

BOARD OF FINANCE  
SPECIAL MEETING MINUTES  
MAY 21, 2002

I. CALL TO ORDER -The Special meeting was called to order at 7:00 P.M. by Chairman Harrison. Present were Messrs. Gugliotti, McGuff, Monts, Speich and Zacchio. The Town Council and the Board of Education were present to render a budget that will be acceptable to the Citizens of Avon.

II. OLD BUSINESS

01/02-22 -FY2002/2003 Budget

Chairman Harrison opened the meeting to present some new information that we did not have last night. The process to be followed is that after tonight's workshop, this Board will adjourn the meeting to reconvene at a Public Hearing on May 29th, at which time we will present the decisions and recommendations developed from these workshops. We will take comments and questions; various Board members will respond. At the close of that Public Hearing, the Board of Finance will vote formally to recommend a budget to the Town Council who will then formally refer that recommended budget to the Referendum to be scheduled for June 10,2002. We will leave here tonight with a budget we plan to recommend on May 29th.

If the June 10th Referendum is defeated, that triggers further consequences. We will be allowed to go through this same process one more time only. The Town Charter allows only two referenda following the defeat of the initial budget. With the Fiscal Year ending June 30th, that does not leave a lot of time. If the final referendum is defeated - if we do not have a budget at the start of the new fiscal year, and if the Referendum on the Fisher property is passed, that will be folded into the same Bond Sale as the Thompson Brook School, which is scheduled to go to the Bond market in July. Moody's and Standard & Poor's will be in Town two weeks prior to the sale, they will not look with approval on the fact that the voters of Town do not want to spend great amounts of money and our AAA rating will be in question, with perhaps a reduction in the Rating. This will result in a much higher interest rate on those bonds.

Mr. Harrison reported on the decisions made at last night's Board of Finance meeting. We have decided on a proposal or plan for a budget that will be acceptable. Last year the overall budget increase was 7.6%; the average total budget increase over the last nine years has been about 5.25%. The budget that was defeated last week was for a spending increase of 9.3%; based on our decisions last night, the Board of Finance will propose a budget that will have a total dollar increase that is less than last year's increase which was 7.6%. We're going to propose a budget that requires some very serious cuts. If we recommend a budget increase of 6.8% it will require a mill rate of 5.4% percent, or an increase of 1.25 mills.

Mr. Gugliotti stressed the importance of having the budget passed on June 10th - it would be a catastrophe! Just because we make more cuts to the budget - it is not the end of the educational system in the Town of Avon as we know it. On a 35 million dollar budget,

taking \$600,000 out of it is not the end of life in Avon. Taking \$600,000 out of the Town Council budget will take some intelligence - but they are some very smart people. It will get done. It is absolutely critical that we get everybody behind this; if this budget is defeated, I guarantee you will not like the next budget. Chairman Harrison reported to get the budget we are proposing, we will have to cut an additional \$1,198,932. It was decided by the Board of Finance that these cuts will have to be split down the middle -\$600,000 from the Board of Education and \$600,000 from the Town's Operating Budget and the Capital Improvement Budget.

The Town Council recessed at 7:30 p.m. to discuss where to make the necessary adjustments as suggested. The Chairman asked if the Board of Education would like some time and was advised they would probably need a half hour.

The Board of Education returned at 8:35 p.m. Ms. Friedman reported they cannot make specific adjustments at this time, we will do that in June. Dr. Kisiel remarked on his feelings where to make adjustments. He reported this \$600,000 cut will leave the Board a 4 % increase, with considering the new school. We will open the new elementary school. It will affect the number of teachers we are requesting, maintenance and supplies; the language program for grade 5, zero technology for our schools except for Thompson Book, it will eliminate computer educational instruction, it will reduce the planned strings program; it will eliminate enrichment programs in grades K through 4. It will affect class size; no new supplies and less for building maintenance.

Mr. Hooper came in.

In response to comments from the Board of Education indicating they think the cuts are too severe, Mr. Gugliotti asked what they think will happen if this budget is defeated - do they think the budget will go up? If this budget isn't approved this time, it gets cut again! Mr. Harrison indicated the budget that was defeated was the highest one - if you don't like this, you won't like what comes after, that's the reality. Ms. Friedman stated the cuts are excessive. Mr. Harrison thanked the Board of Education for their efforts.

The Town Council reconvened at 8:45 p.m.. Mr. Hines reported that right now, they have found \$587,000 - if they have to get to \$600,000, they will find \$13,000. It's a matter of how you adjust to the final number. Major reductions of \$302,038 from the operating budget were accomplished by the Town Manager asking all Department Heads to reduce their budgets by 1.5%. They came back today with priorities of where to reduce it. Every Department had to face up to the reductions. The Council will reduce by starting to save money toward past retirement medical benefits; in the CIP, there will be no Town Hall renovations shown as \$150,000. We also dropped the Board of Education's truck at \$38,000, and the mowing machine at \$22,000. There was a lot of discussion regarding the lighting of Sperry Park; although public donations have been committed to the project, the Board did not feel it was proper to include this when so many crucial items are being eliminated. The Town Manager reported the actual cost is \$140,000; 50% of this from donations and 50% from the Town. He reported we could use the \$70,000 from the Little League first, to sign a contract in January or February to have the lights installed in March or April with a second payment coming

from the Town on July 2nd, 2003, so it would be in the 2003/2004 budget and you're building in a commitment if you go ahead with this, to at least budget this \$70,000 in the subsequent year's budget. That could be negotiated in the contract for the project. Mrs. Friedman stated it is her opinion that the Truck is absolutely critical; the safety of children in the new school is at stake and she feels it is more important to include the 4 x 4 pick up truck before the lighting at Sperry Park. Mr. Hooper feels we should leave this decision to the Town Council.

On a motion made by Mr. Gugliotti, seconded by Mr. Hooper, it was voted:

RESOLVED: That the Board of Finance delete the lighting to Sperry Park from the Capital budget and restoring this amount to the Board of Education, with the understanding that Board of Education will use part of the \$70,000 for the pick-up truck, with the balance reverting to their operating budget, while the Town is committing \$70,000 to the 2003/2004 budget and using the \$70,000 from the Little League to institute the lighting of Sperry Park.

Messrs. Harrison, Gugliotti, Hooper, McGuff, Monts, Speich and Zacchio voted in favor.

On a motion made by Mr. Harrison, seconded by Mr. Gugliotti, it was voted:

RESOLVED: That the Board of Finance schedule a Public Hearing on modifications to the Rejected 2002/2003 Town Budget for May 29, 2002 at 7:30 p.m. at the Avon Senior Center, Community Room.

Messrs. Harrison, Gugliotti, Hooper, McGuff, Monts, Speich and Zacchio voted in favor.

On a motion made by Mr. Gugliotti, seconded by Mr. McGuff, it was voted:

RESOLVED: That the Board of Finance adjourn at 9:15 P.M.

Messrs. Harrison, Gugliotti, Hooper, McGuff, Monts, Speich and Zacchio voted in favor.

Attest:

Respectfully submitted, Thomas A. Gugliotti, Secretary

*Clintie Burns,*  
*Clerk*