Chairman/Secretary Thomas Gugliotti, Jeff Bernetich, Margaret Bratton, Dean Hamilton and Michael Oleyer. Catherine Durdan was absent. A quorum was present.

**II. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Thomas Harrison.

**III. OLD BUSINESS**

**15/16-05      FY 16/17 Budget: All Three Boards**

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

Mr. Harrison commented that this is not a public hearing, but it is a public meeting open to observation. It is strictly a business meeting among the three boards. The meeting is required by the Town Charter that states following the Public Hearing, the three boards confer and discuss any issues and then we the Board of Finance have the authority under the Charter to make any adjustments to the Council's or Board of Education's budget proposal as we deem necessary. At the end of this meeting this board will make a recommendation to the Town Meeting a budget and then that will be the budget that goes before the voters.

Mr. Harrison called upon Mr. Robertson, Town Manager, to comment on any revenue estimate changes. Mr. Robertson had several upward revenue adjustments equaling \$125,000 across several categories and one negative adjustment of \$473,211 to recommend.

Mr. Harrison stated we are also aware the State Legislature is going through its budget agonies. They have discussed town funding reductions. The Appropriations Committee last week reduced Avon's normal expectations of Educational Cost Sharing (ECS) by \$473,000. The Governor has made some counter proposals, none that have been acted upon by the Legislature at this time. Mr. Robertson after talking with his counterparts in other towns, basically said we should do our work tonight planning on the reductions. Mr. Mala agreed that we need to plan on this reduction it is the responsible thing to do.

Mr. Harrison addressed the Board of Finance members and called for a consensus for reducing the proposed budget by the expected reduced funding from the State. Mr. Gugliotti stated he endorsed the recommendations from both of our professionals. He added it is the prudent way to go. Mr. Zacchio asked if we do not experience as deep a cut as expected, would the Board be open to appropriations during the year to restore the operating budgets at the same ratio they have been reduced. Mr. Gugliotti stated he was not sure if his Board can commit to anything tonight. He added the ratio idea did make

sense. Mr. Harrison stated he would give favorable consideration to requests of that nature. Board members will be asked to voice their comments. In response to a question from Mr. Lowry, Mr. Harrison stated we would look at the difference between \$473,211 and \$125,000 of \$348,000 as the working number to discuss among boards on how to allocate. In response to a question from Ms. Bratton, Mr. Zacchio stated revenue is a bottom line to the Town. All monies come into the Town and then are allocated out according to the approved budgets. He added that this is a unique situation where before the budget is approved, the Town already is aware of a significant shortfall in revenue projected. Mr. Harrison stated given our agreement so far this evening, this gets us to the suggest ratio reduction split among the board budgets. He asked if there had been any discussion between the Board of Education and the Council. In response, Mr. Lowry stated the Chairs talked this morning and he asked Mr. Zacchio to respond. Mr. Zacchio stated he would prefer any red come out of the operating budget. He does not want to affect the capital budget. He recommended a split of 75/25 with the Board of Education operating budget absorbing 75% of the reductions. In response to a question from Mr. Harrison, Mr. Lowry stated his Board had not determined the affected line items. Mr. Zacchio added we don't know where state is going to go in the coming years. Assuming state continues to decline; we don't heavily rely on them for funding so they can't hurt us too badly, but it does hurt to some degree. It affects our operating budget in a negative way. Mr. Gugliotti stated we don't have the ability to tell Board of Education or Council where to cut, but he is hearing that both boards are in accord for reductions to the operating budget. Mr. Lowry stated in close consultation with the Superintendent, his Board will determine where to make the reductions. Mr. Harrison stated his Board just looks at big number. We will use our executive powers to make budget adjustments by reducing spending requests by \$348,211 and we would respect the Board of Education and Town Council discussion of a 25/75 ratio and he asked if there any desire for opportunity to caucus? Mr. Zacchio stated his board would like to. Mr. Lowry stated he does not need time to caucus this evening.

Tape paused 7:31 pm resume 7:44 pm.

Mr. Harrison stated both boards caucused. Mr. Zacchio deferred to Mr. Robertson for comment. Mr. Robertson stated they have identified the line items affected by the \$87,053 reductions. Heath Insurance and Hospitalization will be reduced by \$20,000 and the balance will be taken from the police department funding. He stated there are a couple of police department vacancies and we can push those out a little further to meet the \$87,053 of required reductions. In response to a question from Mr. Stokesbury, Mr. Mala stated the most recent estimate of end-of-year surplus for the Board of Education is \$300,000. In response to a question from Mr. Harrison, Mr. Zacchio stated there is no estimate of surplus on town side. In response to a question from Mr. Harrison, Mr. Lowry stated the Board of Education will consider which line items will be affected after more input from the Superintendent. Mr. Harrison complimented both boards for working together. He stated this hasn't always been this way. In response to a question from Mr. Oleyer, Ms. Colligan stated the unassigned general fund balance at the close of the last fiscal year was slightly over \$8,000,000. There have been two appropriations since then, one for \$350,000 and one for \$9,000 which have reduced the fund balance to \$7,641,000. Of the prior refundable appropriations, \$146,000 has come back into the account. The \$350,000 reimbursement will come back in FY16/17. Mr. Zacchio stated these were

drawdowns for the bridge project. In response to a question from Ms. Howard, Mr. Zacchio stated if the field project is approved, the funding mechanism would more than likely be a combination of sources such as a not to exceed borrowing limit, State funding and fundraising. In response to a follow up question from Ms. Howard, Mr. Zacchio stated if we were to borrow funds, there will be a referendum. Mr. Harrison stated voter approval will be required. Mr. Zacchio added up to a certain borrowing level there could be a town meeting and over that amount a referendum is required. Mr. Harrison stated in our show & tell each member give their thoughts on what action should be taken on the proposed budget. I think it's pretty clear what we will be doing. Before we begin Ms. Durdan, who is recovering from surgery, sent a statement that I will read into the record: "I am missing an opportunity to attend and support tonight's BOF workshop. I had surgery last Wednesday, April 6<sup>th</sup> to repair a torn tendon in my right rotator cuff. The BOF Chair and members are so great I'm sure it will be a short meeting with everyone reaching agreement. I would like to thank the Town Council, Superintendent Mala, Board of Education, Brandon Robertson, Peg Colligan and their staffs for developing budgets that address the needs of the Town and the schools. I would also like to thank Kathy Zirolli and Ken Birk for their monthly Board of Education report and a special thanks to you, Mary Marinello, for your meeting support in taking minutes for the Board of Finance. I look forward to seeing all of you again soon."

Mr. Harrison called on Mr. Hamilton for comments. Mr. Hamilton stated we sit here tonight in our town budget in a state of flux. Kudos to the Board of Education and the Town Council for acting honorably and trimming their requests. At a public meeting two days ago we heard that the greatest concern to taxpayers is the compensation of our educators. Given that multiyear contracts have recently been signed, there is nothing we can do to change that at this time. But consider this, according to the US Census Bureau's most recent data, the median household income in Avon for 2010-2014 rounds to \$117,000. That's per household, not per person. One of the things I am uncomfortable with is I analyzed Avon teacher's salaries using the Avon Taxpayers book and over 70% of our teachers are paid at a rate that exceeds Avon's median household income. That's per person, not per household. It seems unsustainable. With the changes that have been made meantime by the Town Council and the Board of Education to reflect the State's reduction in the Educational Cost Sharing and Brandon Robertson's revenue changes he brought forward, I support the budget as submitted.

Mr. Harrison called on Ms. Bratton. Ms. Bratton stated between listening to the voters at the Public Hearing and following what is going on at the State level, I was happy to hear that the Chairmen for the Town Council and the Board of Education got together between the Public Hearing and today, came up with a compromise ratio to each reduce their proposed budgets during their discussions, and yes, if this aid is cut less than expected I would be open to a future supplemental appropriation taking into consideration netting the \$125,000 from the \$473,000. I just wanted to thank you all for your efforts and I appreciate all of the input from Monday night.

Mr. Harrison called on Mr. Gugliotti. Mr. Gugliotti stated I'll echo the things said a few moments ago, a couple of things I would like to add. Compliments to everybody of course, but I would especially want to point out the great quality of work that is produced in terms of the material that is used, that's given to the public to be used. It's unparalleled

in almost any other town. You won't find this type of material, the detail, the fine points, then the broader picture, the slides that are presented. I know that sometimes some folks complain about more information. I really wish folks would take a good look at what is given over time as well as at specific meetings we have. It's just the best we can hope to have. I support what we have talked about tonight. I support whatever someone comes out with when they do the math. I just want to make an observation with respect to what is going on here. I think we are now at this moment participating in a new era in government, in finance. To see Governor Malloy talking about a crisis and that democratic governor instituting all those layoffs is absolutely remarkable. We will figure out ways to make what we do here in Avon continue to work as well as it does. We will figure out a way starting tonight. But I think in the future it will have to include things we have only scratched the surface on; regionalization for example. The Town of Avon and Brandon and the Boards are in to that, such as sharing the dog warden duties or the assessor duties with Canton. That's got to get bigger than we even have now and that's how we are going to start to find ways to fund some of these other things, to reduce costs and still do what it is we do so well here in Avon.

Mr. Harrison called on Mr. Bernetich. Mr. Bernetich stated keeping with my style on the Board of Ed, I'm going to say very little. Thanks to the Town, Brandon, Ms. Colligan, Gary, Donna and the Board of Ed for the hard work in putting these budgets together.

Mr. Harrison called on Mr. Oleyer. Mr. Oleyer said I have not had the opportunity to introduce myself to all of you. This is my first year on the Board of Finance so it's a pleasure speaking to you. First of all I'd like to thank my Board members and Brandon for helping me out the last few months, answering any questions I had. They have helped me through the process of understanding how the Board of Finance and the town budget works. In reading the budgets that were presented, it's certainly been interesting seeing everything that goes into it, especially capital improvements. I anticipated having questions or concerns on some of the Town's spending, I didn't see any while reviewing everything. I think it was very interesting having the opportunity to do that. Also I came here today expecting there to be some problems with the grant and the \$400,000. I expected the people requesting the money to ask for the mill rate to go up and I appreciate that both boards did not request that. It seems that everyone worked out the issues on their own. There's nothing for us to do. As Margaret said, if the money does come in at some point in the future, I certainly be willing to look at any appropriation presented and deal with it appropriately.

Mr. Harrison stated he will finish up. In the past I have used the three R's as the basis to help me form my position. I think budget requests need to be responsive to legitimate needs in the community and schools. They have to be rational in how they are put together, not just pulling numbers off of a cloud and they have to be realistic given economic conditions. I think the budgets this year even with the adjustments we are making now pass that three R test. I thank all the Boards and joining my colleagues here complementing and thanking the professional staff and the elected officials for taking this seriously. I think many individuals in the town like what we do or don't like what we do collectively, but I don't think anybody can say any one on any of the three Boards does not take their job seriously or doesn't really do what they think is in the best interest of the Town. We can disagree civilly, but I think we all love the Town of Avon. We all take

the decisions we make from that background, from that approach. I am pleased to join my colleagues tonight in supporting the budgets as we have amended them tonight. I will read a resolution but I need some numbers to fill in. Mr. Robertson or Ms. Colligan was asked to provide the total expenditure number that will be used. Mr. Robertson stated the number is on the reverse side of the revenue adjustment worksheet.

B. Adopt Final Recommended Budget

On a motion made by Thomas Harrison, seconded by Dean Hamilton, it was voted: **RESOLVED:** In accordance with Section 9.4.1(b) of the Town Charter of the Town of Avon, after a public hearing duly held on April 11, 2016 and after due consultation with the Town Council and the Board of Education on April 13, 2016, the Avon Board of Finance hereby takes the following actions:

1. It recommends to the Annual Budget Meeting a Budget in the amount of \$89,054,435.00 for Fiscal Year 2016-2017; and

2. It authorizes the Town Manager and the Director of Finance to make such minor adjustments to the above Recommended Budget as may be necessary to ensure that the Mill Rate for Fiscal Year 2016-2017 shall not exceed 29.52.

Messrs: Harrison, Gugliotti, Bernetich, Hamilton, Oleyer and Ms. Bratton and voted in favor.

C. Sign Call of the May 2, 2016 Town and Budget Meeting

IV. **NEW BUSINESS**

There was none.

V. **OTHER BUSINESS**

There was none.

VI. **ADJOURN**

On a motion made by Thomas Harrison, it was voted:

**RESOLVED:** That the Board of Finance adjourn the meeting at 7:52 p.m.

Messrs: Harrison, Gugliotti, Bernetich, Hamilton, Oleyer and Ms. Bratton voted in favor.

Respectfully Submitted,  
Thomas A. Gugliotti, Secretary

Attest: Mary Marinello, Clerk

All referenced material will be available to the public in the Town Clerks office.