

# **TOWN OF AVON CONNECTICUT**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2025**

Prepared By:  
Department of Finance

Director of Finance:  
**TOM DISTASIO**

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## **INTRODUCTORY SECTION**



# Town of Avon

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December 3, 2025

To the Town Manager, Superintendent of Schools,  
Honorable Members of the Town Council,  
Board of Finance, and Board of Education, and  
To the Citizens of the Town of Avon:

Connecticut State Statutes require that all municipal entities publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Town of Avon for the fiscal year ended June 30, 2025.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Avon has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Avon for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Avon's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Avon was part of broader federal and state mandated "Single Audits", designed to meet the special needs of federal and state grantor agencies. The standards governing the Federal and State Single Audit engagements require the independent auditor to report, not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Avon's MD&A can be found immediately following the report of the independent auditors.

### ***Profile of the Town of Avon***

Avon, formerly Northington, or North Parish of Farmington, was settled in 1645. In 1830, after the construction and opening of the Towpath Canal, Avon was incorporated as a separate Town and took its name from the Avon River in England. Avon is located approximately ten miles west of metropolitan Hartford, has a land area of 23.2 square miles according to the 2016 Plan of Conservation and Development and an estimated population of 18,821 according to figures reported by the U.S. Department of Commerce (the United States Census).

The topography of Avon is varied. The high-lands are in the easternmost portion of the Town and Avon Mountain, which is on the border of Avon and West Hartford, is the most prominent feature with a peak elevation of 950 feet above sea level. Over 93% of Avon is currently developed for or dedicated to housing, commercial, industrial, institutional, recreation, and open space uses. Approximately 6.5% of the Town is comprised of privately owned land, which is currently undeveloped. Some of this undeveloped land is comprised of highly regulated floodplain, wetlands, and steep slopes. Of an approximate total land area of 14,968 acres, approximately 2,519 acres (17%) are mapped wetlands, and approximately 3,204 acres (21%) are categorized as open space. The Farmington River flows south through the western portion of town and then conversely flows north through the eastern portion of town. This watercourse represents a major recreational, aesthetic, and conservation resource.

The Town has operated under a council-manager form of government since 1959. Policy-making and legislative authority are vested in the governing Town Council. The charter provides for Town meetings, an elected Town Council, an elected Board of Finance, and an elected Board of Education. The Town is empowered to levy a property tax on real estate and personal property located within its boundaries, as well as a tax on motor vehicles. The five-member Town Council elects a Council Chairperson and appoints a Town Manager to administer the non-educational functions of the Town. It also appoints the members of the various Town boards and committees. The Board of Education appoints a Superintendent of Schools to administer the Town's school system. An organizational chart outlining the town government, as well as a listing of principal town officials, can be found later in this section. The Town is split between two districts of the State of Connecticut House of Representatives and requires three polling locations.

The median home value in Avon is approximately \$462,000. The majority of these homes are single family residences, with about 26% of the residential base being made up of condominiums.

Roughly 7,894 acres of land have been developed for residential purposes resulting in 5,322 single family homes and 1,829 condominiums. Approximately 616 acres of land have been developed for commercial and industrial uses. At present, there are approximately 922 active business accounts on the Town's Grand List. The Town's two business parks still have remaining undeveloped land which can support about 400,000 square feet of additional office and industrial space and 150,000 thousand square feet of retail space.

Avon is served by Connecticut Routes 10, 44 (Albany Turnpike), 167, 177, and 202 (16 miles of state roads) that provide thoroughfare access to the 112.4 miles of Town roads and 23.3 miles of private roads. Interstate 84, a major east-west limited access highway, lies six miles to the south. Numerous public and private passenger and freight common carriers serve the Town. Bradley International Airport is a half-hour drive to the north. A passenger and freight rail service is available in Hartford, ten miles to the east.

The Town of Avon provides municipal services in the functional areas of police, a volunteer fire department, public works including engineering, health and social services, recreation and parks, library, planning and community development including zoning, and a K-12 public education system. The Town has no sewer treatment facility of its own, but instead contracts with the neighboring towns of Canton, Farmington, and Simsbury for treatment of sewage effluent.

The Town adopts an annual budget for its General Fund, Sewer Fund, Capital Improvement Fund Account (CIFA) Fund, American Rescue Plan Act Grant Fund, Capital and Nonrecurring Expenditures Fund, and ten nonmajor Special Revenue Funds: Forest Park and Open Space Management, Police Special Services, Town Aid Road, Recreational Activities, Local Capital Improvement Program, Fisher Meadow Maintenance, State and Federal Education Grants, Cafeteria, Use of School Facilities, and Technology Protection Plan. The annual budget serves as the foundation for the Town's financial planning and control. The Town maintains budgetary controls with the objective to ensure compliance with legal provisions embodied in the annual appropriated budget, which is considered at a budget referendum. In the event that a budget recommended by the Board of Finance is rejected at a referendum, the Town Charter allows for a modified budget to be considered at referendum no later than 30 days after the vote on the budget rejected at the previous referendum. Per the Town Charter, there cannot be more than three failed budget referenda. Once the local referenda process is exhausted without a budget being approved, the Town Council has the authority to adopt a spending and taxing plan at their discretion. The several departments of the Town cannot spend in excess of the amount appropriated for each department without approval from the Town Council or Board of Finance. Transfers of appropriations between the Town's departmental budgets may be approved by the Board of Finance at the recommendation of the Town Council. The Board of Finance is permitted to delegate its authority to approve such transfers at amounts not exceeding 1/10 of one percent of the current Town Operating Budget.

The Town maintains an encumbrance accounting system as one technique of accomplishing budgetary controls. As demonstrated by the budgetary schedules included in the financial section of this report, the Town continues to meet its responsibility for sound financial management. In addition to budgetary schedules, Note 2A in the Notes to Basic Financial Statements describes the budget process used by the Town. The strength of the Town's economic circumstances and quality of municipal management are reflected in the Town's bond ratings, which remain at the highest levels obtainable, as awarded by Moody's Investors Service, Aaa, and by Standard & Poor's, AAA.

## ***Local Economy***

Avon is a desirable low-density suburban community with excellent schools and a high standard of living. Avon continues to experience a moderate increase in the number of new home permits. In fiscal year 2024-2025, a total of 13 new, single-family homes were permitted. Residential and commercial permits continue to remain steady, with the number of plan reviews and inspections required remaining very high.

As of June 2025, the Town's unemployment rate of 2.8% compares favorably to the state's rate of 3.4%. Avon's per capita personal income is \$89,357, versus the state's average, which is \$52,034.

Avon is fortunate to have a well-balanced diverse mix of business and industrial uses, medical services, and a variety of quality housing. Major industries with headquarters or divisions located within the Town of Avon include Oldcastle Infrastructure, Inc., concrete product supplier; Connecticut-On-Line Computer Center, a centralized computer facility for northeast banks; Ironwood Capital Management; PMP Corporation, a gas station equipment supplier; Legere Group, woodworking; OFS Optics, a fiber optics manufacturing facility; Adams and Knight Inc., an integrated marketing agency; the Research and Development Center for Hubbell Incorporated, a manufacturer of electrical equipment; and Orafol Americas Inc. of Germany World Headquarters (located in Avon Park South). Several major medical or insurance-related companies are also located in Avon including Magellan Health, Avon Health Center, Inc., and Apple Health Care Inc.

The Town's central business district currently enjoys a 93% occupancy rate with a variety of specialty shops and commercial businesses. Presently, there are more than 1,000,000 square feet of existing retail space, 950,000 square feet of office space, and 600,000 square feet of manufacturing space primarily with access along Route 44, with average daily traffic volume between 19,500 and 28,900 vehicles. The Town estimates that there are roughly 400,000 square feet of future expansion availability evenly split between office and industrial with about 150,000 square feet of possible future retail expansion. There are nine bank branch offices located in Town including several national and community-based banks. Avon is home to three championship golf courses, two private and one public. There is a wide array of medical services available in Town, including the Avon Wellness Center, a 75,000-square foot facility operated by Hartford Hospital, the Saint Francis Hospital Medical Center housed in a 25,000 square foot facility, the 20,000 square foot Helen and Harry Gray Cancer Treatment Center operated by Hartford Hospital, the Hartford Healthcare GoHealth Urgent Care Center, and the Hartford Healthcare Medical Group office operating in a 20,000 square foot building. Avon also has a senior housing community called "The Residence at Brookside" to offer independent, assisted, and memory care living; and a memory care community called "Arden Courts."

This past year several large commercial projects were in various stages of construction including: a new commercial building at 104 West Avon Road (The Learning Experience); a four-story, sixty-four-unit multi-family dwelling at 25 Avonwood Road; and a three-year dormitory renovation project at Avon Old Farms School. In addition, attainable housing developments, previously approved at 20 Security Drive and on Avonwood Road, are in final planning stages for construction. In Summer 2025, construction was substantially completed on the section of the Old Farms Road relocation project between Thompson Road and Scoville Road. Virtually all funding for the construction of this phase was provided via LOTCIP and CCGP grants, and interest earned on grant funds. Avon Village Center Phase 1A is constructed and in the process of being filled with tenants. Final property transfers for roadway ownership are also underway, to be completed soon.

The Avon Historical Society (the Society) had another eventful year in fiscal year 2024-2025. The “Unearthing History: The Discovery of a 12,500 Year Old Paleoindian Site along the Farmington River in Avon, CT” webinar series, which was managed in partnership with the Avon Free Public Library and Avon Senior Center, wrapped up a four-year run in October 2024 thanks to a grant from the Lower Farmington and Salmon Brook Wild & Scenic Committee. All webinars, which have logged over 35,000 views as of September 2025, are available on the Avon Library’s website. The Society was also an active partner of the Exploring Human Origins traveling exhibit from December through January with a series of events from the Smithsonian Institution at the Avon Library which had over 1,000 visitors and attendees at events. The Society joined the Avon’s America 250 Coordinating Committee tasked with overseeing the local 250th commemoration of the Declaration of Independence. Two townwide community meetings were held open to individuals, organizations and businesses to plan memorable events for the national commemoration in 2026. Additionally, the 1865 Pine Grove Schoolhouse opened for the summer visitor season every Sunday in 2025 with 95 visitors from the U.S. and several countries.

The Avon Police Department proudly serves the citizens of Avon with respect, dignity, equality, compassion, and professionalism. The Avon Police Department is a nationally accredited law enforcement agency, as well as earning accreditation from the State of Connecticut, and has continuously earned national accreditation from the Commission on Accreditation for Law Enforcement Agencies, Inc. since 1993. Avon Police Officers are the first responders for medical calls and all Officers are Emergency Medical Responders. All Officers are equipped with body-worn cameras and all marked cruisers are outfitted with dashboard cameras. In the fiscal year 2024-2025, Police Officers responded to 2,511 medical calls throughout Town. The Town of Avon is served on a 24-hour, 7-day a week basis by a paramedic ambulance, provided by American Medical Response.

The October 1, 2023 Grand List increased by \$526,012,330 to \$3,214,496,636, or an increase of 19.57%, from the 2022 Grand List of \$2,688,484,306. The Town conservatively budgets revenues, such as building permit and conveyance fees, which are dependent on the economy and market conditions. Building permits issued for fiscal year 2024-2025 indicate a total value of \$66,258,898. The Town is not highly dependent on State revenues as they represent just 4.18% of the Town General Fund’s total revenues (excluding the amount of “on-behalf” contributions made by the State to the Connecticut State Teachers Retirement System), and because the Town’s budget process occurs much earlier than the State’s budget schedule, it forces the Town to estimate grants based upon the legislative estimates provided at that time. This approach has worked well for the Town.

As the Town continues to physically mature, less emphasis will be placed on accommodating growth through the expansion of Town and School facilities, and more of an emphasis will be placed on maintenance and upkeep of existing facilities. Future development will focus on infill rather than straight green field development. The current mix of 70% single-family homes and 30% multi-family homes has generally served the Town well and has provided opportunities for buyers and renters at varying levels of income and ages. Avon is recognized as a desirable community in which to live.

Corresponding with this transition from expansion to preservation, the Town’s cost trends over the past decade reflect the growing emphasis on maintaining existing services and infrastructure. Increases in labor, materials, and service contracts have contributed to steady expenditure growth across core functions, mirroring patterns seen in other mature Connecticut communities. As the focus shifts toward long-term stewardship of existing assets, these cost trends will continue to shape the Town’s financial planning priorities.

Avon was given an A+ grade in Niche's 2025 "Best Places to Live" in Connecticut, and maintained its high ranking, coming in at #7 in Niche's 2025 "Best" for places to live in Connecticut. Families with children seek access to Avon's excellent school system, and an increasing number of older active adults have kept housing prices relatively stable. The Town expects a greater demand in the future for services and a variety of alternative housing choices for seniors as a result of changing demographics. This trend will include a demand for smaller housing units near services and shopping, active adult and senior living facilities, and specialized transportation. A predicted drop in school-age population, a projected reduction in total debt, and increased tax revenues from the 1.2M square-foot Avon Village Center mixed-use project, should result in a favorable situation over the next planning period, permitting the Town to continue to offer a top tier educational system and high quality services, while maintaining a modest tax rate. Commuters passing through Avon, the employees of our businesses, the patrons of our stores, health facilities, tourists and professional offices, the inflow and outflow results in more traffic, leading to additional demands for services and increased use of our municipal infrastructure.

Avon's Public Schools continue to be recognized as one of the most outstanding communities for education in the State of Connecticut. A rigorous curriculum, outstanding teachers, and a community invested in high quality education provide students with the foundation needed to be successful in their future endeavors. Avon High School, with just under 1,000 students, is consistently ranked among the most competitive high schools at both the state and national levels. Avon High School offers 46 courses through Advance Placement programs, UConn Early College Experience, and Tunxis Community College programs, as well as 45 clubs/organizations and 31 varsity sports. The graduation rate at Avon High School for the class of 2025 was 98%. To ensure Avon's students are taught using current and relevant curriculum, content areas are constantly being reviewed.

Niche, an on-line source that provides in-depth profiles on every school and college in America utilizing powerful search and data tools has ranked the community of Avon the seventh Best Place to Live in CT due in part to its highly rated public schools; giving an A+ rating for Avon High School and an A or A- rating for Avon Middle School, Thompson Brook School, Pine Grove School, and Roaring Brook School. In the latest edition of *US News & World Reports*, Avon High School received a score of 96.43 out of 100 and ranked 639 in the national ranking of all high schools in the nation; 15<sup>th</sup> in Connecticut.

### ***Long-Term Financial Planning***

Avon recognized the value of allowing residents a realistic methodology to estimate changes in the Grand List, and in their individual property values, and project tax impacts of additional town borrowings over various periods of time. In a collaborative effort between the three boards (Town Council, Board of Finance, and Board of Education), Town management and the Town's municipal advisor, a "formula" was developed whereas residents and business can visit the town website, enter in their individual assessed values, and obtain an estimate of the additional tax payments that would be required to cover the cost of any proposed bonding projects. The Town expanded this methodology by creating a tax calculator that allows residents to view the impact of the revaluation of property when it occurs and for every proposed budget.

The Town adopted an appropriation of \$9,500,000, with authorization for the issuance of up to \$8,000,000 of notes and bonds, for renovations and additions to the Avon Free Public Library at an October 22, 2009 referendum. The Library expansion, which was completed in April 2012 at a total cost of \$8.61 million, doubled the square footage and significantly impacted building operating and staff costs. The Avon Free Public Library received a \$1,000,000 Connecticut State Library construction grant, with the remainder of the construction project funded by notes, bonds, fundraisers, and donations. On October 30, 2012, the Town issued General Obligation Bonds in the amount of \$7,100,000 at a rate of 2% maturing June 15, 2028 to fund this project.

On March 15, 2016, the Town closed on \$11.4 million General Obligation Refunding Bonds. In a refunding, future interest payments cease, and principal payments are refinanced through a bond issue at lower interest rates. The bonds were sold on a negotiated basis, and an independent Pricing Agent was retained to assure that the best rate available on the day of pricing was attained. The refunding will result in a total savings of \$385,413 over the span of fiscal years 2016 through 2027.

At referendum in December 2018 the Town adopted a combined appropriation of \$6,885,000 (all of which was authorized for the issuance of notes and bonds) for two projects: the Avon High School Synthetic Turf Field and Track Improvements Project and the Town and Public Safety Communication System Replacement Project. The Town issued \$3,275,000 of General Obligation Bonds dated June 16, 2020 for the entire amount of \$2,995,000 for the turf fields and \$280,000 for a portion of the communication system. On May 29, 2025 the Town issued an additional \$3,610,000 of General Obligation Bonds for the communication system, which was substantially completed in March 2025.

At a Special Town Meeting held on December 10, 2024, the purchase and renovation of property located at 200 Fisher Drive was approved with authorized funding of \$3,187,000. The Town closed on the purchase of this property in January 2025. Its purpose is to be used by the Avon Board of Education as its Central Office. Renovations took place through spring and summer of 2025, with a relocation of BOE office staff in October 2025. On May 29, 2025 the Town issued \$3,185,000 of taxable General Obligation Bonds to fund the purchase and renovation of the property. In preparation for the issuance of the bond, the Town's AAA rating was reaffirmed by both Standard & Poor's and Moody's following a ratings review process.

The Town held a Special Town Meeting on January 24, 2023, at which point the purchases of two fire apparatus were approved: a ladder truck and a fire engine with authorized funding of \$2,172,000 and \$1,259,000, respectively. The Town anticipates issuing debt to fund these purchases closer to when these two fire apparatus will be delivered.

### ***Relevant Financial Policies***

For operating funds, the Town currently operates under an investment policy which was approved by the Town Council on November 2, 2000. The Town restricts its activities to instruments which provide the greatest safety, liquidity, and yield in that order. US Treasury obligations maturing less than one year, overnight repurchase agreements, and a US government fund comprise the bulk of the operating investment portfolio. The risk-based capital ratios and collateral requirements (as defined in Connecticut General Statutes Section 36-382) of the qualified public depositories with which the Town does business are monitored.

For pension funds, the Town's pension investments are governed by its *Statement of Investment Policies and Objectives*. The policy details asset mix ranges for various classes of investments: core equities, international equities, small to mid-cap equities, fixed income investments and cash equivalents, where the overall investment return is expected to exceed the actuarial investment return assumption. Investment manager performance and compliance with the investment policy is reviewed periodically by a committee of Town officials and a pension consultant.

A trust fund for other post-employment benefits was created, which allows the Town to invest more aggressively for this liability. The pension investment advisor makes recommendations as to how the money is invested and the Ad Hoc Pension Investment Advisory Committee reviews the recommendation before approval and implementation.

In 2018 the Investment Policy Statements (IPS) for the Town and the Board of Education were amended to rebalance between equities and fixed income in order to perform to the actuarial investment return assumptions.

On December 6, 2001, the Town Council adopted a General Fund Unassigned Fund Balance policy that established a goal of maintaining an “unreserved, undesignated” general fund balance of 10% of actual revenues. On February 1, 2024, the Town Council amended this policy to increase this goal to 15%, to adjust the basis for this percentage to be General Fund expenditures and transfers out rather than actual revenues, and to add considerations for when Unassigned General Fund Balance is to be used as well as the restoration for any such use. The adoption, review, and amendment of this policy highlights the Town’s commitment to maintain an Unassigned General Fund Balance that is in line with best practices that factor into the opinions of rating agencies. It is recommended that the level of General Fund Unassigned Fund Balance established by this policy be viewed as a goal by the Town in establishing future budgets. There was a budgeted use of Unassigned General Fund Balance in the fiscal year 2024-2025 budget in the amount of \$1,250,000. This was done to mitigate the impacts of a real estate property revaluation conducted for the 2023 Grand List, which were reflected in the fiscal year 2024-2025 tax bills. The Town was able to replenish this use of fund balance through favorable operating results recognized in fiscal year 2023-2024. Even in the face of increasing operating costs for the Town government, Avon has been able to maintain an adequate surplus in its General Fund.

In April of 2008, the Town Council and the Board of Finance adopted debt and lease policies, which define the conditions, under what circumstances, and under what limitations, the Town would issue short-term and/or long-term debt.

Per State law, each approved subdivision must contribute a portion of the total property to the Town as dedicated open space or make a payment to the Town in lieu of this land dedication. The Open Space Fund is currently \$1,034,358; its purpose is for the acquisition of open space in other areas of the Town. The Town is constantly looking to acquire open space when it makes sense and is reasonably priced.

### ***Major Initiatives***

The improvement of facilities and infrastructure through the Capital Improvement Program was a priority during fiscal year 2024-2025. In February, the Department of Public Works substantially completed the renovation of the building at Countryside Park. The project addressed both interior and exterior needs to preserve structural integrity, improve accessibility, and enhance aesthetics. The facility has been used for Recreation & Parks programs since spring 2025 and will be available for public rentals starting in fall 2026. Thanks to Public Works staff completing much of the work in-house, the project came in well within its \$540,000 capital appropriation.

Construction took place in fiscal year 2024-2025 to replace 6,300 linear feet of sidewalk along sections of West Avon and Scoville Roads. The project was funded through a federal earmark secured with help from Congresswoman Jahana Hayes’s office and supplemented by local ARPA and capital funds. The total project cost is \$840,000. The Town anticipates proposing a future phase to complete remaining sidewalk replacements in an upcoming capital budget cycle.

The Town's Public Safety Communications System Replacement project reached substantial completion in March 2025, with the transition to the Connecticut Land Mobile Radio Network (CLMRN) P25 system. Feedback from police, fire, and public works staff has been overwhelmingly positive, with noticeable improvements in coverage and clarity.

The maintenance and improvement of the Town's 112 miles of local roads continued this year in accordance with the Town's Pavement Management Plan. A total of \$1,899,811 was appropriated for this purpose with \$1,450,000 included in the capital budget and \$200,000 appropriated by the Town Council and the Board of Finance in April 2025 from a fund balance assignment. The latter allowed the Department of Public Works to begin road improvements earlier in the season, effectively extending the construction window by about two months. Road improvements were completed on Ardsley Way, Avon Ridge, Billings Gate, Bruce Lane, Candlewood Lane, Chevas Road, Coachman's Run, Cold Spring Road, Fall Brook, Foothills Drive, Hickory Hill Road, Manitook Mountain Road, New Road (partial only), Old Town Road, and Orchard Road. In all, that's a total of 4.18 linear miles. The Town was also able to complete 2.37 miles of crack sealing on nine roads.

The capital budget included \$890,000 in projects for Board of Education facilities. Projects included a partial roof replacement at Avon High School, a new pre-kindergarten and kindergarten playground at Roaring Brook School, updated rear entrances and electrical system upgrades at Avon Middle School, new basketball and tennis courts at Thompson Brook School, and district-wide security enhancements.

In light of the current fiscal reality, the Town of Avon continues to proactively investigate the most effective and efficient means of providing services to residents. The Town works with independent advisors and consultants as necessary and utilizes private contractors when economical. All contracts are routinely reviewed and competitively bid to ensure that the Town is achieving the best service at the lowest possible cost, and the Town regularly participates in regional and cooperative bidding to leverage group purchasing power. The Town also continues to explore new opportunities for inter-local cooperation, and currently partners with neighboring municipalities to share a number of services.

### ***Awards and Acknowledgements***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Avon for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the forty-first consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Town believes that the current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the GFOA presented a Distinguished Budget Presentation Award to the Town of Avon for its annual budget for the fiscal year beginning July 1, 2025. This was the fortieth consecutive year that the government has achieved this prestigious award. In order to receive this award a government 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.

The preparation of this report could not have been accomplished without the dedicated services of the Town Finance Department's Accounting division: Cruz Saubidet, Christine Pescatore, Jeff Morrow, and Paul Sarpong. I would like to thank the audit team of CliftonLarsonAllen LLP, for their guidance and assistance.

Due credit should also be given to the Town Manager, Superintendent of Schools, Board of Education's Business Manager, the Town Council, the Board of Finance, and the Board of Education for their interest and support in planning and conducting the operations of the government in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tom DiStasio".

Tom DiStasio, CPA  
Director of Finance

**TOWN OF AVON  
PRINCIPAL OFFICIALS  
AT JUNE 30, 2025**

**TOWN COUNCIL**

Dan Polhamus, Chairperson  
Barbara Ausiello                      Margaret Bratton  
Erin Barthel                              Anthony Weber

**BOARD OF FINANCE**

Houston Putnam Lowry, Chair  
Catherine Salchert, Vice Chair      Micah Rousey, Secy.  
Carl Gisnarian                              Brian Loveless  
Kathleen Johnson                        Michael Szekeres

**BOARD OF EDUCATION**

Debra Chute, Chairperson  
Thej Singh, Vice Chair                  Jeffrey S. Fleischman, Secy.  
Christopher Campbell                  Ramesh Kandipilli  
Sarah Heath                                  Lynn Katz  
Nicole Russo                                 Suzanne Szekeres

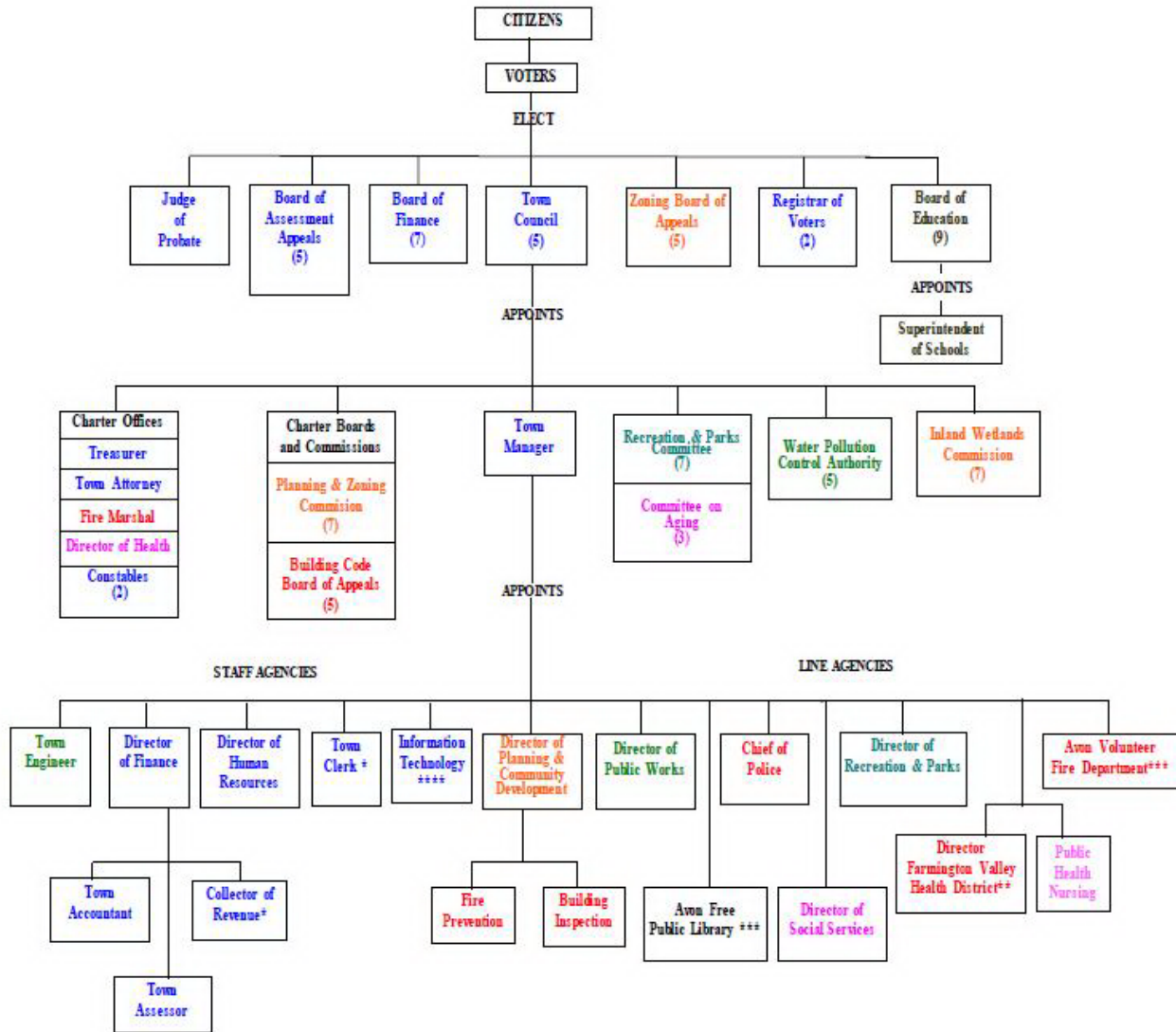
**GENERAL GOVERNMENT**

Town Manager	Brandon Robertson
Town Accountant	Laurie Dorn
Town Attorney	Richard Roberts
Town Clerk	Nick Hogan
Town Engineer	Lawrence E. Baril
Town Planner	Hiram Peck
Director of Finance/Treasurer	Tom G. DiStasio
Director of Human Resources	Stephanie Askeland
Director of Recreation & Parks	Jennifer Filer
Director of Social Services	Alan E. Rosenberg
Director of Public Works	Bruce Williams
Assessor	Harry DerAsadourian
Building Official	Chris Szylobryt
Collector of Revenue	Halaree Monnerat
Librarian	Glenn Grube
Director of Police Services	Paul J. Melanson
Fire Chief	Bruce Appell

**EDUCATION**

Superintendent of Schools	Dr. Bridget Heston Carnemolla
Business Manager	Susan Russo

# TOWN OF AVON ORGANIZATIONAL CHART



\* Recommended by Town Manager, approved by Town Council.  
 \*\* The Town participates in a Regional Health District.  
 \*\*\* The Town funds the Avon Volunteer Fire Department and Avon Free Public Library, Inc.  
 \*\*\*\* Position reports to IT Committee Chairperson.

- General Government
- Public Safety
- Public Works
- Health and Social Services
- Recreation and Parks
- Library & Education
- Conservation and Development



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Avon  
Connecticut**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morrill*

Executive Director/CEO

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Board of Finance  
Town of Avon, Connecticut

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Avon, Connecticut, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Avon, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Avon, Connecticut, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Avon, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Avon, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Avon, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Avon, Connecticut's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension and OPEB schedules, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Avon, Connecticut's basic financial statements. The combining and individual fund statements schedules, report of the tax collector, project length schedule of expenditures – project budget and actual – CIFA fund, project length schedule of expenditures – project budget and actual – capital and nonrecurring expenditures fund and the long-term debt obligations – schedule of bond maturities, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements schedules, report of the tax collector, project length schedule of expenditures – project budget and actual – CIFA fund, project length schedule of expenditures – project budget and actual – capital and nonrecurring expenditures fund and the long-term debt obligations – schedule of bond maturities, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

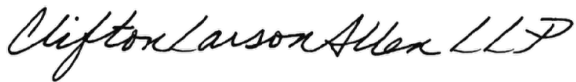
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Board of Finance  
Town of Avon, Connecticut

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2025, on our consideration of the Town of Avon, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Avon, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Avon, Connecticut's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
December 3, 2025

**TOWN OF AVON, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2025**

As management of the Town of Avon, we offer readers of our financial statements this narrative overview and analysis of our financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets and deferred outflows of resources of the Town of Avon exceeded its liabilities and deferred inflows at the close of the 2025 fiscal year by \$152,869,903 (net position). Of this amount, \$13,138,197 represents the portion that is unrestricted.
- Total net position increased by \$10,178,784 due to increases in property taxes, operating grants and contributions, and charges for services. Board of Education expenses increased due the recognition of expenses associated with “on-behalf” state teachers’ retirement program and OPEB contributions. An equal amount of revenue associated with these “on-behalf” contributions offsets the recognition of these expenses and is included in the operating grants and contributions program revenue category.
- As of the close of the current fiscal year, governmental funds reported combining ending fund balances of \$41,083,706, an increase of \$132,403 from last year’s \$40,951,303. Of this total amount, \$236,441 is nonspendable (prepaid and inventory), \$1,274,663 is restricted by governmental grant requirements or other legal restrictions, \$16,838,499 is committed by the Town Council (budget-making authority), \$5,283,396 is assigned, and \$17,450,707 (\$17,452,437 of which is part of the General Fund) is available for spending at the government’s discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$17,452,437 or 15.79% of total General Fund expenditures and transfers out of \$110,538,595, excluding the State’s contribution and offsetting expenditures for teachers’ retirement and OPEB (\$10,980,924). If the contributions and expenditures pertaining to teachers’ retirement and OPEB were included in this calculation, the unassigned fund balance for the General Fund would be 14.36% of total General Fund expenditures and transfers out of \$121,519,519.
- In order to mitigate the impact of the Town’s 2023 real estate revaluation, the fiscal year 2024/2025 budget included the use of \$1,250,000 from General Fund unassigned fund balance as a revenue source. This use of fund balance was restored to the unassigned fund balance through positive fiscal year 2023/2024 operating results. There were no appropriations of unassigned general fund balance made during fiscal year 2024/2025 prior to the year end closing process, at which time transfers out of the General Fund to the Medical Claims Internal Service Fund (\$900,000) and to the Compensated Absences Debt Service Fund (\$150,000) were approved. These transfers were offset by favorable revenues and expenditure variances recognized in fiscal year 2024/2025. There were no instances in which the use of General Fund unassigned fund balance was approved without a previously established plan to replenish the entire amount being used.

**Overview of the Basic Financial Statement**

This discussion and analysis is intended to serve as an introduction to the Town of Avon’s basic financial statements. The Town’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**TOWN OF AVON, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2025**

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements present only governmental activities whose functions are principally supported by taxes and intergovernmental revenues, since the Town does not operate any business-type activities. The governmental activities of the Town include general government, public safety, public works, health and social services, recreation and parks, education - cultural (library), conservation and development, Board of Education, and interest expense. The government-wide financial statements can be found on Exhibits I and II of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, a proprietary fund, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**TOWN OF AVON, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2025**

The Town maintains various individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvement Fund Account (CIFA) Fund, American Rescue Plan Act (ARPA) Fund, and Capital and Nonrecurring Expenditures Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation under the caption nonmajor governmental funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual budget for its General Fund and several Special Revenue Funds. Budgetary comparison statements have been provided for each of these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages starting with Exhibit III of this report.

**Proprietary Fund.** The Town maintains one type of proprietary fund, which is an internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its self-insured medical benefits. These services benefit governmental functions; thus, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on Exhibits V through VII of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs.

The basic fiduciary fund financial statements can be found on Exhibits VIII and IX of this report.

**Notes to Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 34-92 of this report.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 93-112 of this report.

**Combining & Individual Fund Statements and Schedules.** Combining statements in connection with Governmental Funds, including the nonmajor governmental funds referred to earlier, and Fiduciary Funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 113-138 of this report.

**Other Information.** Schedules pertaining to the budget and actual activities of the Town's existing capital project accounts in the CIFA Fund and the Capital and Nonrecurring Expenditures Fund are presented directly after the combining and individual fund statements and schedules. These schedules are followed by a schedule of the Town's bond maturities. Other information can be found on pages 139-146 of this report.

**TOWN OF AVON, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2025**

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Avon, our assets exceeded liabilities by \$152,869,903 at the close of the most recent fiscal year. Of this amount, \$13,138,197 represents the portion that is unrestricted.

By far the largest portion of the Town's net position reflects the investment in capital assets (e.g., land, buildings and improvements, equipment, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding. Avon uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The Town's net position also reflects Deferred Outflows of Resources in the amount of \$5,383,611 primarily relating to the Town's OPEB liability; as well as Deferred Inflows of Resources in the amount of \$21,545,558 relating to advance collections of property tax, lease receivables, and Pension and OPEB liabilities.

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Current Assets	\$ 60,918,128	\$ 56,515,156
Capital Assets, Net of Accumulated Depreciation	153,699,520	145,853,711
Noncurrent Assets	663,876	-
Total Assets	<u>215,281,524</u>	<u>202,368,867</u>
 Deferred Outflows of Resources	 5,383,611	 4,105,465
 Long-Term Liabilities Outstanding	 34,362,947	 35,176,479
Other Liabilities	11,886,727	14,880,290
Total Liabilities	<u>46,249,674</u>	<u>50,056,769</u>
 Deferred Inflows of Resources	 <u>21,545,558</u>	 <u>13,726,444</u>
 Net Position:		
Net Investment in Capital Assets	137,475,678	133,791,400
Nonexpendable - Purposes of Trust	132,973	119,025
Pension	663,876	-
Grants	1,221,233	1,425,978
Debt Service	229,946	191,544
Other Purposes	8,000	131,463
Unrestricted	<u>13,138,197</u>	<u>7,031,709</u>
Total Net Position	<u><u>\$ 152,869,903</u></u>	<u><u>\$ 142,691,119</u></u>

The Town's net position increased by \$10,178,784 during the current fiscal year. The Town generated net general revenues of \$99,465,936 and net general expenses of \$89,287,152. Gross expenses of \$124,226,447 were offset by \$10,155,876 in charges for services, \$21,569,906 in operating grants and contributions, and \$3,213,513 in capital grants and contributions. Of the net expenses, the largest amount was \$67,223,669, which was for operating the Town's school system.

**TOWN OF AVON, CONNECTICUT  
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YEAR ENDED JUNE 30, 2025**

Net public safety expenses of \$11,367,754, net public works costs of \$3,992,776, net general government costs of \$1,941,801, net educational - cultural expenses of \$1,858,205, net recreation and parks expenses of \$1,079,173, net health and social services expenses of \$1,016,811, net conservation and development costs of \$550,089, and interest expense of \$256,874 accounted for all net expenses.

The majority of the Town's revenue was \$96,261,644 in property taxes, \$34,939,295 in charges for services and grants allocated to specific programs, and \$3,204,292 in grants not restricted to specific programs, investment income, miscellaneous, and transfers.

**Governmental Activities.** Governmental activities increased the Town's net position by \$10,178,784. Key elements of this increase are as follows:

	Governmental Activities	
	2025	2024
Revenues:		
Program Revenues:		
Charges for Services	\$ 10,155,876	\$ 9,552,050
Operating Grants and Contributions	21,569,906	17,675,836
Capital Grants and Contributions	3,213,513	2,815,593
General Revenues:		
Property Taxes	96,261,644	95,195,683
Grants and Contributions Not Restricted to Specific Programs	266,034	267,415
Investment Income	2,345,230	3,219,726
Miscellaneous	593,028	460,614
Total Revenues	134,405,231	129,186,917
Program Expenses:		
General Government	4,888,234	4,698,586
Public Safety	11,692,404	10,523,179
Public Works	13,186,009	10,823,589
Health and Social Services	1,045,487	827,516
Recreation and Parks	1,748,933	1,635,413
Education - Cultural	1,858,278	1,773,110
Conservation and Development	562,439	522,516
Board of Education	88,987,789	80,753,666
Interest Expense	256,874	187,807
Total Program Expenses	124,226,447	111,745,382
Change in Net Position	10,178,784	17,441,535
Net Position - Beginning of Year	142,691,119	125,249,584
Net Position - End of Year	\$ 152,869,903	\$ 142,691,119

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On the revenue side, property taxes, which comprise 71.6% of Town revenues, increased by \$1,065,961 (1.12%) to \$96,261,644 due to an increase in the Town's property tax levy (0.99%) and increased collections of prior tax levy balances owed along with interest and penalties. The property tax levy increase of 0.99% over the prior year was set to meet an adopted General Fund budget expenditure increase of 4.31%.

Charges for services saw an overall increase of \$603,826 (6.32%). The Board of Education's charges for services increased by \$470,068 (12.81%) as a result of an increase to special education interdistrict tuition. This increase pertains to the reimbursement of special education costs incurred by Avon Public Schools for students participating in the State of Connecticut's Open Choice program. Public works charges for services increased by \$62,363 (1.40%), which was driven by building permit fee collections.

Operating grants and contributions increased by \$3,894,070 (22.03%) primarily due to an increase in the State contributions for teachers' pension and OPEB of \$3,346,021. Additionally, the Motor Vehicle Reimbursement Grant received by the Town increased by \$240,422 (40.97%) over the prior year, and there were increases in the recognition of revenue received through ARPA grant funding of \$294,098 (34.92%) over the prior year.

The increase in the Motor Vehicle Tax Reimbursement grant is due to an increase in the amount of revenue lost by the Town as a result of the statewide cap on the mill rate that can be applied to motor vehicles, and the increase to the recognition of ARPA grant revenue is due to an increase in the expenditure of ARPA grant funds when compared to the prior year.

Capital grants and contributions increased by \$397,920 (14.13%) as a result of grant revenue recognized in fiscal year 2024/2025 in relation to Old Farms Road North/South Reconstruction project, and a donation from the Avon Little League towards the Sperry Park Softball Field construction project. Investment Income decreased by \$874,496 (27.16%) as a result of decreased short term interest rates throughout fiscal year 2024/2025. Miscellaneous revenues increased in the amount of \$132,414 (28.75%) due to unexpected one-time revenues that were received in fiscal year 2024/2025, but not in fiscal year 2023/2024, as well as lease revenue that the Town began to recognize upon its purchase of a property at 200 Fisher Drive in January 2025. This property will be used by the Avon Board of Education as its Central Office and also includes office space that is leased to third-party tenants.

Major program expenses in fiscal year 2024/2025 for general government, recreation and parks, education-cultural, and conservation and development were generally consistent with those of fiscal year 2023/2024, with variances of less than 10% from one year to the next in each program. Public works costs increased by \$2,362,420 (21.83%) due to a payment that was made to the Town of Farmington to purchase additional flow capacity to its wastewater treatment plant in the amount of \$905,370. Additional drivers include increased costs for road salt and road surface improvements in the amount of \$601,809, vehicle and equipment parts and repairs of \$245,523, and motor fuels of \$165,153. Public safety costs increased by \$1,169,225 (11.11%) with Police department salaries and associated benefits, including employer contributions to a defined contribution retirement plan and FICA, as a significant driver. These salary increases are the result of the hiring of an additional officer, increased overtime that was necessary to cover for vacancies, and wage increases included in the collective bargaining agreement with the United Public Service Employees Union. Health and social services program expenses increased by \$217,971 (26.34%) as a result of costs incurred to assist with the relocation of residents who were impacted by an apartment fire. Overall, Town operating expenditures were consistent with budgeted expectations in fiscal year 2024/2025, as indicated by the

**TOWN OF AVON, CONNECTICUT  
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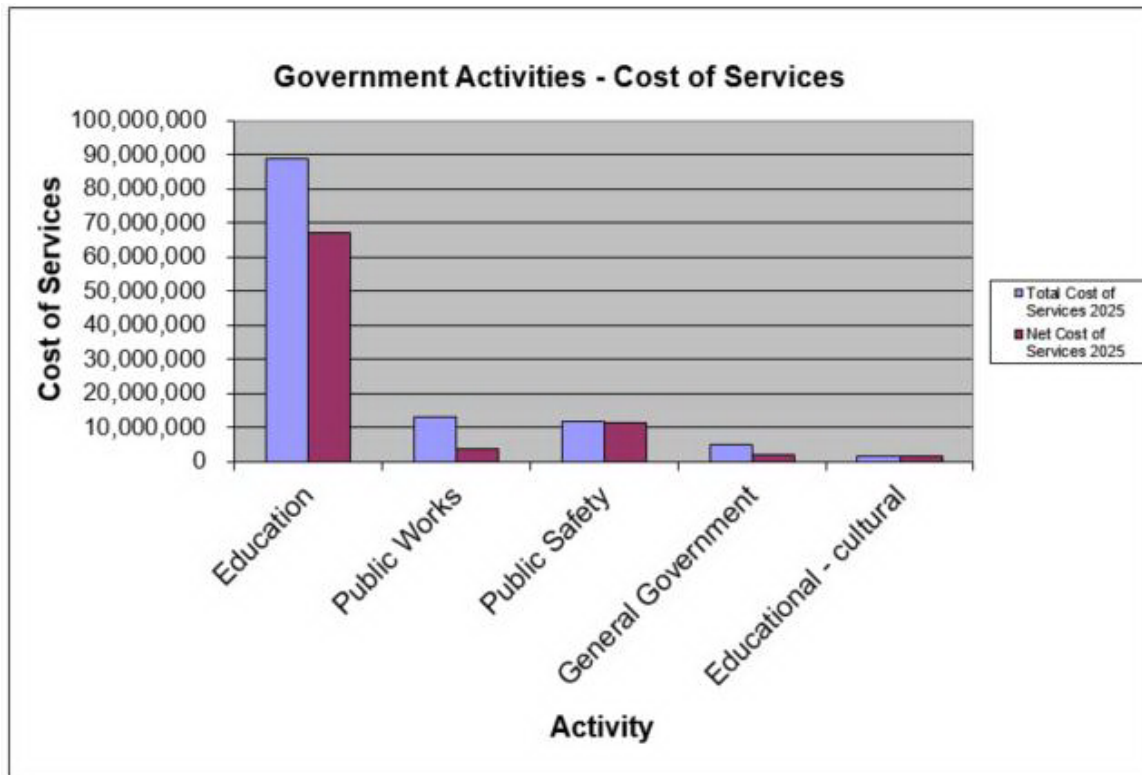
positive variance of \$3,721 (0.001%) noted on the schedule for RSI-2 located on pages 97 and 98 of this document.

The Board of Education’s program expenses increased \$8,234,123 (10.20%) primarily due to the recording of adjustments for the “on-behalf” payments made by the State towards the teachers’ retirement and OPEB benefits. Interest expense showed an increase of \$69,067 due to the decrease in the amortization of bond premiums that offsets interest expense incurred during the year.

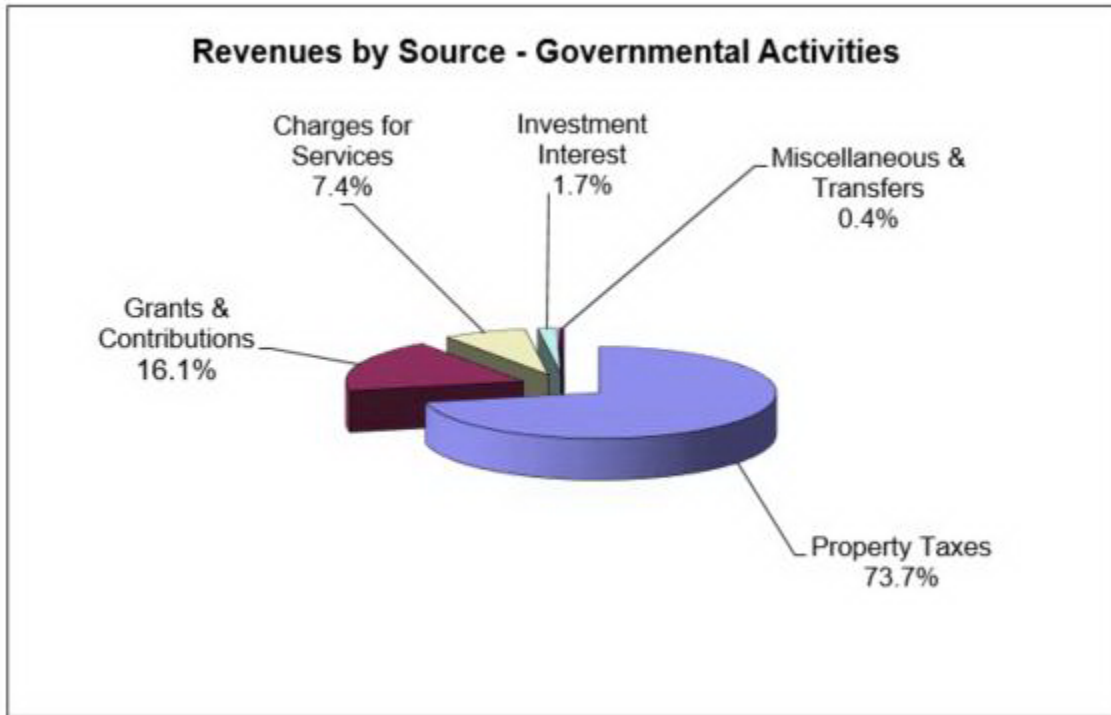
There continues to be community expectations for a consistent, predictable rate of tax growth with accompanying requests for additional and higher quality services by our residents. In response to these trends, the Town’s budget included a mix of initiatives, which are designed to reduce taxpayer costs in some areas, but also increase services where needed in others. Some examples are continued restructured staffing arrangements, continued cross training of staff, a continued effort to shift the cost of recreation activity and park maintenance costs from the General Fund to be supported by user fees in the Recreation Activities Fund (Special Revenue Fund), and continued coordination with area towns for shared services arrangements.

The Town has undertaken a conscious policy of trying to restrain the rate of growth in the number of people employed by the Town by seeking alternative methods of service delivery. This has been done by establishing contractual relationships for landscaping and custodial work, bidding snowplowing/sanding on some roads, and contracting certain landfill recycling programs.

The following chart presents the costs of each of each of the Town’s five largest programs as well as each program’s net expenses (total expenses less revenues generated by the activities). The net expenses show the financial burden that was placed on the Town’s taxpayers by each of these functions.



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The majority of Avon's operating revenues come from property taxes levied on residents' homes, commercial and personal property, and motor vehicles. Roughly 58% of service charges, \$5,847,155, are generated by public works, recreation and parks, and general government. The Board of Education also contributed \$4,140,226, or 41%, of service fees. Avon is not reliant on state and federal grants to contribute significantly to total revenues; however, grant funds are helpful in offsetting the amount of revenue required to be generated by the property tax levy.

*Financial Analysis of the Government's Funds*

As noted earlier, the Town of Avon uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of Avon's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing our financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, our governmental funds reported combined ending fund balances of \$41,083,706, an increase of \$132,403 in comparison with the prior year. Of this total amount, \$236,441 is nonspendable (prepaid and inventory), \$1,274,663 is restricted by governmental grant requirements or other legal restrictions, \$16,838,499 is committed by the Town Council (budget-making authority), \$5,283,396 is assigned, and \$17,450,707 (\$17,452,437 of which is part of the General Fund) is available for spending at the government's discretion (unassigned fund balance).

**TOWN OF AVON, CONNECTICUT  
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YEAR ENDED JUNE 30, 2025**

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$17,452,437, while total fund balance reached \$22,816,636. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.36% of total General Fund expenditures and transfers out of \$121,519,519, while total General Fund balance represents 18.78% of that same amount. The fund balance of Avon's General Fund decreased by \$2,451,537 during the current fiscal year. The key factor contributing to this decrease was the Town's increased reliance on fund balance assignments that were approved in previous fiscal years to help offset the fiscal year 2024/2025 property tax levy in order to mitigate the impact of the Town's 2023 real estate revaluation.

At the end of fiscal year 2024/2025, additional fund balance assignments were approved for future OPEB contributions (\$150,000), defined benefit pension contributions (\$200,000), replacement of existing capital assets (\$51,950), and future contributions to the Medical Claims Internal Service Fund (\$850,000). Year-end activity also included transfers from the General Fund to the Medical Claims Internal Service Fund (\$900,000) and the Compensated Absences Debt Service Fund (\$150,000), as well as the removal of a \$200,000 assignment previously established for Uniform Relocation Assistance Act obligations that was no longer necessary. These assignments and transfers were offset by favorable budgetary revenue and expenditure variances. No appropriations of Unassigned Fund Balance were made during the year prior to closing. Encumbrances of \$452,127 from fiscal year 2024/2025 were authorized to be carried forward and are classified as assignments in the General Fund.

The Capital Improvement Fund Account (CIFA) Fund is one of Avon's major governmental funds and serves as the primary vehicle for processing the Town's major capital expenditures, including bond anticipation notes (BANs) and bond proceeds. In fiscal year 2024/2025, the CIFA fund balance increased by \$2,972,080, from \$6,458,753 to \$9,430,833, due to transfers made to support budgeted capital projects and to the receipt of bond proceeds and premium from May 2025 bond issuances. Major transfers into the fund during the year provided funding for road and sidewalk improvements, upgrades to Town facilities, a replacement tanker for the Avon Volunteer Fire Department, a partial roof replacement at Avon High School, and a Pre-Kindergarten and Kindergarten playground replacement at Roaring Brook School. As the Town's debt service obligations have decreased, budgeted funds have been shifted to the CIFA Fund to provide additional funding for cash "pay-as-you-go" projects. The CIFA Fund Balance of \$9,430,833 is committed for capital projects.

The American Rescue Plan Act (ARPA) Fund is one of Avon's major governmental funds and was established to track the receipt, appropriation, obligation, and disbursement of the Town's \$5,408,793 ARPA entitlement. As of June 30, 2025, the full entitlement has been received. Revenues are recognized as eligible expenditures are incurred, with the remaining unrecognized portion recorded as unearned revenue, which totaled \$944,066 at year-end. During the fiscal year, \$1,136,316 in ARPA eligible expenditures were recognized, including significant costs for drainage and road improvement projects, vehicle purchases, Town Hall networking upgrades, the Avon High School Variable Air Volume Unit replacement project, school district library carpet replacements, an audio-visual system upgrade at the Avon Senior Center, and a districtwide building automation systems upgrade for the Board of Education. The ARPA Fund reports a fund balance of \$0, as revenue cannot be recognized until expenditures occur.

**TOWN OF AVON, CONNECTICUT  
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The Capital and Nonrecurring Expenditures Fund is another one of Avon's major governmental funds. This fund is used to account for appropriations and expenditures related to certain capital and large nonrecurring expenditures. In fiscal year 2024/2025, the Capital and Nonrecurring Expenditures Fund Balance increased by \$775,922, from \$1,351,496 to \$2,127,418. Major transfers into the CIFA Fund made during fiscal year 2024/2025 included funding for the replacement of the Tillotson Road Bridge, the Old Farms Road North/South Reconstruction project, and programs and services to remediate the impacts of the opioid crisis. The Capital and Nonrecurring Expenditures Fund Balance of \$2,127,418 is committed for capital projects.

**Proprietary Funds.** The Town of Avon's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Avon uses an internal service fund to self-fund employee medical insurance for the Town and the Board of Education.

The Net position of the Internal Service Fund at the end of the year amounted to \$446,865. The total change in net position for the fund was a decrease of \$930,521. Operating revenues for the fund, including charges for services paid by the Town and Board of Education towards medical insurance, amounted to \$15,212,244. Operating expenses for medical costs were \$16,142,765.

### **General Fund Budgetary Highlights**

The original budget of \$107,737,042 increased \$2,213,447 during the year to \$109,950,489. Of the increase, \$238,247 was funded through other local revenue sources such as opioid remediation funds, liquor surcharge remittance funds, and lease revenue. The remaining \$1,975,200 of the increase was funded from other financing sources, including various assignments. The significant supplemental and additional appropriations are noted below:

#### Revenues

- \$900,000 addition from General Fund Unassigned Balance for the internal service fund;
- \$375,200 addition from General Fund assignment for capital reserve;
- \$200,000 addition from General Fund assignment for road improvements;
- \$200,000 addition from General Fund assignment for pension contributions;
- \$150,000 addition from General Fund assignment for post-employment benefits;
- \$150,000 addition from General Fund Unassigned Fund Balance for debt service fund;
- \$146,484 addition from opioid settlement revenue for the Capital and Nonrecurring Expenditures Fund.

#### Expenditures

- \$900,000 to maintain an adequate reserve in the Medical Claims Internal Service Fund;
- \$375,200 for funding a drainage improvement project;
- \$200,000 for funding road improvement projects;
- \$200,000 for funding Town employee retirement expenditures, all departments;
- \$150,000 for funding Town employees' future retiree health benefits, all departments;

**TOWN OF AVON, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED JUNE 30, 2025**

- \$150,000 for funding a transfer out of the General Fund to the Compensated Absences Debt Service Fund to fund future vacation and sick severance payouts;
- \$146,484 for funding a transfer out of the General Fund to the Capital and Nonrecurring Expenditures Fund to fund opioid remediation programs and services.

Budgetary General Fund revenues and other financing sources totaled \$108,133,067, coming in \$1,817,422 (1.65%) below the final budgeted amount of \$109,950,489. This budget shortfall was expected, as the fiscal year 2024/2025 budget relied on the planned use of assigned fund balance to help offset the property tax levy following the Town's 2023 real estate revaluation. Excluding this planned use of fund balance reported within other financing sources, all other revenue categories performed favorably relative to the budget. Interest income exceeded projections by \$1,055,243 (97.00%) due to short-term interest rates that remain high when compared to historical rates, and charges for services revenues surpassed the budget by \$1,004,607 (26.26%), driven by higher than anticipated building permit fees and special education interdistrict tuition revenues. Taken together, actual operating revenues outperformed expectations, and the overall variance reflects the Town's intentional budget design rather than a shortfall in revenue performance.

Budgetary General Fund expenditures and other financing uses were \$109,945,992, which was \$4,497 (0.004%) under the final budgeted amount of \$109,950,489. The two largest drivers for budgetary savings during the year were related to salary savings associated with employee turnover, and Public Works overtime savings recognized as a result of there being fewer and less impactful winter weather events over the course of the fiscal year. Offsetting these budgetary savings was a budget shortfall in the Health & Social Services department relating to costs incurred to assist with the relocation of residents who were impacted by an apartment fire. It should be noted that throughout the fiscal year, several budgetary transfers were recorded between the expenditure accounts of various departments resulting in several differences between the original budget and final budget. These budgetary transfers were recorded for the purpose of maintaining budgetary compliance and covering expenditures incurred in excess of original budgeted amounts at the department level.

*Capital Asset and Debt Administration*

**Capital Assets.** The Town of Avon's investment in capital assets for its governmental assets includes land, buildings and improvements, land improvements, equipment, vehicles, and infrastructure (roads, sewer lines, storm drains). The total net increase in our investment in capital assets for the current fiscal year was \$3,684,278 (2.75%). Multi-year projects carried in the capital asset category of construction in progress were transferred to their appropriate asset class, and there were additions in capital assets, which, after accumulated depreciation, diluted the capital asset addition amount.

Major capital asset events during the current fiscal year included the following:

- Old Farms Road North/South Reconstruction Project, \$3,045,663;
- Town & Public Safety Communication System Replacement Project, \$2,386,344;
- Fisher Drive Property Acquisition & Renovations, \$2,312,331;
- Route 44 Sewer Pump Station Upgrade, \$1,439,735;
- Drainage Improvement Projects, \$646,193;
- Townwide Fiber Network Upgrade, \$311,644;

**TOWN OF AVON, CONNECTICUT  
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- Roaring Brook School Pre-Kindergarten/Kindergarten Playground Replacement, \$259,494;
- Highway Division Equipment Replacements, \$264,676;
- Avon Middle School Emergency Generator, \$250,819;
- Sperry Park Softball Field Construction; \$230,959;
- Countryside Park Facility Project, \$164,320.

The following table provides a comparative summary of capital asset balances, net of accumulated depreciation, for the current and prior fiscal year:

	Governmental Activities	
	2025	2024
Land	\$ 12,772,032	\$ 10,459,700
Construction in Progress	6,985,693	6,343,621
Land Improvements	4,921,270	5,140,382
Buildings and Improvements	73,335,064	75,152,729
Equipment	12,909,680	8,335,870
Vehicles	4,831,252	4,867,495
Infrastructure	37,944,529	35,553,914
Total	\$ 153,699,520	\$ 145,853,711

Additional information on the Town of Avon's capital assets can be found in Note 3F on pages 51 and 52 of this report.

**TOWN OF AVON, CONNECTICUT  
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YEAR ENDED JUNE 30, 2025**

**Long-Term Debt.** At the end of the current fiscal year, the Town of Avon had \$14,005,000 of long-term general obligation bonded debt issued and outstanding. All of the Town's debt is general obligation and backed by the full faith and credit of the Town.

**OUTSTANDING DEBT  
GENERAL OBLIGATION BONDS  
JUNE 30, 2025**

Date	Purpose	Rate	Original Issue	Debt Outstanding	Date of Fiscal Year Maturity
October 30, 2012	AFPL Renovations, Additions, Improvements	2.00%	\$ 7,100,000	\$ 1,550,000	2028
March 15, 2016	General Purpose Refunding	2.00% to 4.00%	964,000	278,000	2027
March 15, 2016	High School Refunding	2.00% to 4.00%	9,423,000	2,715,000	2027
March 15, 2016	AMS Roof Refunding	2.00% to 4.00%	1,013,000	292,000	2027
July 18, 2018	Land Purchase 2018	1.75%	1,600,000	200,000	2026
June 16, 2020	Town and Public Safety Communication System Replacement Project	2.00% to 4.00%	280,000	185,955	2035
June 16, 2020	Avon High School Turf Field and Track Improvement Project	2.00% to 4.00%	2,995,000	1,989,045	2035
May 29, 2025	Town and Public Safety Communication System Replacement Project	4.00% to 5.00%	3,610,000	3,610,000	2040
May 29, 2025	Fisher Drive Property Acquisition and Renovation	5.00%	3,185,000	3,185,000	2035
	Total Bonds		<u>\$ 30,170,000</u>	<u>\$ 14,005,000</u>	

**TOWN OF AVON, CONNECTICUT  
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The Town of Avon's total bonds payable increased by \$3,095,000 (30.44%) during the current fiscal year due to the issuance of bonds in May 2025. Avon has earned the highest credit rating possible: "Aaa" from Moody's Investors Service, Inc., and "AAA" from Standard & Poor's, for all of its general obligation debt. The Town's credit rating was affirmed by both credit rating agencies in May 2025.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7 times its tax collections plus interest and lien fees (seven times \$99,868,376). For June 30, 2025, the maximum amount of borrowing permitted under the formula would be \$699,078,625. With net borrowings of \$17,913,014, the Town of Avon's outstanding general obligation debt is \$681,165,618 below the maximum debt limitation (see "Schedule of Debt Limitation" on Table 13 of this report).

Additional information on the Town's long-term debt can be found in Note 3I on pages 54-56 of this document.

Economic Factors and Next Year's Budget and Rates

The Town has successfully managed its budgetary operations through prudent, conservative fiscal management. The Town did not exceed the expenditure cap established by the State due to the increase in budgeted expenditures, net of excludable costs such as special education expenditures, coming in below the 3.31% rate of inflation in affect for fiscal year 2025/2026. The Town's adopted 2025/2026 budget did not use Unassigned General Fund Balance as a revenue source to offset increases to the tax levy. The Town increased its fiscal year 2025/2026 budget for interest income and charges for services revenue based on recent experience and ongoing expectations. The Town decreased its fiscal year 2025/2026 budget for intergovernmental grants revenue in anticipation of reductions in grant funding from the State of Connecticut.

- The Net Grand List is expected to increase by 0.277%.
- Property tax collections will exceed 99% with the reserve for uncollectible at \$994,966.
- Assessment appeals and tax refunds will approximate 1% of tax revenues.
- Licenses, Fees, and Permits revenue for most of the Town accounts are level funded to the fiscal year 2024/2025 level. The budget for building permit fees, which are projected based on experience and estimates from the Building Department, will be \$600,000, a \$125,000 (26.32%) increase from fiscal year 2024/2025. Commercial permits with several plan reviews and inspections required are expected to remain high.
- Revenues from recording and conveyance fees, based on current sales of existing properties and current mortgage interest rates, are expected to remain level after peaking in fiscal year 2021/2022 and stabilizing in the following years.
- Discretionary and formulary grant revenues are expected to decrease in fiscal year 2025/2026. As such, the Town's adopted budget for fiscal year 2025/2026 reflects a net decrease in State and Intergovernmental grants of \$979,932 (23.56%) in the General Fund when compared to fiscal year 2024/2025. This is due to the removal of the Motor Vehicle Tax Reimbursement grant, as well as reductions to the Education Cost Sharing grant, the Open Choice Attendance grant, and Special Education Excess Cost grant. These grants were budgeted at a combined total of \$2,655,104, which represents a \$1,090,492 (29.11%) decrease from the previous year. Additionally, budgeted increases were included in fiscal year 2025/2026 for the Municipal Grants-In-Aid and Municipal Revenue Sharing grants of \$65,360 and \$35,513, respectively.

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The Connecticut State budget was signed by the Governor without major tax hikes, and without significantly reducing overall aid to cities and towns. It is management's recommendation, however, to continue to budget conservatively for the Intergovernmental State Grants-In-Aid moving forward as the State will likely see revenue reductions in the future as a result of the depletion of pandemic related grant funding. Although Avon receives a small portion of its revenues from state grants, reductions in these grants do have an impact on Town services. The Board of Education recommended minor increases in various education grants accounted for in Special Revenue Funds. Overall, the Town's Special Revenue Funds reflect a decrease in budgeted intergovernmental grant funding through the ARPA Fund.

- Avon intends that user fees cover the majority of costs of certain services such as sewer use, sewer connection, landfill, recreational programs, and education programs. These fees are reviewed annually and reset according to expected usage and inflation. Review of recent and anticipated sewer use activity and education program activity for current services warranted adjustments to their respective budgeted revenues. The base amount that will be charged to residents for sewer use in calendar year 2025 increased from \$546.00 per year to \$562.38 per year, which led to an increase in budgeted sewer use charges. Also, as a result of anticipated increases in the cost of special education services provided to students attending Avon Public Schools through the Open Choice Program, the Board of Education recommended a \$371,981 (19.50%) increase in special education interdistrict tuition revenue.
- The Town budgeted investment income at \$1,850,000 in fiscal year 2025/2026, which represents a \$762,089 (70.05%) increase from the previous year. This increase was made in recognition of the fact that short term interest rates remain relatively high when compared to recent history, as well as the fact that the Federal Reserve is not anticipated to significantly or rapidly decrease these rates during fiscal year 2025/2026.
- Personal services (salary and benefits) expenditures will increase by \$354,593 (1.55%) and will make up 73.32% of overall Town Operating expenditures. Overall wages increased by \$503,233 when compared to fiscal year 2024/2025. The Town operating budget reflects an increase to the total number of full-time positions of one position from 113 to 114.
- Employee benefits have increased by \$339,230 (1.44%). The increase is caused by a number of factors including an increase in funding for the Town's defined benefit retirement plan, which increased by \$174,655 (4.35%). There was also a budgeted increase of \$108,030 (5.54%) in combined contributions towards the Town's defined contribution retirement plan and the employer portion of FICA expenses. This was mitigated by a reduction in medical insurance costs of \$85,056 (3.65%) that resulted from the fact that nine additional employees opted out of medical insurance coverage through participation in the Town's Health Insurance Waiver Program in fiscal year 2025/2026.
- Non-Organized Town employees have the option to participate in either the PPO healthcare plan or the High Deductible Health Plan (HDHP) offered by the Town. All employees enrolled in PPO healthcare coverage contribute either 15% or 20% toward their healthcare coverage under the plan (depending on their date of hire). Employees who are eligible to participate in both the PPO healthcare plan and HDHP contribute 18% toward their healthcare coverage under the HDHP. The HDHP is the only healthcare coverage option offered by the Town to Police Officers, Dispatchers, and Public Works employees. Police Officers, Public Works employees, and Dispatchers participating in the HDHP contribute 16% toward their healthcare coverage under the plan. All employees hired before 1/1/2007 contribute 15% toward coverage under the

**TOWN OF AVON, CONNECTICUT  
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YEAR ENDED JUNE 30, 2025**

dental plan offered by the Town, while employees hired after 1/1/2007 contribute 20% toward coverage under the dental plan offered by the Town.

- The Town of Avon does not provide post-retirement medical benefits to dispatcher retirees, or their families, if hired after 7/1/2013; or public works retirees, or their families, if hired after 7/1/2014. Both Police and Non-Organized employees continue to be provided with post-retirement medical benefits.
- The Board of Education's criteria used to shape the budget were centered on continuing to advance the Blueprint for Excellence. The focus areas presented by the Superintendent of Schools included student learning; personal growth and relationships; communication and partnerships; and systems.
- 79.91% of the Board of Education budget relates to salaries and benefits. 10.89% relates to transportation and tuition, followed by contracted services (3.56%), supplies and equipment (2.92%), utilities (2.07%), and other (0.65%).
- Major cost drivers for the Board of Education's fiscal year 2025/2026 budget include staffing increases for new positions and collectively bargains wage increases, which are offset by retirements and reallocations; as well as increases for the cost required to fund the Town and Board of Education's self-funded health insurance program. Additional budget drivers include increases in the cost of transportation when compared to the previous fiscal year. Tuition for students with Individualized Education Plans (IEPs) also continues to be a driver in fiscal year 2025/2026, representing 5.79% of the total budget. As is the case for the majority of school districts in the country, Avon Public Schools has continued to see increased student emotional, social, and educational needs. As a result, the overall number of students requiring services has increased.
- The budget again supported capital improvement by including funding for large multi-year capital projects, such as those on a phased-in basis, including: road surfacing and drainage improvement projects, the installation of a box culvert on Tillotson Road, the construction of a softball field at Sperry Park, a replacement tanker for the use of the Avon Volunteer Fire Department, improvements to the Avon Senior Center, the purchase of vehicles and equipment for the Police Department and the Department of Public Works, an update to the Plan of Conservation & Development, the replacement of the Avon Middle School Notification System, a partial roof replacement for Avon High School, phase two of a repair to the door entrance at Avon Middle School, and the next phase of the Town's Infiltration & Inflow Study.
- At the close of fiscal year 2024/2025, unassigned fund balance in the General Fund amounted to \$17,452,437. The use of Unassigned General Fund Balance has not been deemed necessary to mitigate the tax impact for the fiscal year 2025/2026 budget.

All of these factors were considered in preparing the budget for the 2024/2025 fiscal year.

*Requests for Information*

This financial report is designed to provide a general overview of the Town of Avon's finances for all those with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 60 West Main Street, Avon, CT 06001.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF NET POSITION  
JUNE 30, 2025**

	Governmental Activities
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 54,292,251
Investments	94,453
Receivables, Net of Allowance for Uncollectibles:	
Property Taxes	1,292,232
Assessments	488,482
Intergovernmental	244,634
Accounts	115,653
Lease	1,150,814
Due from Fiduciary Funds	3,136,141
Other Current Assets	103,468
Total Current Assets	60,918,128
Noncurrent Assets:	
Net Pension Asset	663,876
Capital Assets, Nondepreciable	19,757,725
Capital Assets, Net of Accumulated Depreciation and Amortization	133,941,795
Total Noncurrent Assets	154,363,396
Total Assets	215,281,524
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Charge on Refunding	274,995
Deferred Outflows - Pension	88,600
Deferred Outflows - OPEB	5,020,016
Total Deferred Outflows of Resources	5,383,611

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2025**

	Governmental Activities
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	\$ 4,575,622
Accrued Liabilities	1,047,985
Unearned Revenue	2,678,739
Due to Fiduciary Funds	1,500
Noncurrent Liabilities, Due within One Year	3,582,881
Total Current Liabilities	11,886,727
Noncurrent Liabilities:	
Due in More than One Year	34,362,947
Total Liabilities	46,249,674
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Advance Property Tax Collections	8,312,774
Deferred Inflows - Lease Receivable	1,047,361
Deferred Inflows - Pension	1,666,222
Deferred Inflows - OPEB	10,519,201
Total Deferred Inflows of Resources	21,545,558
<b>NET POSITION</b>	
Net Investment in Capital Assets	137,475,678
Restricted:	
Nonexpendable - Purposes of Trust	132,973
Pension	663,876
Grants	1,221,233
Debt Service	229,946
Other Purposes	8,000
Unrestricted	13,138,197
Total Net Position	\$ 152,869,903

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Change in Net Position Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>GOVERNMENTAL ACTIVITIES</b>					
General Government	\$ 4,888,234	\$ 659,080	\$ 2,287,353	\$ -	\$ (1,941,801)
Public Safety	11,692,404	137,527	187,123	-	(11,367,754)
Public Works	13,186,009	4,518,315	1,461,405	3,213,513	(3,992,776)
Health and Social Services	1,045,487	18,545	10,131	-	(1,016,811)
Recreation and Parks	1,748,933	669,760	-	-	(1,079,173)
Educational - Cultural	1,858,278	73	-	-	(1,858,205)
Conservation and Development	562,439	12,350	-	-	(550,089)
Board of Education	88,987,789	4,140,226	17,623,894	-	(67,223,669)
Interest on Long-Term Debt	256,874	-	-	-	(256,874)
Total Governmental Activities	<u>\$ 124,226,447</u>	<u>\$ 10,155,876</u>	<u>\$ 21,569,906</u>	<u>\$ 3,213,513</u>	(89,287,152)
<b>GENERAL REVENUES</b>					
Property Taxes					96,261,644
Grants and Contributions Not Restricted to Specific Programs					266,034
Investment Income					2,345,230
Miscellaneous					593,028
Total General Revenues					<u>99,465,936</u>
<b>CHANGE IN NET POSITION</b>					
					10,178,784
Net Position - Beginning of Year					<u>142,691,119</u>
<b>NET POSITION - END OF YEAR</b>					
					<u>\$ 152,869,903</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	General	CIFA	ARPA	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 45,761,867	\$ 1,809,161	\$ 25	\$ 37,902	\$ 6,086,333	\$ 53,695,288
Investments	-	-	-	-	94,453	94,453
Receivables, Net	2,352,422	157,590	-	-	781,803	3,291,815
Due from Other Funds	3,158,393	9,113,116	1,001,482	3,320,418	1,644,958	18,238,367
Other	72,803	-	-	-	30,665	103,468
<b>Total Assets</b>	<b><u>\$ 51,345,485</u></b>	<b><u>\$ 11,079,867</u></b>	<b><u>\$ 1,001,507</u></b>	<b><u>\$ 3,358,320</u></b>	<b><u>\$ 8,638,212</u></b>	<b><u>\$ 75,423,391</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 990,115	\$ 1,491,444	\$ 57,441	\$ 525,380	\$ 324,227	\$ 3,388,607
Accrued Liabilities	906,281	-	-	-	-	906,281
Due to Other Funds	16,189,874	-	-	-	22,252	16,212,126
Unearned Revenue	38,515	-	944,066	705,522	990,636	2,678,739
<b>Total Liabilities</b>	<b><u>18,124,785</u></b>	<b><u>1,491,444</u></b>	<b><u>1,001,507</u></b>	<b><u>1,230,902</u></b>	<b><u>1,337,115</u></b>	<b><u>23,185,753</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue - Property Taxes	1,159,591	-	-	-	-	1,159,591
Unavailable Revenue - Special Assessments	-	-	-	-	449,690	449,690
Unavailable Revenue - Grants Receivable	4,336	157,590	-	-	22,590	184,516
Lease Receivable	927,363	-	-	-	119,998	1,047,361
Advance Property Tax Collections	8,312,774	-	-	-	-	8,312,774
<b>Total Deferred Inflows of Resources</b>	<b><u>10,404,064</u></b>	<b><u>157,590</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>592,278</u></b>	<b><u>11,153,932</u></b>
<b>FUND BALANCES</b>						
Nonspendable	72,803	-	-	-	163,638	236,441
Restricted	8,000	-	-	-	1,266,663	1,274,663
Committed	-	9,430,833	-	2,127,418	5,280,248	16,838,499
Assigned	5,283,396	-	-	-	-	5,283,396
Unassigned	17,452,437	-	-	-	(1,730)	17,450,707
<b>Total Fund Balances</b>	<b><u>22,816,636</u></b>	<b><u>9,430,833</u></b>	<b><u>-</u></b>	<b><u>2,127,418</u></b>	<b><u>6,708,819</u></b>	<b><u>41,083,706</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 51,345,485</u></b>	<b><u>\$ 11,079,867</u></b>	<b><u>\$ 1,001,507</u></b>	<b><u>\$ 3,358,320</u></b>	<b><u>\$ 8,638,212</u></b>	<b><u>\$ 75,423,391</u></b>

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2025**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total Fund Balance (Exhibit III) \$ 41,083,706

Amounts reported for governmental activities in the Statement of Net Position (Exhibit I) are different from the governmental fund balance sheet. the details of this difference are as follows:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Capital Assets	252,775,726
Accumulated Depreciation and Amortization	(99,076,206)

Certain revenues will be collected after year-end but are not available to pay for the current period's expenditures and therefore, are reported as deferred inflows in the governmental funds:

Property Tax Receivable	1,159,591
Sewer Assessment Receivable	449,690
Grants Receivable	184,516

Deferred outflows of resources and deferred inflows of resources for pension and OPEB are applicable to future periods, and, therefore, are not reported in the governmental funds:

Deferred Outflows of Resources Related to Pension	88,600
Deferred Outflows of Resources Related to OPEB	5,020,016
Deferred Inflows of Resources Related to Pension	(1,666,222)
Deferred Inflows of Resources Related to OPEB	(10,519,201)

Internal service funds are used by management to charge the cost of medical insurance to individual departments. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

446,865

Some liabilities and deferred inflows of resources, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds Payable	(14,005,000)
Net Pension Liability	(7,774,858)
Net Pension Asset	663,877
Compensated Absences	(2,424,403)
Net OPEB Liability	(13,255,554)
Voluntary Early Retirement Incentive	(9,000)
Bond Premium	(477,013)
Deferred Charge on Refunding	274,995
Accrued Interest Payable	(70,222)

Net Position of Governmental Activities (Exhibit I)	<b>\$ 152,869,903</b>
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**TOWN OF AVON, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2025**

	General	CIFA	ARPA	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property Taxes	\$ 96,015,367	\$ -	\$ -	\$ -	\$ -	\$ 96,015,367
Intergovernmental	15,500,061	973,406	1,136,316	2,867,751	2,139,976	22,617,510
Charges for Services	4,829,753	-	-	-	5,481,266	10,311,019
Investment Income (Loss)	2,169,931	47,042	-	96,997	31,260	2,345,230
Other Local Revenues	449,662	203,116	-	-	295,029	947,807
Total Revenues	<u>118,964,774</u>	<u>1,223,564</u>	<u>1,136,316</u>	<u>2,964,748</u>	<u>7,947,531</u>	<u>132,236,933</u>
<b>EXPENDITURES</b>						
Current:						
Town Council:						
General Government	3,726,940	-	31,065	11,776	254,031	4,023,812
Public Safety	10,669,878	-	-	-	113,273	10,783,151
Public Works	6,366,754	-	-	-	4,519,103	10,885,857
Health and Social Services	1,014,152	-	16,775	-	-	1,030,927
Recreation and Parks	939,817	-	6,714	-	484,361	1,430,892
Educational - Cultural	1,770,462	-	-	-	-	1,770,462
Conservation and Development	547,651	-	-	-	-	547,651
Miscellaneous	6,656,122	-	-	-	-	6,656,122
Total Town Council	31,691,776	-	54,554	11,776	5,370,768	37,128,874
Board of Education	81,301,809	-	-	-	3,496,084	84,797,893
Debt Service	2,818,750	-	-	-	-	2,818,750
Capital Outlay	-	10,066,187	1,081,762	3,193,534	-	14,341,483
Total Expenditures	<u>115,812,335</u>	<u>10,066,187</u>	<u>1,136,316</u>	<u>3,205,310</u>	<u>8,866,852</u>	<u>139,087,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,152,439	(8,842,623)	-	(240,562)	(919,321)	(6,850,067)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of Bonds	-	6,795,000	-	-	-	6,795,000
Premium on Bond Issuance	-	187,470	-	-	-	187,470
Transfers In	103,208	5,099,700	-	1,016,484	314,259	6,533,651
Transfers Out	(5,707,184)	(267,467)	-	-	(559,000)	(6,533,651)
Other Financing Sources (Uses), Net	<u>(5,603,976)</u>	<u>11,814,703</u>	<u>-</u>	<u>1,016,484</u>	<u>(244,741)</u>	<u>6,982,470</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,451,537)	2,972,080	-	775,922	(1,164,062)	132,403
Fund Balances - Beginning of Year	<u>25,268,173</u>	<u>6,458,753</u>	<u>-</u>	<u>1,351,496</u>	<u>7,872,881</u>	<u>40,951,303</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 22,816,636</u>	<u>\$ 9,430,833</u>	<u>\$ -</u>	<u>\$ 2,127,418</u>	<u>\$ 6,708,819</u>	<u>\$ 41,083,706</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ 132,403

Amounts reported for governmental activities in the Statement of Activities (Exhibit II) are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital Outlay	13,057,367
Depreciation Expense	(5,192,158)
Loss on Disposal of Capital Assets	(19,400)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the Statement of Activities:

Increase in Property Tax Receivable - Accrual Basis Change	246,277
Decrease in Sewer Assessments Receivable - Accrual Basis Change	(155,143)
Increase in Grants Receivable - Accrual Basis Change	143,966

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Accrued Interest	(31,594)
Issuance of Bonds	(6,795,000)
Principal Payments	2,540,000
Premium on Bond Issuance	(187,470)
Amortization of Bond Premiums	126,801
Amortization of Deferred Charge on Refunding	(73,331)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Increase in Compensated Absences	(464,976)
Decrease in Net Pension Liability	4,690,483
Increase in Net Pension Asset	663,876
Decrease in OPEB Liability	252,698
Voluntary Early Retirement Incentive	3,000
Increase in Deferred Inflows Amounts Related to Pension	(1,128,245)
Decrease in Deferred Inflows Amounts Related to OPEB	1,948,274
Increase in Deferred Outflows Amounts Related to Pension	88,600
Increase in Deferred Outflows Amounts Related to OPEB	1,262,877

The net revenue (loss) of the internal service funds is reported with the governmental activities. (930,521)

Change in Net Position of Governmental Activities (Exhibit II) \$ 10,178,784

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2025**

	<u>Governmental Activities Internal Service Fund</u>
<b>ASSETS</b>	
Current Assets:	
Cash	\$ 596,963
Due from Other Funds	<u>1,108,400</u>
Total Assets	1,705,363
 <b>LIABILITIES</b>	
Current Liabilities:	
Claims Payable	<u>1,258,498</u>
 <b>TOTAL NET POSITION</b>	 <u><u>\$ 446,865</u></u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2025**

	Governmental Activities
	Internal Service Fund
<b>OPERATING REVENUES</b>	
Charges for Services:	
Town	\$ 3,458,621
Board of Education	9,539,342
Other	2,214,281
Total Operating Revenues	15,212,244
<b>OPERATING EXPENSES</b>	
Medical Claims:	
Town	2,926,171
Board of Education	13,216,594
Total Operating Expenses	16,142,765
<b>OPERATING LOSS</b>	(930,521)
Net Position - Beginning of Year	1,377,386
<b>NET POSITION - END OF YEAR</b>	\$ 446,865

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2025**

	<u>Governmental Activities Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers and Users	\$ 16,669,389
Claims Paid	<u>(16,072,426)</u>
Net Cash Provided by Operating Activities	<u>596,963</u>
 <b>NET INCREASE IN CASH</b>	 596,963
Cash - Beginning of Year	<u>-</u>
<b>CASH - END OF YEAR</b>	<b><u>\$ 596,963</u></b>
 <b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (930,521)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Decrease in Due from Other Funds	1,457,145
Increase in Claims Payable	<u>70,339</u>
Net Cash Provided by Operating Activities	<b><u>\$ 596,963</u></b>

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2025**

	Pension and Other Employee Benefit Trust Funds	<u>Custodial Fund</u> <u>CPACE Fund</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 187,626	\$ -
Investments, at Fair Value:		
Guaranteed Interest Contract	1,364,468	-
Mutual Funds	<u>75,326,789</u>	<u>-</u>
Total Investments	76,691,257	-
Due from Other Funds	-	<u>1,500</u>
Total Assets	<u>76,878,883</u>	<u>1,500</u>
<b>LIABILITIES</b>		
Accounts Payable	19,487	-
Due to Other Funds	<u>3,136,141</u>	<u>-</u>
Total Liabilities	<u>3,155,628</u>	<u>-</u>
<b>NET POSITION</b>		
Restricted for Pension Benefits	50,246,086	-
Restricted for OPEB Benefits	23,477,169	-
Restricted for CPACE	<u>-</u>	<u>1,500</u>
Total Net Position	<u><u>\$ 73,723,255</u></u>	<u><u>\$ 1,500</u></u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2025**

	<u>Pension and Other Employee Benefit Trust Funds</u>	<u>Custodial Fund CPACE Fund</u>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 7,185,698	\$ -
Plan Members	135,074	-
Total Contributions	<u>7,320,772</u>	<u>-</u>
Investment Income:		
Net Increase in Fair Value of Investments	5,457,969	-
Interest and Dividends	1,907,957	-
Total Investment Income	<u>7,365,926</u>	<u>-</u>
Total Additions	14,686,698	-
<b>DEDUCTIONS</b>		
Benefits	6,411,714	-
Administration	46,845	-
Total Deductions	<u>6,458,559</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	8,228,139	-
Net Position - Beginning of Year	<u>65,495,116</u>	<u>1,500</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 73,723,255</u>	<u>\$ 1,500</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Avon, Connecticut (the Town) was incorporated in May 1830 under the provisions of the Connecticut General Statutes. The Town operates under the Town Manager/Town Council form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Town has established a single-employer Public Retirement Systems (PERS) and a postretirement retiree health plan (OPEB) to provide retirement benefits and postretirement health care benefits to employees and their beneficiaries. The Town appoints a majority of the Pension Board and is required to make contributions to the pension and OPEB plans and can impose its will.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust funds in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

**B. Basis of Presentation**

The accompanying financial statements have been prepared in conformity with GAAP as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

**TOWN OF AVON, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included as part of the program expense reported for individual funds and activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, expenditure reimbursement type grants, certain intergovernmental revenues, transfers, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

**General Fund**

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those resources required to be accounted for in another fund.

**CIFA Fund**

The CIFA Fund accounts for the financial revenues to be used for major capital asset construction and/or purchases. The major sources of revenue for this fund are bond proceeds, intergovernmental revenues and General Fund transfers.

**ARPA Fund**

The ARPA Fund accounts for American Rescue Plan Act (ARPA) grant revenues and expenditures.

**Capital and Nonrecurring Expenditures Fund**

The Capital and Nonrecurring Expenditures Fund accounts for appropriations and expenditures related to certain capital and large nonrecurring expenditures. The Fund is authorized by Connecticut General Statutes as a mechanism for establishing a "reserve" for future large expenditures. Statutory limits are placed on the annual addition and total accumulation of the reserve.

Additionally, the government reports the following fund types:

**Internal Service Fund**

The Internal Service Fund accounts for risk financing activities for medical insurance benefits.

**Pension and Other Employee Benefit Trust Funds**

The Pension and Other Employee Benefit Trust Funds account for the activities of the Avon Employees Retirement System, which accumulates resources for pension benefit payments to qualified employees and also the activities for both Town and Board of Education other postemployment benefits plans (e.g., health insurance, life insurance), which accumulate resources for other postemployment benefit payments to qualified employees.

**TOWN OF AVON, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

**Custodial Funds**

The Custodial Funds account for monies held on behalf of other governments.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Internal Service Fund and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's internal service funds are charges to customers for medical insurance premiums. Operating expenses for internal service funds include the cost of claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned and then unassigned.

**C. Cash Equivalents**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**D. Investments**

Investments for the Town are reported at fair value.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans).

**F. Property Taxes and Other Receivables**

In the government-wide financial statements, all trade, property tax, sewer use, sewer assessment, and loan receivables are shown net of an allowance for uncollectible accounts.

In the fund financial statements, all property taxes receivable at June 30, 2025, that have not been collected within 60 days of June 30 have been recorded as unavailable revenue, since they are not considered to be available to finance expenditures of the current year. Taxes collected during the 60-day period have been recorded as revenue.

Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and the following January 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date. Taxes not paid within one month of the due date are subject to an interest charge of 1-1/2% per month. An amount of \$323,115 has been established as an allowance for uncollected taxes.

**G. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for equipment, \$20,000 for improvements, and \$100,000 for infrastructure, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Capital Assets (Continued)**

Property, plant, and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 Years
Building Improvements	10 to 20 Years
Land Improvements	15 to 25 Years
Roads	80 Years
Sewer Lines	100 Years
Storm Drains	40 Years
Vehicles	7 to 25 Years
Right-to-Use Assets	5 to 10 Years
Equipment	5 to 35 Years
Computer Equipment	5 to 10 Years

**H. Leases**

Lessor

The Town is a lessor for a noncancellable lease of land. The Town recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities in the government-wide and in the governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Leases (Continued)**

Lessee

The Town is a lessee for noncancellable leases of equipment. The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, shorter of the lease term or useful life of the underlying asset, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long- term debt on the statement of net position.

**I. Net Pension Liability (Asset)**

The net pension liability (asset) is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability (asset) is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Net Other Postemployment Benefit (OPEB) Liability**

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**K. Compensated Absences**

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**L. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and, so, will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows related to a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs or changes in the net difference between projected and actual earnings on pension and OPEB plan investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period.

**TOWN OF AVON, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and, so, will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections and deferred inflows related to leases in both the government-wide statement of net position and the governmental funds balance sheet. The Town also reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. These amounts will be recognized during the period with which the revenue is associated. The deferred inflow of resources for leases is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs or the net difference between projected and actual earnings on pension and OPEB plan investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from three sources: property taxes, special assessments and grants receivable. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available.

**M. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**TOWN OF AVON, CONNECTICUT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Fund Equity and Net Position**

In the government-wide financial statements, net position is classified into the following categories:

*Net Investment in Capital Assets* – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Debt issued for noncapital purposes is excluded.

*Restricted Net Position* – This category presents the net position restricted by external parties (creditors, grantors, contributors, or laws and regulations).

*Unrestricted Net Position* – This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

*Nonspendable Fund Balance* – This balance represents amounts that cannot be spent due to form, including inventories, prepaid amounts, and the corpus of permanent funds.

*Restricted Fund Balance* – This balance represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws, and regulations of their governments.

*Committed Fund Balance* – This balance represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. Fund balance commitments are created when a formal resolution from the Town Manager (as prepared by the Finance Director) is presented to the Town Council and a recommendation is made to the Board of Finance to approve the resolution and subsequent approval is attained.

*Assigned Fund Balance* – This balance represents amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts by the Town Charter. This body or official includes department heads, heads of offices, and designees or authorized agents of the Town Manager.

*Unassigned Fund Balance* – This balance represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, including disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgets and Budgetary Accounting**

The Town established a Town-wide budget in accordance with provisions of its Charter and the Connecticut General Statutes. Budgets for the General Fund, Sewer Fund, State and Federal Education Grants Fund, School Cafeteria Fund, Recreational Activities Fund, Local Capital Improvement Program Fund, Forest Park Management Fund, Town Aid Road Fund, Police Special Services Fund and Use of School Facilities Fund are legally adopted annually at the Annual Town Meeting. Budgets for these funds are presented on a basis consistent with accounting principles generally accepted in the United States of America except that encumbrances and transfers out are shown as budgetary obligations and transfers in are shown as revenues. In addition, for the General Fund, state of Connecticut on-behalf contributions are shown as revenues and expenditures. Transfers and supplemental appropriations were approved during the year in accordance with provisions of its Charter and the Connecticut General Statutes. There were \$2,213,447 of additional appropriations during the year in the General Fund.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgets and Budgetary Accounting (Continued)**

Annual operating budgets are prepared and employed for management control for the General Fund. Unencumbered appropriations of these funds lapse at year end. Encumbered appropriations are carried forward. Transfer of funds between appropriations shall be approved by the Town Council for amounts not exceeding 1/10 of 1% of the current Town operating budget. Transfers exceeding 1/10 of 1% are approved by the Board of Finance upon recommendation of the Town Council. Additional appropriations may be made by the Board of Finance upon favorable recommendation of the Town Council. The legal level of control is at the department level. Line items within these departments may individually exceed their appropriations, as long as in the aggregate they do not. Management is not authorized to transfer budgeted amounts or to approve additional appropriations.

- The Board of Education, which is not a separate legal entity but a function of the Town, is authorized under state law to make any transfers required within its budget at its discretion. Any additional appropriations must have Board of Education, Board of Finance and Town Council approval.
- Non-lapsing project budgets exceeding one year in length are employed for the capital projects funds. These budgets are not “annual” budgets; they are non-lapsing budgets and span two to three years.
- Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures in the current year. Generally, all unencumbered appropriations lapse at year-end, except those for the Capital Projects Funds. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Capital Projects Authorizations

The following is a summary of capital projects at June 30, 2025:

	Authorization	Current Year Expenditures	Cumulative Expenditures	Total
Capital Project:				
Capital and Nonrecurring	\$ 7,670,191	\$ 3,205,310	\$ 6,464,792	\$ 1,205,399
CIFA:				
General Government	40,980,036	6,970,443	34,651,182	6,328,854
Board of Education	5,728,000	3,095,744	4,704,194	1,023,806
Total	<u>\$ 54,378,227</u>	<u>\$ 13,271,497</u>	<u>\$ 45,820,168</u>	<u>\$ 8,558,059</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**B. Deficit Fund Balance**

For the year ended June 30, 2025, the following funds had deficit balances:

Nonmajor Funds:

State and Federal Education Grants	\$	1,730
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These amounts will be funded through future revenues.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository," as defined by Statute or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an "out of state bank," as defined by the statutes, which is not a "qualified public depository."

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the state Short-Term Investment Fund (STIF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer's Cash Management Advisory Board and are regulated under the state statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Deposits**

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the state of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository's risk-based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, \$19,256,520 of the Town's bank balance of \$19,506,520 was exposed to custodial credit risk at June 30, 2025 as follows:

Uninsured and Uncollateralized	\$ 17,305,868
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	1,950,652
Total Amount Subject to Custodial Credit Risk	\$ 19,256,520

**B. Cash Equivalents**

At June 30, 2025, the Town's cash equivalents amounted to \$36,122,888. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	Standard & Poor's
STIF	AAAm
Webster Bank	N/A
Raymond James	N/A

STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Investments**

As of June 30, 2025, the Town had the following investments:

Investment Type	Credit Rating	Fair Value
Other Investments:		
Mutual Fund	N/A	\$ 75,421,242
Guaranteed Interest Contract	N/A	1,364,468
Total Investments		<u>\$ 76,785,710</u>

Interest Rate Risk

The Town limits its maximum final stated maturities to 15 years, unless specific authority is given to exceed that limit. To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements.

Credit Risk – Investments

As indicated above, state statutes limit the investment options of cities and towns. The Town has an investment policy that allows the same types of investments as state statutes.

Concentration of Credit Risk

The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town’s total investments.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2025, the Town did not have any uninsured and unregistered securities held by the counterparty or by its trust department or agent that were not in the Town’s name.

In general, Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government-sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company, or investment trust (as defined), in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the state of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Investments (Continued)**

Custodial Credit Risk (Continued)

The Town's pension investments are governed by its Statement of Investment Policies and Objectives. The policy details asset mix ranges for the following classes of investments: core equities (40% to 50%), international equities (0% to 10%), small to mid-cap equities (0% to 10%), fixed income investments (40% to 50%) and cash equivalents (0% to 10%). The overall investment return is expected to exceed the actuarial investment return assumption, the inflation rate as measured by the Consumer Price Index, and the return of a passively managed portfolio. Each portfolio has specific objectives as well. The annualized return of the Balanced Portfolio should exceed by at least 1% the return of a specified group of weighted balanced indexes. The annualized return of the Domestic Equity portfolio should exceed the return of the S&P 500 Stock Index by 1.5% and rank in the upper 40% of a broad universe of managers with similar objectives. The annualized return of the fixed income portfolio is expected to exceed by 1% the Lehman Brothers Aggregate Note Index and rank in the upper 40% of a broad universe of managers with similar objectives.

The Town will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, the Town officials shall have as a goal that no more than 50% of the Town's total investment portfolio will be invested with a single financial institution, except for sweep account purposes. The goal may be exceeded where, in the judgment of the officials, the excess percentage will be divested upon the maturity of outstanding investments within one-month period and reinvested so as to meet the 50% goal.

Investment manager performance and compliance with the investment policy is reviewed periodically by a committee of Town officials and a pension consultant.

For the Capital and Nonrecurring Expenditures Fund, not more than 31% can be invested in equity securities.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Fair Value**

The Town categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2025:

	Fair Value Measurements Using			Total
	Level 1	Level 2	Level 3	
Investments by Fair Value Level:				
Mutual Funds	\$ 75,421,242	\$ -	\$ -	\$ 75,421,242
Guaranteed Interest Contract	-	1,364,468	-	1,364,468
Total Investments Measured at Fair Value	\$ 75,421,242	\$ 1,364,468	\$ -	\$ 76,785,710

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Guaranteed interest contracts in Level 2 are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices.

**E. Receivables**

Fund receivables as of June 30, 2025, including the applicable allowances for collection losses, are as follows:

	General	CIFA	Nonmajor and Other Funds	Total
Property Taxes	\$ 1,615,347	\$ -	\$ -	\$ 1,615,347
Assessments	-	-	488,482	488,482
Intergovernmental	-	157,590	87,044	244,634
Lease	1,024,004	-	126,810	1,150,814
Accounts	36,186	-	79,467	115,653
Gross Receivables	2,675,537	157,590	781,803	3,614,930
Allowances	(323,115)	-	-	(323,115)
Net Receivables	\$ 2,352,422	\$ 157,590	\$ 781,803	\$ 3,291,815

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Capital Assets**

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 10,459,700	\$ 2,312,332	\$ -	\$ 12,772,032
Construction in Progress	6,343,621	6,343,462	5,701,390	6,985,693
Total Capital Assets Not Being Depreciated	16,803,321	8,655,794	5,701,390	19,757,725
Capital Assets being Depreciated and Amortized:				
Land Improvements	7,867,087	101,168	-	7,968,255
Buildings and Improvements	131,998,394	1,133,591	-	133,131,985
Equipment	21,707,630	5,410,241	61,089	27,056,782
Vehicles	9,847,954	549,265	360,377	10,036,842
Infrastructure	51,915,439	2,908,698	-	54,824,137
Total Capital Assets Being Depreciated and Amortized	223,336,504	10,102,963	421,466	233,018,001
Less Accumulated Depreciation and Amortization for:				
Land Improvements	2,726,705	320,280	-	3,046,985
Buildings and Improvements	56,845,665	2,951,256	-	59,796,921
Equipment	13,371,760	834,668	59,326	14,147,102
Vehicles	4,980,459	567,871	342,740	5,205,590
Infrastructure	16,361,525	518,083	-	16,879,608
Total Accumulated Depreciation and Amortization	94,286,114	5,192,158	402,066	99,076,206
Total Capital Assets Being Depreciated and Amortized, Net	129,050,390	4,910,805	19,400	133,941,795
Governmental Activities Capital Assets, Net	<u>\$ 145,853,711</u>	<u>\$ 13,566,599</u>	<u>\$ 5,720,790</u>	<u>\$ 153,699,520</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Capital Assets (Continued)**

Depreciation and amortization expense was charged to functions/programs of the Town as follows:

Governmental Activities:	
General Government	\$ 695,565
Public Safety	584,653
Public Works	894,306
Recreation and Parks	340,163
Educational - Cultural	70,894
Board of Education	<u>2,606,577</u>
Total Depreciation and Amortization Expense - Governmental Activities	<u><u>\$ 5,192,158</u></u>

Construction Commitments

The Town has active construction projects as of June 30, 2025. The projects include new construction. At year-end, the Town's commitments with contractors are as follows:

Project	Spent to Date	Remaining Commitment
Old Farms Road North/South Reconstruction	\$ 5,604,976	\$ 501,277
200 Fisher Drive Renovations	-	465,703
Town-Wide Fiber Network Expansion	570,261	385,196
West Avon Road Sidewalk Improvement	108,160	303,175
Country Club Road Improvements	4,700	145,300
Town Hall Building 8 Roof Replacement	112,854	103,635
Tillotson Road Box Culvert Replacement	57,842	47,690
Sperry Park Softball Field Construction	<u>230,959</u>	<u>19,041</u>
Total	<u><u>\$ 6,689,752</u></u>	<u><u>\$ 1,971,017</u></u>

The commitments are being financed with general obligation bonds, state and federal grants, and outstanding appropriations of local funding.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Lease Receivables**

The Town, acting as lessor, leases a cell tower and land under long-term, noncancelable lease agreements. The cell tower lease expires on November 1, 2049, and provide for renewal options which includes four additional successive terms of five years. The land lease expires on January 1, 2098, with an automatic extension for a second term of 98 years.

**H. Interfund Receivables, Payables, and Transfers**

A summary of interfund balances as of June 30, 2025 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 22,252
General Fund	Other Postemployment Benefit Fund	3,136,141
CIFA	General Fund	9,113,116
ARPA	General Fund	1,001,482
Capital and Nonrecurring Expenditures Fund	General Fund	3,320,418
Nonmajor Governmental Funds	General Fund	1,644,958
Internal Service Fund	General Fund	1,108,400
Custodial Fund	General Fund	1,500
Total		<u>\$ 19,348,267</u>

Several nonmajor governmental funds, and the OPEB Fund owe the General Fund for expenditures paid by the General Fund. The General Fund owes the CIFA Fund, Capital and Nonrecurring Expenditures Fund, and the ARPA fund for ongoing project expenditures. The General Fund owes the Internal Service Fund for medical costs. Also, the General Fund owes the nonmajor funds for other reimbursable expenditures.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Interfund Receivables, Payables, and Transfers (Continued)**

A summary of interfund transfers as of June 30, 2025 is as follows:

	General Fund	CIFA Fund	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total Transfers Out
General Fund	\$ -	\$ 4,540,700	\$ 1,016,484	\$ 150,000	\$ 5,707,184
CIFA Fund	103,208	-	-	164,259	267,467
Nonmajor Governmental Funds	-	559,000	-	-	559,000
Total Transfers In	<u>\$ 103,208</u>	<u>\$ 5,099,700</u>	<u>\$ 1,016,484</u>	<u>\$ 314,259</u>	<u>\$ 6,533,651</u>

The General Fund transferred funds to the CIFA Fund and Capital & Nonrecurring Expenditures Fund for budgeted capital projects for town facilities and equipment purchases. General Fund transfers to nonmajor governmental funds were to the Debt Service Fund to cover debt payments made for accumulated vacation and/or sick time owed to departing employees. Transfers from the CIFA to the General Fund were to remove residual equity amounts from these funds after completion of the projects for which these amounts were designated. Transfers from the Nonmajor Governmental Funds to the CIFA Fund were for budgeted capital projects funded through the Sewer Fund.

**I. Long-Term Debt**

Changes in Long-Term Liabilities

The following is a summary of changes in long-term obligations during the fiscal year:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 9,350,000	\$ 6,795,000	\$ 2,340,000	\$ 13,805,000	\$ 2,895,000
General Obligation Bonds - Direct Placement	400,000	-	200,000	200,000	200,000
Premium on Bonds	416,344	187,470	126,801	477,013	-
Total Bonds Payable	<u>10,166,344</u>	<u>6,982,470</u>	<u>2,666,801</u>	<u>14,482,013</u>	<u>3,095,000</u>
Compensated Absences	1,959,427	464,976	-	2,424,403	484,881
Voluntary Early Retirement Incentive	12,000	-	3,000	9,000	3,000
Net Pension Liability	12,465,341	-	4,690,483	7,774,858	-
Net OPEB Liability	13,508,252	-	252,698	13,255,554	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 38,111,364</u>	<u>\$ 7,447,446</u>	<u>\$ 7,612,982</u>	<u>\$ 37,945,828</u>	<u>\$ 3,582,881</u>

The change in the compensated absences liability is presented as a net change.

Liabilities for general obligations bonds, lease obligations, compensated absences, net pension liability, net OPEB liability, and landfill post-closure costs have historically been liquidated by the general fund.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Long-Term Debt (Continued)**

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general improvements, sewer additions and school construction.

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. These bonds are generally issued as 15-year serial bonds with varying annual principal payments.

General obligation bonds currently outstanding are as follows:

Description	Interest Rate	Amount
General Purpose:		
General Obligation Improvement	2% to 5%	\$ 8,808,955
General Obligation Direct Placement	1.75%	200,000
School:		
School Improvement	2% to 4%	4,996,045
Total Outstanding		<u>\$ 14,005,000</u>

Future maturities for outstanding general obligation bonds are as follows:

Year Ending June 30,	General Obligation Bonds	
	Principal	Interest
2026	\$ 2,895,000	\$ 509,193
2027	2,910,000	410,800
2028	1,235,000	332,750
2029	740,000	288,200
2030	740,000	253,400
2031 to 2035	3,785,000	763,550
2036 to 2040	1,500,000	180,000
Total	<u>\$ 13,805,000</u>	<u>\$ 2,737,893</u>

General Obligation Bonds – Direct Placement

During 2018, the Town purchased approximately 38 acres having the address of 828 West Avon Road, Avon, Connecticut, leasing approximately 22 acres to the seller Severni. The property was purchased for \$2,000,000 with \$400,000 payable at closing and a seven-year nontransferable bond with an interest rate of 1.75% in the amount of \$1,600,000 payable in annual installments.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Long-Term Debt (Continued)**

General Obligation Bonds – Direct Placement (Continued)

Future maturities for outstanding direct placement general obligation bonds are as follows:

<u>Year Ending June 30,</u> 2026	General Obligation Bonds Direct Placement	
	Principal	Interest
		\$ 200,000

Statutory Debt Limitations

The Town's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	\$ 224,703,844	\$ 12,663,725	\$ 212,040,119
Schools	449,407,688	5,249,288	444,158,400
Sewers	374,506,406	-	374,506,406
Urban Renewal	324,572,219	-	324,572,219
Pension Deficit	299,605,125	-	299,605,125

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$699,078,625.

The indebtedness reflected above includes bonds outstanding, school construction grants receivable and sewer assessments receivable.

Authorized/Unissued Bonds

At June 30, 2025, there were \$3,431,000 of authorized, unissued general purpose bonds.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**J. Fund Balance**

The components of fund balance for the governmental funds as of June 30, 2025 are as follows:

	General Fund	CIFA	Capital and Nonrecurring Expenditures Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 19,250	\$ 19,250
Prepaid Items	72,803	-	-	11,415	84,218
Police Officers' Meritorious Service	-	-	-	132,973	132,973
Restricted:					
Grants	-	-	-	-	-
Debt Service	-	-	-	229,946	229,946
Fisher Meadow Donations	-	-	-	1,008,831	1,008,831
Town Aid Road Projects	-	-	-	27,886	27,886
Opioid Settlement Funds	2,797	-	-	-	2,797
Liquor Surcharge Remittance	5,203	-	-	-	5,203
Committed to:					
General Government	-	-	-	141,837	141,837
Sewer Fund	-	-	-	3,328,762	3,328,762
Recreation	-	-	-	627,125	627,125
Public Safety	-	-	-	277,379	277,379
Capital Projects	-	9,430,833	2,127,418	2,176	11,560,427
Board of Education	-	-	-	902,969	902,969
Assigned to:					
Payroll Escrow	75,000	-	-	-	75,000
Pension Contributions	400,000	-	-	-	400,000
Postemployment Benefits	300,000	-	-	-	300,000
Reserve for Public Safety	300,000	-	-	-	300,000
Capital Reserve	183,882	-	-	-	183,882
Capital Asset Replacement	197,387	-	-	-	197,387
Debt Service	750,000	-	-	-	750,000
Road Improvement	1,775,000	-	-	-	1,775,000
Medical Claims	850,000	-	-	-	850,000
Public Safety	2,067	-	-	-	2,067
Public Works	60,665	-	-	-	60,665
Recreation and Parks	1,178	-	-	-	1,178
Education	388,217	-	-	-	388,217
Unassigned	17,452,437	-	-	(1,730)	17,450,707
<b>Total Fund Balances</b>	<b>\$ 22,816,636</b>	<b>\$ 9,430,833</b>	<b>\$ 2,127,418</b>	<b>\$ 6,708,819</b>	<b>\$ 41,083,706</b>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**J. Fund Balance (Continued)**

Significant encumbrances in total by each major fund and nonmajor funds in the aggregate are as follows:

General Fund	\$	452,127
CIFA		5,508,929
CNREF		501,277
Nonmajor Governmental Funds		42,464
Total		\$ 6,504,797

Encumbrances represent commitments for goods or services not yet received. In accordance with GASB Statement No. 54, encumbrances outstanding at year-end are included in assigned fund balance, as they reflect management's intent to use existing, available resources for specific purposes. Encumbrances are not reported as a separate fund balance category.

**NOTE 4 EMPLOYEE RETIREMENT PLANS**

**Defined Benefit Pension Plans**

**A. Plan Description and Benefits Provided**

The Town of Avon administers two single-employer, contributory, defined benefit pension plans (Town and Board of Education) to provide pension benefits for its police officers, public works employees, management unclassified and classified nonorganized employees, dispatch employees and Board of Education employees, except certified personnel who are eligible to participate in the State of Connecticut Teachers' Retirement System. The police and nonorganized portions of the Town plan closed to new entrants effective January 1, 1997, and public works and dispatchers closed to new entrants effective July 1, 1997. All new employees of the above classes become part of the Town's defined contribution plan. The plans are considered to be part of the Town's financial reporting entity and, therefore, are included in the Town's financial reports as pension trust funds. Separate, stand-alone financial reports are not issued by the pension plans.

Management of the plan rests with the Ad Hoc Pension Investment Advisory Committee, established in 1991 and comprised of the Town Manager, Director of Finance, Director of Human Resources, Chairman of the Board of Finance, Town of Avon Treasurer, and the Board of Education Business Office Manager.

The Ad Hoc Pension Investment Advisory Committee is advisory to the Town Council, provides oversight of the activities of the pension investment managers and the pension investment advisor, and has authority to make operational changes within the parameters of existing pension policies:

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**A. Plan Description and Benefits Provided (Continued)**

- Review, discuss, and may change strategies on investment performance, policies and managers at semi-annual meetings (with the advice of the pension investment advisor), if it falls within current policies, allocations and strategies.
- Revisions, establishment of new policies, or changes to the investment policy that fall outside current policies, allocations and strategies require a majority rule vote by the members of the Ad Hoc Pension Investment Advisory Committee and the approval of the Town Council.

When benefit terms are established or amended, the terms must be determined, reviewed, and/or approved independently and/or collectively (depending on the nature of the change) and involve the following parties:

- Town Manager Office
- Human Resources Office
- Actuarial Firm Representative(s)
- Legal Firm Representative(s)
- Director of Finance for Town or Board of Education, as applicable
- Bargaining Unit Representative(s), as applicable
- IRS Regulation(s), if applicable

**Town Employees**

Plan provisions and contribution requirements and the authority to amend the provisions are established by the plans approved by the Town Council. Under the plan, all employees hired before age 65, having attained age 23 for police officers or age 22 for public works, nonorganized employees and dispatchers, having one year of service and agreeing to make the required employee contributions as set out below, are eligible. Employees are 100% vested after five years of service for the plan.

**Board of Education**

Plan provisions and contribution requirements and the authority to amend the provisions are established by the plans approved by the Town Council. Under the plan, all employees hired before age 65, having attained age 25 for Board of Education employees, having one year of service and agreeing to make the required employee contributions as set out below, are eligible. Employees are 100% vested after five years of service for the plan.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**A. Plan Description and Benefits Provided (Continued)**

Board of Education (Continued)

At July 1, 2024, retirement plan membership consisted of:

	Town	Board of Education
Retirees and Beneficiaries Currently Receiving Benefits	77	78
Terminated Employees Entitled to Benefits but Not Yet Receiving Them	-	42
Current Active Employees	2	47
Total	79	167

The plan was closed as follows: (Town Plan) police and nonorganized as of January 1, 1997, public works and dispatchers as of July 1, 1997; and (BOE Plan) effective July 1, 2012, new custodians, nurses and unaffiliated employees will not be covered by this plan.

**B. Summary of Significant Accounting Policies**

Basis of Accounting

The pension trust funds' financial statements are prepared using the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned, and expenses (benefits and administration) are recognized when they are due and payable, in accordance with the terms of each plan.

Valuation of Investments

Investments are valued at fair value based upon quoted market prices. Securities traded on national exchanges are valued at the last reported sales price.

**C. Funding Policy**

Required employee contributions under the plans are as follows:

	Town	Board of Education
Required Employee Contribution	7.5%	4% or 7%

The Town's contributions are actuarially determined on an annual basis using the entry age normal cost actuarial method. Administration costs are generally financed through investment earnings.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**D. Investments**

Investment Policy

The Town's pension investments are governed by its Statement of Investment Policies and Objectives. The policy details asset mix ranges for the following classes of investments: core equities (40% to 50%), international equities (0% to 10%), small to mid-cap equities (0% to 10%), fixed income investments (40% to 50%), and cash equivalents (0% to 10%). The overall investment return is expected to exceed the actuarial investment return assumption, the inflation rate as measured by the Consumer Price Index, and the return of a passively managed portfolio. Each portfolio has specific objectives as well. The annualized return of the Domestic Equity portfolio is expected to exceed the return of the S & P 500 Stock Index by 1.5% and rank in the upper 40% of a broad universe of managers working under similar objectives. The annualized return of the Fixed Income portfolio is expected to exceed by 1% the Lehman Brothers Aggregate Note Index and rank in the upper 40% of a broad universe of managers with similar objectives. Investment guidelines further spell out the parameters under which the plan's active managers must operate. Overall, no more than 5% of total assets can be invested in any one company's securities, and no more than 15% in any one industry (except for U.S. government securities). In addition, no more than 5% of a corporation's outstanding issues in a given security class may be purchased. Each portfolio has specific guidelines which reflect or further define the general guidelines. Investment manager performance and compliance with the investment policy is reviewed periodically by a committee of Town officials and a pension consultant.

Asset Class	Target Allocation
U.S. Core Fixed Income	37.50 %
U.S. TIPS	3.30
U.S. Broad Equity Market	36.70
Non-U.S. Equity	22.50
Total	100.00 %

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.90% for the Town and 10.07% for the Board of Education. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**E. Net Pension Liability (Assets)**

Town Employees Retirement Plan

The Town's net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024.

The components of the net pension liability of the Town at June 30, 2025 were as follows:

Total Pension Liability	\$ 38,221,588
Plan Fiduciary Net Position	<u>30,446,730</u>
Net Pension Liability	<u><u>\$ 7,774,858</u></u>

Plan Fiduciary Net Position as a	
Percentage of the Total Pension Liability	<u><u>79.66 %</u></u>

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.75 %
Salary Increases	3.50
Investment Rate of Return	6.00

Mortality rates were based on the PubS-2010 Mortality Table for police and PubG-2010 Mortality Table for all others with generational projection per the MP-2021 Ultimate Scale.

The plan has not had a formal actuarial experience study performed.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**E. Net Pension Liability (Assets) (Continued)**

Town Employees Retirement Plan (Continued)

*Actuarial Assumptions (Continued).* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2025, (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed Income	2.35 %
U.S. TIPS	1.82
U.S. Broad Equity Market	5.48
Non-U.S. Equity	7.24

*Discount Rate.* The discount rate used to measure the total pension liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**E. Net Pension Liability (Assets) (Continued)**

Town Employees Retirement Plan (Continued)

*Changes in the Net Pension Liability*

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - Beginning of Year	\$ 39,344,330	\$ 27,136,155	\$ 12,208,175
Changes for the Year:			
Interest	2,251,319	-	2,251,319
Effect of Economic/ Demographic Gains or Losses	324,506	-	324,506
Benefit Payments, Including Refunds of Member Contributions	(3,698,567)	(3,698,567)	-
Employer Contributions	-	4,168,877	(4,168,877)
Net Investment Income	-	2,866,478	(2,866,478)
Administrative Expenses	-	(26,213)	26,213
Net Changes	<u>(1,122,742)</u>	<u>3,310,575</u>	<u>(4,433,317)</u>
Balance - End of Year	<u>\$ 38,221,588</u>	<u>\$ 30,446,730</u>	<u>\$ 7,774,858</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liability of the Town, calculated using the current discount rate, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net Pension Liability	<u>\$ 10,866,262</u>	<u>\$ 7,774,858</u>	<u>\$ 5,085,197</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**E. Net Pension Liability (Assets) (Continued)**

Board of Education Retirement Plan

The components of the net pension asset of the Board of Education at June 30, 2025 were as follows:

Total Pension Liability	\$ 19,135,479
Plan Fiduciary Net Position	19,799,355
Net Pension Asset	<u>\$ (663,876)</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 <u>103.47 %</u>

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.75 %
Salary Increases	3.50
Investment Rate of Return	6.00

Mortality rates were based on the PubG-2010 Mortality with generational projection per the MP-2021 Ultimate Scale.

The plan has not had a formal actuarial experience study performed.

*Long-Term Expected Rate of Return.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2025, (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed Income	2.35 %
U.S. TIPS	1.82
U.S. Broad Equity Market	5.48
Non-U.S. Equity	7.24

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**E. Net Pension Liability (Assets) (Continued)**

Board of Education Retirement Plan (Continued)

*Discount Rate.* The discount rate used to measure the total pension liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability (Asset)*

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances - Beginning of Year	\$ 18,417,737	\$ 18,160,571	\$ 257,166
Changes for the Year:			
Service Cost	366,671	-	366,671
Interest	1,098,604	-	1,098,604
Effect of Economic/ Demographic Gains or Losses	215,172	-	215,172
Benefit Payments, Including Refunds of Member Contributions	(962,705)	(962,705)	-
Employer Contributions	-	645,233	(645,233)
Member Contributions	-	135,074	(135,074)
Net Investment Income	-	1,841,814	(1,841,814)
Administrative Expenses	-	(20,632)	20,632
Net Changes	<u>717,742</u>	<u>1,638,784</u>	<u>(921,042)</u>
Balance - End of Year	<u>\$ 19,135,479</u>	<u>\$ 19,799,355</u>	<u>\$ (663,876)</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**E. Net Pension Liability (Assets) (Continued)**

Board of Education Retirement Plan (Continued)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of the Board of Education, calculated using the current discount rate, as well as what the Town's net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net Pension Liability (Asset)	\$ 1,396,059	\$ (663,876)	\$ (2,423,777)

**F. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2025, the Town recognized pension expense (revenue) of \$587,306 for the Town Plan and (\$87,910) for the Board of Education Plan. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Town	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earning on Pension Plan Investments	\$ -	\$ 1,011,428
	Board of Education	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 88,600	\$ -
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	654,794
Total	\$ 88,600	\$ 654,794

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Benefit Pension Plans (Continued)**

**F. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	Town	Board of Education	Total
2026	\$ 445,669	\$ 371,905	\$ 817,574
2027	(701,094)	(457,741)	(1,158,835)
2028	(510,930)	(328,680)	(839,610)
2029	(245,073)	(151,678)	(396,751)
Total	<u>\$ (1,011,428)</u>	<u>\$ (566,194)</u>	<u>\$ (1,577,622)</u>

**Defined Contribution Plans**

**A. Plan Description**

The Town maintains two single-employer, defined contribution pension plans, the Avon 401(a) Management Money Purchase Plan and the Avon 401(a) Full-Time Employees' Plan. Both plans are administered by Mission Square Retirement. The Town is required to contribute 2.75% of compensation for the Management Money Purchase Plan participants and between 8.25% and 9.50% for the Full-Time Employees' Plan participants. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Management Plan covers Town management employees hired prior to July 1, 1997, and the Full-Time Employees' Plan covers regular, full-time employees hired after July 1, 1997.

**B. Summary of Plan Provisions**

For both plans, eligible employees must be at least 21 years of age on or prior to their date of employment. Benefits vest 100% after three years. Any nonvested Town contributions and related interest thereon of employees who leave employment are reserved in a forfeiture account to offset future Town contributions. Normal retirement date is age 65. Plan provisions and contribution requirements and the authority to amend the provisions are established by the Town Council.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Defined Contribution Plans (Continued)**

**C. Contribution Requirements and Contributions Made**

The total Town contributions for the Management Money Purchase Plan and Full-Time Employees' Plan during the year ended June 30, 2025, were \$-0- and \$2,011,774, respectively. Members of the Management Money Purchase Plan are required to contribute 2.75% of their annual earnings, and members of the Full-Time Employees' Plan are required to contribute between 8.25% and 9.50% of their annual earnings. The employees' contributions to each plan were \$-0- and \$2,011,774, respectively. During the year there were no forfeitures.

**Connecticut Teachers Retirement System – Pension**

**A. Plan Description**

Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at [www.ct.gov](http://www.ct.gov).

**B. Benefit Provisions**

The plan provides retirement, disability, and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

**Normal Retirement**

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the three years of highest salary).

**Early Retirement**

Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service with reduced benefit amounts.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**B. Benefit Provisions (Continued)**

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

**C. Contributions**

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the state of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the state was \$10,829,304, and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of pensionable salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the Town		109,865,897
Total		<u><u>\$ 109,865,897</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. At June 30, 2025, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2025, the Town recognized pension expense and revenue of \$12,601,854 in Exhibit II.

**E. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increase	3.00% to 6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**E. Actuarial Assumptions (Continued)**

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2019.

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

**Cost-of-Living Allowance**

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**F. Long-Term Expected Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer’s Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Global Equity	6.80 %	37.00 %
Public Credit	2.90	2.00
Core Fixed Income	0.40	13.00
Liquidity Fund	(0.40)	1.00
Risk Mitigation	0.10	5.00
Private Equity	11.20	15.00
Private Credit	6.10	10.00
Real Estate	6.20	10.00
Infrastructure and Natural Resources	7.70	7.00
Total		<u>100.00 %</u>

**G. Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 4 EMPLOYEE RETIREMENT PLANS (CONTINUED)**

**Connecticut Teachers Retirement System – Pension (Continued)**

**H. Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The Town’s proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the state of Connecticut.

**I. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

**J. Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

**Aggregate Pension Information**

The Town recognized the following amounts related to pension plans as of and for the year ended June 30, 2025:

Plan	Net Pension Liability (Asset)	Deferred Outflows	Deferred Inflows	Pension Expense (Revenue)
Town Pension Plan	\$ 7,774,858	\$ -	\$ 1,011,428	\$ 587,306
Board of Education Pension Plan	(663,876)	88,600	654,794	(87,910)
Connecticut Teachers Retirement System	-	-	-	12,601,854
Total	<u>\$ 7,110,982</u>	<u>\$ 88,600</u>	<u>\$ 1,666,222</u>	<u>\$ 13,101,250</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM**

**Town and Board of Education Plans**

**A. Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Other Postemployment Benefits Program (OPEBP) are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

Investments are reported at fair value. Investment income is recognized as earned.

**B. Plan Description and Benefits Provided**

The OPEBP is a single employer defined benefit healthcare plan administered by the Town of Avon. The OPEBP provides medical and dental to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

The Town established a Trust on June 4, 2009. The plan is considered to be part of the Town’s financial reporting entity and is included in the Town’s financial report as the Other Postemployment Benefits Trust Fund. The plan does not issue a stand-alone financial report.

Management of the OPEB plan is vested with the Town Manager and Director of Finance. Policy oversight is provided by the Ad Hoc Pension Investment Advisory Committee, which consists of six members.

At July 1, 2024, plan membership consisted of the following:

	Other Postemployment Benefits Program	
	Town	Board of Education
Retired Members	73	34
Beneficiaries	5	-
Spouses of Retired Members	50	16
Active Plan Members	90	471
Total Participants	218	521

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Town and Board of Education Plans (Continued)**

**C. Funding Policy**

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

	Annual Premiums	
	Employee	Spouse
Town Employees:		
Pre-65 Medical Plan		
Future Retirees:		
Public Works, Police and Dispatchers	\$ 12,613	\$ 13,433
Nonorganized	14,758	16,154
Current Retirees	14,758	16,154
Post-65 Medical Plan:		
Cigna Plan	14,758	16,154
Anthem Plan	6,498	6,498
Dental - All Groups	571	808
Board of Education Employees:		
Pre-65 Medical Plan	12,296	13,300
Dental	607	859

For the year ended June 30, 2025, there were \$-0- of member contributions to the Town and BOE plans, respectively. The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

Employer contributions to the plan were \$1,784,242 for the Town Plan and \$587,346 for the Board of Education Plan. These contributions were made in accordance with actuarially determined requirements.

The Town has assigned a portion of general fund balance to fund these benefits in the future. Net position available for future benefits at June 30, 2025, was \$300,000. The Town plans on transferring these monies into the OPEB Trust Fund in the future.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Town and Board of Education Plans (Continued)**

**D. Investments**

Investment Policy

The OPEB Plan's policy in regard to the allocation of invested assets are governed by its Investment Policy Statement (IPS), approved by the Town Council on January 6, 2011. A change was made to the allocation rations in the IPS; approved by Town Council September 6, 2018. The investment of these assets shall be guided by the following underlying goals: to achieve the stated actuarial target of the Trust; to exceed the rate of inflation as defined by CPI, by approximately 4% per annum over a full market cycle (a 5- to 10-year period); to maintain sufficient liquidity to meet the obligations of the Trust; to diversify the assets of the Trust in order to reduce the risk of wide swings in market value from year-to-year, or of incurring large losses that could occur from concentrated positions; to achieve investment results over the long-term that compare favorably with those of other municipal investment pools, professionally managed portfolios and appropriate market indexes.

Investment manager performance and compliance with the investment policy is reviewed periodically by a committee of Town officials and an investment advisor consultant.

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 10.08% and 17.54% for the Town Employees OPEB Plan and Board of Education Employees OPEB Plan, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Town and Board of Education Plans (Continued)**

**E. Net OPEB Liability**

The Town’s net OPEB liability was measured as of June 30, 2025. The components of the net OPEB liability of the Town at June 30, 2025 were as follows:

	Employees	
	Town	Board of Education
Total OPEB Liability	\$ 24,759,291	\$ 11,973,433
Plan Fiduciary Net Position	15,821,320	7,655,850
Net OPEB Liability	\$ 8,937,971	\$ 4,317,583
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 63.90 %	 63.94 %

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate - Town	6.00%
Discount Rate - Board of Education	6.00%
Inflation Rate	2.40%
Medical Trend Rate - Town:	
Pre-Medicare	6.50% to 3.80% over 48 Years
Post-Medicare	6.50% to 3.80% over 48 Years
Medical Trend Rate - Board of Education	6.50% to 3.80% over 48 Years
Salary Increases	3.50% Including Inflation*

\*Graded by Service for Teachers and Administrators

**Mortality – Teachers and Administrators**

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2021 for the period after service retirement.

**Mortality – All Others**

Mortality rates were based on the Pub-2010 mortality table with generational projection of future improvements per the MP-2021 Ultimate Table.

The plan has not had a formal actuarial experience study performed.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Town and Board of Education Plans (Continued)**

**E. Net OPEB Liability (Continued)**

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman’s investment consulting practice as of June 30, 2024. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2025, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. Core Fixed Income	2.35 %	30.00 %
U.S. TIPS	1.82	10.00
U.S. Large Cap Equity	5.39	25.00
U.S. Mid Cap Equity	5.83	6.00
U.S. Small Cap Equity	6.80	4.00
Foreign Developed Equity	6.61	17.50
Emerging Markets Equity	8.78	5.00
U.S. REITs	6.71	1.25
Non-U.S. REITs	7.10	1.25
Total		<u>100.00 %</u>

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00% for the Town and 6.00% for the Board of Education plan. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Town and Board of Education Plans (Continued)**

**E. Net OPEB Liability (Continued)**

Changes in the Net OPEB Liability

	Town		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances - Beginning of Year	\$ 22,488,481	\$ 13,945,180	\$ 8,543,301
Changes for the Year:			
Service Cost	442,385	-	442,385
Interest	1,334,080	-	1,334,080
Effect of Economic/ Demographic Gains or Losses	1,705,976	-	1,705,976
Changes of Assumptions	201,347	-	201,347
Benefit Payments	(1,412,978)	(1,412,978)	-
Contributions - Employer	-	1,784,242	(1,784,242)
Net Investment Income	-	1,504,876	(1,504,876)
Net Changes	<u>2,270,810</u>	<u>1,876,140</u>	<u>394,670</u>
Balances - End of Year	<u>\$ 24,759,291</u>	<u>\$ 15,821,320</u>	<u>\$ 8,937,971</u>

	Board of Education		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances - Beginning of Year	\$ 11,218,161	\$ 6,253,210	\$ 4,964,951
Changes for the Year:			
Service Cost	367,192	-	367,192
Interest	685,146	-	685,146
Effect of Economic/ Demographic Gains or Losses	436,564	-	436,564
Effect of Assumptions Changes or Inputs	(396,166)	-	(396,166)
Benefit Payments	(337,464)	(337,464)	-
Contributions - Employer	-	587,346	(587,346)
Net Investment Income	-	1,152,758	(1,152,758)
Net Changes	<u>755,272</u>	<u>1,402,640</u>	<u>(647,368)</u>
Balances - End of Year	<u>\$ 11,973,433</u>	<u>\$ 7,655,850</u>	<u>\$ 4,317,583</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Town and Board of Education Plans (Continued)**

**E. Net OPEB Liability (Continued)**

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability - Town	<u>\$ 11,976,913</u>	<u>\$ 8,937,971</u>	<u>\$ 6,393,026</u>
	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability - BOE	<u>\$ 5,212,751</u>	<u>\$ 4,317,583</u>	<u>\$ 3,488,237</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability - Town	<u>\$ 6,007,080</u>	<u>\$ 8,937,971</u>	<u>\$ 12,473,289</u>
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability - BOE	<u>\$ 3,119,832</u>	<u>\$ 4,317,583</u>	<u>\$ 5,705,035</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Town and Board of Education Plans (Continued)**

**F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2025, the Town recognized OPEB expense (revenue) of \$(1,312,753) for the Town and \$220,492 for the Board of Education. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Town	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,371,471	\$ 6,246,252
Changes of Assumptions	697,060	113,313
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	756,519
Total	\$ 2,068,531	\$ 7,116,084

	Board of Education	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,541,073	\$ 1,335,201
Changes of Assumptions	410,412	1,173,448
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	894,468
Total	\$ 2,951,485	\$ 3,403,117

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Town</u>	<u>Board of Education</u>	<u>Total</u>
2026	\$ (2,182,566)	\$ (233,825)	\$ (2,416,391)
2027	(2,322,442)	(491,160)	(2,813,602)
2028	(822,517)	(258,506)	(1,081,023)
2029	242,574	(6,691)	235,883
2030	37,398	181,438	218,836
Thereafter	-	357,112	357,112
Total	\$ (5,047,553)	\$ (451,632)	\$ (5,499,185)

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan**

**A. Plan Description**

Teachers, principals, superintendents, or supervisors engaged in service of public schools plus professional employees at state schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**B. Benefit Provisions**

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost and contributes at least \$440 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)**

**B. Benefit Provisions (Continued)**

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

**Survivor Health Care Coverage**

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement or Medicare Advantage Plan options, as long as they do not remarry.

**Eligibility**

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

**Credited Service**

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, state employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

**Normal Retirement**

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service, including at least 25 years of service in Connecticut.

**Early Retirement**

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service, including 20 years of Connecticut service.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)**

**B. Benefit Provisions (Continued)**

Proratable Retirement

Age 60 with 10 years of Credited Service.

Disability Retirement

No service requirement if incurred in the performance of duty, and five years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

**C. Contributions**

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the state of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The state contributions are not currently actuarially funded. The state appropriates from the General Fund one-third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut Statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

For the year ended June 30, 2025, the amount of "on-behalf" contributions made by the State was \$151,620 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers' pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)**

**D. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2025, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability Associated with the Town		<u>22,537,273</u>
Total	\$	<u><u>22,537,273</u></u>

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024. At June 30, 2025, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2025, the Town recognized OPEB expense and revenue of \$312,268 in Exhibit II.

**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Health Care Costs Trend Rate	Local Coverage - 6.25% for 2025, decreasing to an ultimate rate of 4.50% by 2031. Retiree Healthcare-Medicare rates known for 2025, 4.50% increase for all subsequent years.
Salary Increases	3.00-6.50%, including inflation
Investment Rate of Return	3.00%, Net of OPEB Plan Investment Expense, including Inflation
Year Fund Net Position will be Depleted	2027

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)**

**E. Actuarial Assumptions (Continued)**

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2014, to June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 3.64% to 3.93%;
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change;
- Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

**F. Long-Term Expected Rate of Return**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is 1.26%.

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)**

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2024.

In addition to the actuarial methods and assumptions of the June 30, 2024, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

**H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate**

The Town's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

**I. OPEB Plan Fiduciary Net Position**

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 POSTEMPLOYMENT HEALTHCARE PLAN – OTHER POSTEMPLOYMENT BENEFITS PROGRAM (CONTINUED)**

**Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)**

**J. Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

**Aggregate OPEB Information**

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2025:

Plan	Net OPEB Liability	Deferred Outflows	Deferred Inflows	OPEB Expense (Revenue)
Town OPEB Plan Board of Education OPEB Plan	\$ 8,937,971	\$ 2,068,531	\$ 7,116,084	\$ (1,312,753)
Connecticut Teachers Retirement System	4,317,583	2,951,485	3,403,117	220,492
	-	-	-	312,268
Total	<u>\$ 13,255,554</u>	<u>\$ 5,020,016</u>	<u>\$ 10,519,201</u>	<u>\$ (779,993)</u>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 6 COMBINING TRUST FUND SCHEDULES**

Financial statements for the individual pension plans and the OPEB plans as of and for the year ended June 30, 2025 are as follows:

**Statement of Fiduciary Net Position**

	Pension		Other Post-Employment Benefit Fund		Eliminations	Total Trust Funds
	Town	Board of Education	Town	Board of Education		
<b>Assets:</b>						
Cash and Cash Equivalents	\$ 98,874	\$ 53,367	\$ 17,903	\$ 17,482	\$ -	\$ 187,626
Investments, at Fair Value:						
Guaranteed Interest						
Contract	854,859	509,609	-	-	-	1,364,468
Mutual Funds	29,492,997	19,236,379	15,021,883	11,575,530	-	75,326,789
Total Investments	30,347,856	19,745,988	15,021,883	11,575,530	-	76,691,257
<b>Receivables:</b>						
Due from Other Funds	-	-	796,045	-	(796,045)	-
Total Receivables	-	-	796,045	-	(796,045)	-
<b>Total Assets</b>	<b>30,446,730</b>	<b>19,799,355</b>	<b>15,835,831</b>	<b>11,593,012</b>	<b>(796,045)</b>	<b>76,878,883</b>
<b>Liabilities:</b>						
Accounts Payable	-	-	14,511	4,976	-	19,487
Due to Other Funds	-	-	-	3,932,186	(796,045)	3,136,141
Total Liabilities	-	-	14,511	3,937,162	(796,045)	3,155,628
<b>Net Position:</b>						
Restricted for Pension Benefits	\$ 30,446,730	\$ 19,799,355	\$ 15,821,320	\$ 7,655,850	\$ -	\$ 73,723,255

**Statement of Changes in Fiduciary Net Position**

	Pension		Other Post-Employment Benefit Fund		Eliminations	Total Trust Funds
	Town	Board of Education	Town	Board of Education		
<b>Additions:</b>						
<b>Contributions:</b>						
Employer	\$ 4,168,877	\$ 645,233	\$ 1,784,242	\$ 587,346	\$ -	\$ 7,185,698
Plan Members	-	135,074	-	-	-	135,074
Total Contributions	4,168,877	780,307	1,784,242	587,346	-	7,320,772
<b>Investment Income:</b>						
Net Change in Fair Value of Investments	1,272,078	1,829,885	1,203,248	1,152,758	-	5,457,969
Interest and Dividends	1,594,400	11,929	301,628	-	-	1,907,957
Total Investment Income	2,866,478	1,841,814	1,504,876	1,152,758	-	7,365,926
<b>Total Additions</b>	<b>7,035,355</b>	<b>2,622,121</b>	<b>3,289,118</b>	<b>1,740,104</b>	<b>-</b>	<b>14,686,698</b>
<b>Deductions:</b>						
Benefits	3,698,567	962,705	1,412,978	337,464	-	6,411,714
Administration	26,213	20,632	-	-	-	46,845
Total Deductions	3,724,780	983,337	1,412,978	337,464	-	6,458,559
<b>Net Change in Net Position</b>	<b>3,310,575</b>	<b>1,638,784</b>	<b>1,876,140</b>	<b>1,402,640</b>	<b>-</b>	<b>8,228,139</b>
<b>Net Position - Beginning of Year</b>	<b>27,136,155</b>	<b>18,160,571</b>	<b>13,945,180</b>	<b>6,253,210</b>	<b>-</b>	<b>65,495,116</b>
<b>Net Position - End of Year</b>	<b>\$ 30,446,730</b>	<b>\$ 19,799,355</b>	<b>\$ 15,821,320</b>	<b>\$ 7,655,850</b>	<b>\$ -</b>	<b>\$ 73,723,255</b>

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 7 OTHER INFORMATION**

**A. Risk Management**

The Town is exposed to various risks of loss including torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Town purchases commercial insurance for all risks of loss except medical insurance. Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from coverage in the prior year.

The Town established an internal service fund, the medical claims fund, to account for and finance the retained risk of loss for the Town’s medical benefits claims. A third party administers the medical insurance plan for which the Town pays a fee. The medical claims fund provides coverage for regular full-time Town employees. The fund is substantially funded by the Town’s General Fund through annual appropriations. The claims liability is based on the requirements of GASB Statements No. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the possible loss can be reasonably estimated. The amount of claim accrual is based on the ultimate costs of settling the claim, which includes past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

An analysis of the activity in the claims liability for the medical claims fund is as follows:

	Beginning Balance	Current Year Claims and Changes in Estimates	Claims Payments	Ending Balance
Medical Claims Fund:				
2024 to 2025	\$ 1,188,159	\$ 16,142,765	\$ 16,072,426	\$ 1,258,498
2023 to 2024	622,504	13,076,010	12,510,355	1,188,159

**TOWN OF AVON, CONNECTICUT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 7 OTHER INFORMATION (CONTINUED)**

**B. Commitments and Litigation**

Amounts received or receivable from federal and state grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

The Town is currently a defendant in a number of lawsuits. It is the opinion of Town officials and legal counsel that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town which would materially adversely affect its financial position.

**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF AVON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
<b>REVENUES</b>				
Property Taxes:				
Current Levy	\$ 94,441,970	\$ 94,441,970	\$ 93,936,808	\$ (505,162)
Supplemental Real Estate	38,188	38,188	49,815	11,627
Supplemental MV	829,842	829,842	892,873	63,031
Prior Levies	250,000	250,000	550,805	300,805
Interest and Penalties	200,000	200,000	500,820	300,820
Telephone Gross Receipts	41,026	41,026	84,246	43,220
Total Property Taxes	95,801,026	95,801,026	96,015,367	214,341
Intergovernmental:				
State Grants-in-Aid:				
Early Voting Grant	-	-	5,509	5,509
Municipal Grants-In-Aid	196,082	196,082	261,442	65,360
Municipal Revenue Sharing	106,541	106,541	142,054	35,513
Education Cost Sharing (ECS)	909,358	909,358	922,424	13,066
Special Education Excess Cost	940,000	940,000	1,072,503	132,503
Open Choice Attendance	1,069,000	1,069,000	1,048,156	(20,844)
Property Tax Relief - Elderly	-	-	4,592	4,592
Payment in Lieu of Taxes (PILOT)	78,062	78,062	87,749	9,687
Motor Vehicle Tax Reimbursement	827,238	827,238	827,238	-
Youth Services Bureau Grant	32,155	32,155	30,579	(1,576)
Emergency Management Grants	-	-	14,151	14,151
Judicial Branch	-	-	4,450	4,450
Speed Enforcement Program Grant	-	-	63,290	63,290
Auto Theft and Violence Grant	-	-	35,000	35,000
Total Intergovernmental	4,158,436	4,158,436	4,519,137	360,701
Charges for Services:				
General Government:				
Hunting and Fishing	50	50	44	(6)
Recording and Conveyance	550,000	550,000	596,651	46,651
Sale of Maps and Publications	15,105	15,105	18,833	3,728
PA 05-228 Local Cap Recording Fee	5,500	5,500	5,776	276
Town Clerk Land Recording Fee	-	-	1,529	1,529
Public Safety:				
Accident Reports and Photos	1,800	1,800	3,408	1,608
Alarm System	-	-	821	821
Animal Pound Fees	300	300	480	180
Court	-	-	25	25

**TOWN OF AVON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
<b>REVENUES (CONTINUED)</b>				
Charges for Services (Continued):				
Public Safety (Continued):				
Police Protection	\$ 4,500	\$ 4,500	\$ 4,610	\$ 110
Pistol Permit Fees	-	-	4,970	4,970
Buildings Structures and Equipment	475,000	475,000	965,650	490,650
Animal Licenses	12,000	12,000	2,786	(9,214)
Public Works:				
Landfill - Residential Fees	150,000	150,000	150,758	758
Landfill - Bulky Waste	25,000	25,000	34,040	9,040
Street and Curb	3,050	3,050	500	(2,550)
Health and Social Services:				
Vital Statistics	28,800	28,800	18,545	(10,255)
Recreation and Parks:				
Swim Fees	65,000	65,000	74,476	9,476
Organized Summer Programs	45,000	45,000	48,446	3,446
Educational - Cultural:				
Library	100	100	73	(27)
Board of Education:				
Empl Bnft Contr Dental/Life	103,000	103,000	99,922	(3,078)
Vendor Refunds	-	-	6,945	6,945
Tuition Receipts Parent Paid	175,000	175,000	253,328	78,328
Team Mentor Prog State Pmts	-	-	1,841	1,841
Student Parking Fees	30,000	30,000	34,030	4,030
Sped Interdist Tuition Receipt	1,908,019	1,908,019	2,310,354	402,335
Non-Resident Tuition	-	-	11,790	11,790
Sports Program Participation Fees	214,000	214,000	166,770	(47,230)
Conservation and Development	13,920	13,920	12,350	(1,570)
Total Charges for Services	3,825,144	3,825,144	4,829,751	1,004,607
Investment Income	1,087,911	1,087,911	2,143,154	1,055,243
Other Local Revenues:				
Refunds and Reimbursements	35,000	35,000	116,822	81,822
BOE Retiree Contributions, Dental/Life	-	-	19,561	19,561
Miscellaneous	437	437	3,254	2,817
Returned Check Fees	-	-	60	60
Rents and Reimbursements	60,000	60,000	98,427	38,427
Board of Education Miscellaneous Revenue	-	-	512	512
Salvage and Demolition Sales	8,500	8,500	15,598	7,098
Interlocal Program Funding	-	-	3,942	3,942
Sale of Property	10,000	10,000	54,853	44,853
Lease Interest Revenue	-	-	26,777	26,777
Fisher Drive Lease Revenue	-	65,000	86,851	21,851
Opioid Settlement Revenue (Restricted)	-	146,484	39,653	(106,831)
Liquor Surcharge Remittance (Restricted)	-	26,763	10,131	(16,632)
Cancelled Encumbrances	-	-	46,009	46,009
Total Other Local Revenues	113,937	352,184	522,450	170,266
Total Revenues	104,986,454	105,224,701	108,029,859	2,805,158

**TOWN OF AVON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance
	Original	Final		Over (Under)
<b>OTHER FINANCING SOURCES</b>				
Appropriation of Fund Balance	\$ 1,250,000	\$ 2,300,000	\$ -	\$ (2,300,000)
Assigned for Pension	-	200,000	-	(200,000)
Assigned to Postemployment Benefits	-	150,000	-	(150,000)
Assigned for Board of Education	100,588	100,588	-	(100,588)
Assigned for Road Improvements	1,400,000	1,600,000	-	(1,600,000)
Assigned for Capital Reserve	-	375,200	-	(375,200)
Transfers In	-	-	103,208	103,208
Total Other Financing Sources	<u>2,750,588</u>	<u>4,725,788</u>	<u>103,208</u>	<u>(4,622,580)</u>
 Total Revenues and Other Financing Sources	 <u>\$ 107,737,042</u>	 <u>\$ 109,950,489</u>	 108,133,067	 <u>\$ (1,817,422)</u>
 Cancelled Encumbrances			 (46,009)	
State Teachers' Retirement Pension Expense			10,829,304	
State Teachers' Retirement OPEB Expense			<u>151,620</u>	
 Balance, GAAP Basis			 <u>\$ 119,067,982</u>	

**TOWN OF AVON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance Under (Over)
	Original	Final		
<b>EXPENDITURES</b>				
Town Council:				
General Government:				
Legislative - Town Council	\$ 55,333	\$ 51,856	\$ 51,856	\$ -
Executive - Town Manager	633,490	660,608	660,608	-
Judicial - Probate	9,595	9,595	9,595	-
Elections	192,738	229,997	229,997	-
Legal Services	185,000	191,387	191,387	-
Town Clerk's Office	270,245	294,524	294,524	-
Human Resources	315,063	317,330	317,272	58
Finance	1,954,613	1,969,081	1,967,896	1,185
Total General Government	<u>3,616,077</u>	<u>3,724,378</u>	<u>3,723,135</u>	<u>1,243</u>
Public Safety:				
Police Protection	6,443,188	7,081,787	7,081,787	-
Fire Protection	2,241,171	2,368,802	2,368,802	-
Central Communications	781,849	700,045	700,045	-
Protective Inspection	451,201	450,895	450,895	-
Other Protection	73,693	70,416	70,416	-
Total Public Safety	<u>9,991,102</u>	<u>10,671,945</u>	<u>10,671,945</u>	<u>-</u>
Public Works:				
Administration	451,967	463,712	463,339	373
Highways	1,784,496	1,678,157	1,678,157	-
Sanitation	401,052	349,824	349,824	-
Machinery and Equipment	1,121,948	1,039,954	1,039,954	-
Building and Grounds	2,193,424	2,360,637	2,360,133	504
Engineering	403,931	414,222	414,008	214
Total Public Works	<u>6,356,818</u>	<u>6,306,506</u>	<u>6,305,415</u>	<u>1,091</u>
Health and Social Services:				
Conservation of Health	187,087	184,432	184,432	-
Social Services	412,652	824,059	824,059	-
Total Health and Social Services	<u>599,739</u>	<u>1,008,491</u>	<u>1,008,491</u>	<u>-</u>
Recreation and Parks:				
Recreation	843,809	792,068	791,939	129
Parks	56,880	54,424	54,424	-
Senior Center	37,731	38,195	38,026	169
Community Activities	37,844	39,143	38,719	424
Total Recreation and Parks	<u>976,264</u>	<u>923,830</u>	<u>923,108</u>	<u>722</u>
Educational - Cultural:				
Library	1,821,747	1,770,463	1,770,463	-
Conservation and Development:				
Planning and Zoning	496,746	507,051	506,751	300
Conservation of Natural Resources	50,449	41,265	40,900	365
Total Conservation and Development	<u>547,195</u>	<u>548,316</u>	<u>547,651</u>	<u>665</u>

**TOWN OF AVON, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2025  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance Under (Over)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Miscellaneous:				
Claims and Losses	\$ 8,000	\$ -	\$ -	\$ -
Municipal Insurance	574,796	540,264	540,264	-
Employee Benefit Funding	5,625,960	5,991,254	5,991,254	-
Intergovernmental Expenditure	68,390	59,927	59,927	-
Maintenance - Leased Properties	-	64,677	64,677	-
Contingency	10,000	-	-	-
Total Miscellaneous	<u>6,287,146</u>	<u>6,656,122</u>	<u>6,656,122</u>	<u>-</u>
Total Town Council	30,196,088	31,610,051	31,606,330	3,721
Board of Education:				
Salaries	44,073,119	43,699,178	43,473,248	225,930
Employee Benefits	11,970,047	11,931,483	11,926,401	5,082
Purchased Prf and Tech Services	1,360,544	2,111,620	2,149,508	(37,888)
Property Services	927,586	1,011,615	1,250,538	(238,923)
Other Purchased Services	8,312,824	7,827,114	7,637,207	189,907
General Supplies and Utilities	2,643,784	2,711,872	2,854,372	(142,500)
Equipment	369,609	357,873	377,924	(20,051)
Fees and Membership	156,991	163,749	144,530	19,219
Total Board of Education	<u>69,814,504</u>	<u>69,814,504</u>	<u>69,813,728</u>	<u>776</u>
Debt Service:				
Bonds and Bond Anticipation Notes	<u>2,890,950</u>	<u>2,818,750</u>	<u>2,818,750</u>	<u>-</u>
Total Expenditures	102,901,542	104,243,305	104,238,808	4,497
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>4,835,500</u>	<u>5,707,184</u>	<u>5,707,184</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 107,737,042</u>	<u>\$ 109,950,489</u>	109,945,992	<u>\$ 4,497</u>
Encumbrances Outstanding June 30, 2025, Charged to Budgetary Expenditures during the Year Ended June 30, 2025			(452,127)	
Encumbrances Received and Liquidated in the Current Year			1,044,730	
State Teachers' Retirement Pension Expense			10,829,304	
State Teachers' Retirement OPEB Expense			<u>151,620</u>	
Balance, GAAP Basis			<u>\$ 121,519,519</u>	

**TOWN OF AVON, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**AVON RETIREMENT SYSTEM – TOWN**  
**LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	\$ -	\$ -	\$ -	\$ 17,870	\$ 17,565	\$ 15,576	\$ 14,551	\$ 72,683	\$ 106,979	\$ 146,076
Interest	2,251,319	2,321,057	2,421,148	2,576,768	2,623,537	2,623,031	2,721,665	2,801,325	2,881,746	2,925,097
Effect of Economic/Demographic Gains or Losses	324,506	207,280	(225,557)	(651,638)	291,057	(283,029)	189,868	-	-	-
Differences Between Expected and Actual Experience	-	-	-	-	-	-	808,194	297,926	142,719	(87,525)
Changes of Assumptions	-	-	(184,148)	835,245	-	3,037,111	-	814,832	820,553	426,171
Benefit Payments, Including Refunds of Member Contributions	(3,698,567)	(3,682,932)	(3,676,393)	(3,595,091)	(3,763,907)	(3,778,449)	(3,625,729)	(3,625,343)	(3,665,823)	(3,595,436)
Net Change in Total Pension Liability	(1,122,742)	(1,154,595)	(1,664,950)	(816,846)	(831,748)	1,614,240	108,549	361,423	286,174	(185,617)
Total Pension Liability - Beginning of Year	39,344,330	40,498,925	42,163,875	42,980,721	43,812,469	42,198,229	42,089,680	41,728,257	41,442,083	41,627,700
Total Pension Liability - End of Year	38,221,588	39,344,330	40,498,925	42,163,875	42,980,721	43,812,469	42,198,229	42,089,680	41,728,257	41,442,083
Plan Fiduciary Net Position:										
Contributions - Employer	4,168,877	3,987,869	3,927,111	3,914,810	3,718,708	3,315,082	3,156,575	2,974,142	2,784,344	2,718,922
Contributions - Employee	-	5,766	5,671	27,865	-	-	87,658	31,969	47,386	58,945
Net Investment Income	2,866,478	2,782,048	2,253,335	(4,136,828)	5,351,459	1,410,151	1,066,219	1,604,141	2,065,484	(221,261)
Benefit Payments, Including Refunds of Member Contributions	(3,698,567)	(3,682,932)	(3,676,393)	(3,595,091)	(3,763,907)	(3,778,449)	(3,625,729)	(3,625,343)	(3,665,823)	(3,595,436)
Administrative Expense	(26,213)	(25,144)	(23,345)	(23,144)	(24,509)	(22,948)	(22,342)	(22,640)	(21,453)	(21,846)
Net Change in Plan Fiduciary Net Position	3,310,575	3,067,607	2,486,379	(3,812,388)	5,281,751	923,836	662,381	962,269	1,209,938	(1,060,676)
Plan Fiduciary Net Position - Beginning of Year	27,136,155	24,068,548	21,582,169	25,394,557	20,112,806	19,188,970	18,526,589	17,564,320	16,354,382	17,415,058
Plan Fiduciary Net Position - End of Year	30,446,730	27,136,155	24,068,548	21,582,169	25,394,557	20,112,806	19,188,970	18,526,589	17,564,320	16,354,382
Town's Net Pension Liability - End of Year	<u>\$ 7,774,858</u>	<u>\$ 12,208,175</u>	<u>\$ 16,430,377</u>	<u>\$ 20,581,706</u>	<u>\$ 17,586,164</u>	<u>\$ 23,699,663</u>	<u>\$ 23,009,259</u>	<u>\$ 23,563,091</u>	<u>\$ 24,163,937</u>	<u>\$ 25,087,701</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.66 %	68.97 %	59.43 %	51.19 %	59.08 %	45.91 %	45.47 %	44.02 %	42.09 %	39.46 %
Covered Payroll	\$ 259,247	\$ 261,027	\$ 257,458	\$ 397,310	\$ 396,939	\$ 644,025	\$ 835,010	\$ 968,415	\$ 1,008,320	\$ 1,146,084
Town's Net Pension Liability as a Percentage of Covered Payroll	2,999.02 %	4,676.98 %	6,381.77 %	5,180.26 %	4,430.44 %	3,679.93 %	2,755.57 %	2,433.16 %	2,396.46 %	2,188.99 %

**TOWN OF AVON, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**AVON RETIREMENT SYSTEM – BOARD OF EDUCATION**  
**LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total Pension Liability:</b>										
Service Cost	\$ 366,671	\$ 428,993	\$ 457,707	\$ 520,931	\$ 527,305	\$ 495,815	\$ 490,495	\$ 576,814	\$ 563,301	\$ 536,754
Interest	1,098,604	1,079,622	1,061,164	1,014,448	992,341	890,338	903,576	858,481	782,703	712,072
Changes in Benefit Terms	-	-	-	-	-	-	-	-	-	(152,845)
Effect of Economic/Demographic Gains or Losses	215,172	(223,608)	(397,682)	(11,715)	(241,544)	(40,629)	(896,489)	-	-	-
Differences Between Expected and Actual Experience	-	-	-	-	-	-	-	(68,982)	175,488	252,702
Changes of Assumptions	-	-	(66,745)	-	448,682	1,371,068	354,292	347,954	310,917	-
Benefit Payments, Including Refunds of Member Contributions	(962,705)	(851,554)	(588,475)	(772,537)	(610,215)	(527,035)	(564,062)	(448,848)	(308,945)	(293,632)
Net Change in Total Pension Liability	717,742	433,453	465,969	751,127	1,116,569	2,189,557	287,812	1,265,419	1,523,464	1,055,051
Total Pension Liability - Beginning of Year	18,417,737	17,984,284	17,518,315	16,767,188	15,650,619	13,461,062	13,173,250	11,907,831	10,384,367	9,329,316
Total Pension Liability - End of Year	19,135,479	18,417,737	17,984,284	17,518,315	16,767,188	15,650,619	13,461,062	13,173,250	11,907,831	10,384,367
<b>Plan Fiduciary Net Position:</b>										
Contributions - Employer	645,233	676,227	771,139	856,552	797,132	610,663	698,616	622,289	514,235	508,433
Contributions - Employee	135,074	138,523	162,782	174,648	187,835	210,397	226,274	227,313	277,493	304,720
Net Investment Income	1,841,814	1,864,706	1,525,269	(2,681,685)	3,525,422	930,705	676,111	861,522	1,048,650	(46,816)
Benefit Payments, Including Refunds of Member Contributions	(962,705)	(851,554)	(588,475)	(772,537)	(610,215)	(527,035)	(564,062)	(448,848)	(308,945)	(293,632)
Administrative Expense	(20,632)	(19,249)	(17,853)	(19,732)	(18,974)	(18,079)	(17,293)	(17,793)	(14,746)	(13,785)
Net Change in Plan Fiduciary Net Position	1,638,784	1,808,653	1,852,862	(2,442,754)	3,881,200	1,206,651	1,019,646	1,244,483	1,516,687	458,920
Plan Fiduciary Net Position - Beginning of Year	18,160,571	16,351,918	14,499,056	16,941,810	13,060,610	11,853,959	10,834,313	9,589,830	8,073,143	7,614,223
Plan Fiduciary Net Position - End of Year	19,799,355	18,160,571	16,351,918	14,499,056	16,941,810	13,060,610	11,853,959	10,834,313	9,589,830	8,073,143
Town's Net Pension Liability (Asset) - End of Year	\$ (663,876)	\$ 257,166	\$ 1,632,366	\$ 3,019,259	\$ (174,622)	\$ 2,590,009	\$ 1,607,103	\$ 2,338,937	\$ 2,318,001	\$ 2,311,224
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	103.47 %	98.60 %	90.92 %	82.77 %	101.04 %	83.45 %	88.06 %	82.24 %	80.53 %	77.74 %
Covered Payroll	\$ 2,666,138	\$ 2,852,692	\$ 3,263,355	\$ 3,565,716	\$ 3,800,852	\$ 3,988,673	\$ 4,793,820	\$ 4,885,541	\$ 4,459,116	\$ 4,872,609
Town's Net Pension Liability as a Percentage of Covered Payroll	(24.90)%	9.01 %	50.02 %	84.67 %	(4.59)%	64.93 %	33.52 %	47.87 %	51.98 %	47.43 %

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
AVON RETIREMENT SYSTEM – TOWN PENSION PLAN  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially-Determined Contribution	\$ 4,168,877	\$ 3,987,869	\$ 3,927,111	\$ 3,914,810	\$ 3,718,708	\$ 3,298,082	\$ 3,140,575	\$ 2,965,142	\$ 2,784,344	\$ 2,718,922
Contributions in Relation to the Actuarially-Determined Contribution	<u>4,168,877</u>	<u>3,987,869</u>	<u>3,927,111</u>	<u>3,914,810</u>	<u>3,718,708</u>	<u>3,315,082</u>	<u>3,156,575</u>	<u>2,974,142</u>	<u>2,784,344</u>	<u>2,718,922</u>
Contribution Excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,000)</u>	<u>\$ (16,000)</u>	<u>\$ (9,000)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 259,247	\$ 261,027	\$ 257,458	\$ 397,310	\$ 396,939	\$ 644,025	\$ 835,010	\$ 968,415	\$ 1,008,320	\$ 1,146,084
Contributions as a Percentage of Covered Payroll	1,608.07 %	1,527.76 %	1,525.34 %	985.33 %	936.85 %	514.74 %	378.03 %	307.11 %	276.14 %	237.24 %

Notes to Schedule:

Valuation Date July 1, 2024  
 Measurement Date June 30, 2025

Actuarially-determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent, Layered
Remaining Amortization Period	10 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5 Year Non-Asymptotic, No Corridor
Inflation	2.75%
Salary Increases	3.50%
Cost of Living Adjustments	None
Investment Rate of Return	6.00%
Turnover	Age-Based Table
Retirement Age	All active members are assumed to retire on their normal retirement dates.
Mortality	PubS-2010 Mortality Table for Police and PubG-2010 Mortality Table for All Others with Generational Projection per the MP-2021 Ultimate Scale

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
AVON RETIREMENT SYSTEM – BOARD OF EDUCATION PENSION PLAN  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially-Determined Contribution	\$ 640,024	\$ 676,227	\$ 771,139	\$ 856,552	\$ 797,132	\$ 610,663	\$ 698,616	\$ 622,289	\$ 514,235	\$ 504,392
Contributions in Relation to the Actuarially-Determined Contribution	<u>645,233</u>	<u>676,227</u>	<u>771,139</u>	<u>856,552</u>	<u>797,132</u>	<u>610,663</u>	<u>698,616</u>	<u>622,289</u>	<u>514,235</u>	<u>508,433</u>
Contribution Excess	<u>\$ (5,209)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,041)</u>
Covered Payroll	\$ 2,666,138	\$ 2,852,692	\$ 3,263,355	\$ 3,565,716	\$ 3,800,852	\$ 3,988,673	\$ 4,793,820	\$ 4,885,541	\$ 4,459,116	\$ 4,872,609
Contributions as a Percentage of Covered Payroll	24.20 %	23.70 %	23.63 %	24.02 %	20.97 %	15.31 %	14.57 %	12.74 %	11.53 %	10.43 %

Notes to Schedule:

Valuation Date July 1, 2024  
Measurement Date June 30, 2025

Actuarially-determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent, Closed
Remaining Amortization Period	10 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5 Year Non-Asymptotic, No Corridor
Inflation	2.75%
Salary Increases	3.50%
Cost of Living Adjustments	None
Investment Rate of Return	6.00%
Retirement Age and Turnover	Age-Based Table
Mortality	PubG-2010 Mortality with Generational Projection per the MP-2021 Ultimate Scale

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
AVON RETIREMENT SYSTEM – TOWN PENSION PLAN  
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	9.90 %	10.81 %	9.56 %	(15.15)%	24.46 %	6.87 %	5.40 %	8.62 %	12.52 %	(1.22)%

**TOWN OF AVON, CONNECTICUT  
 SCHEDULE OF INVESTMENT RETURNS  
 AVON RETIREMENT SYSTEM – BOARD OF EDUCATION PENSION PLAN  
 LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	10.07 %	11.28 %	10.26 %	(15.40)%	26.81 %	7.64 %	5.94 %	8.67 %	12.59 %	(0.58)%



**TOWN OF AVON, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**AVON RETIREMENT SYSTEM – TOWN**  
**LAST NINE FISCAL YEARS\***

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	\$ 442,385	\$ 448,670	\$ 372,525	\$ 707,117	\$ 735,627	\$ 769,285	\$ 727,436	\$ 594,273	\$ 555,395
Interest	1,334,080	1,311,390	2,085,649	2,019,461	2,087,116	2,200,650	2,190,751	2,052,127	1,942,235
Effect of Economic/Demographic Gains or Losses	1,705,976	-	(13,946,823)	-	(388,119)	-	(8,561)	-	-
Changes of Assumptions	201,347	-	1,204,184	-	(922,678)	(3,440,258)	641,321	-	-
Benefit Payments	(1,412,978)	(1,339,317)	(1,272,034)	(1,392,083)	(1,173,614)	(1,309,633)	(764,223)	(833,086)	(1,095,722)
Net Change in Total OPEB Liability	2,270,810	420,743	(11,556,499)	1,334,495	338,332	(1,779,956)	2,786,724	1,813,314	1,401,908
Total OPEB Liability - Beginning of Year	22,488,481	22,067,738	33,624,237	32,289,742	31,951,410	33,731,366	30,944,642	29,131,328	27,729,420
Total OPEB Liability - End of Year	24,759,291	22,488,481	22,067,738	33,624,237	32,289,742	31,951,410	33,731,366	30,944,642	29,131,328
Plan Fiduciary Net Position:									
Contributions - Employer	1,784,242	2,021,000	1,972,000	1,924,000	1,887,122	2,020,072	1,975,319	2,130,593	1,946,608
Contributions - Member	-	-	-	-	-	-	-	-	153,311
Net Investment Income	1,504,876	1,341,933	1,077,243	(832,246)	571,708	104,299	142,369	132,046	169,420
Benefit Payments	(1,412,978)	(1,339,317)	(1,272,034)	(1,392,083)	(1,173,614)	(1,309,633)	(764,223)	(833,086)	(1,079,312)
Administrative Expense	-	(4,850)	(17,000)	(30,125)	(12,352)	(7,150)	(23,473)	(5,900)	(16,410)
Net Change in Plan Fiduciary Net Position	1,876,140	2,018,766	1,760,209	(330,454)	1,272,864	807,588	1,329,992	1,423,653	1,173,617
Plan Fiduciary Net Position - Beginning of Year	13,945,180	11,926,414	10,166,205	10,496,659	9,223,795	8,416,207	7,086,215	5,662,562	4,488,945
Plan Fiduciary Net Position - End of Year	15,821,320	13,945,180	11,926,414	10,166,205	10,496,659	9,223,795	8,416,207	7,086,215	5,662,562
Net OPEB Liability - End of Year	<u>\$ 8,937,971</u>	<u>\$ 8,543,301</u>	<u>\$ 10,141,324</u>	<u>\$ 23,458,032</u>	<u>\$ 21,793,083</u>	<u>\$ 22,727,615</u>	<u>\$ 25,315,159</u>	<u>\$ 23,858,427</u>	<u>\$ 23,468,766</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	63.90 %	62.01 %	54.04 %	30.23 %	32.51 %	28.87 %	24.95 %	22.90 %	19.44 %
Covered Payroll	\$ 9,430,386	\$ 9,430,386	\$ 9,682,685	\$ 9,682,685	\$ 7,970,045	\$ 7,970,045	\$ 5,277,848	\$ 5,277,848	\$ 4,848,188
Net OPEB Liability as a Percentage of Covered Payroll	94.78 %	90.59 %	104.74 %	242.27 %	273.44 %	285.16 %	479.65 %	452.05 %	484.07 %

\*This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF AVON, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**AVON RETIREMENT SYSTEM – BOARD OF EDUCATION**  
**LAST NINE FISCAL YEARS\***

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service Cost	\$ 367,192	\$ 329,510	\$ 365,438	\$ 302,652	\$ 293,675	\$ 324,791	\$ 283,422	\$ 374,035	\$ 349,565
Interest	685,146	651,609	508,937	492,237	553,426	557,676	700,168	654,981	607,202
Effect of Economic/Demographic Gains or Losses	436,564	-	3,143,700	-	(1,476,230)	-	(2,385,800)	-	-
Effect of Assumptions Changes or Inputs	(396,166)	-	(974,510)	-	657,091	(568,997)	363,110	-	-
Benefit Payments	(337,464)	(578,772)	(679,276)	(482,320)	(215,763)	(475,620)	(375,581)	(212,941)	(381,547)
Net Change in Total OPEB Liability	755,272	402,347	2,364,289	312,569	(187,801)	(162,150)	(1,414,681)	816,075	575,220
Total OPEB Liability - Beginning of Year	11,218,161	10,815,814	8,451,525	8,138,956	8,326,757	8,488,907	9,903,588	9,087,513	8,512,293
Total OPEB Liability - End of Year	11,973,433	11,218,161	10,815,814	8,451,525	8,138,956	8,326,757	8,488,907	9,903,588	9,087,513
Plan Fiduciary Net Position:									
Contributions - Employer	587,346	780,206	867,274	778,945	922,682	887,456	620,355	1,389,412	1,096,301
Contributions - Member	-	-	-	-	-	-	-	-	162,121
Net Investment Income (Loss)	1,152,758	968,488	615,834	(979,962)	1,291,946	175,735	190,834	53,128	16,759
Benefit Payments	(337,464)	(578,772)	(679,276)	(482,320)	(215,763)	(475,620)	(375,581)	(212,941)	(381,137)
Administrative Expense	-	-	-	-	-	-	-	-	(410)
Net Change in Plan Fiduciary Net Position	1,402,640	1,169,922	803,832	(683,337)	1,998,865	587,571	435,608	1,229,599	893,634
Plan Fiduciary Net Position - Beginning of Year	6,253,210	5,083,288	4,279,456	4,962,793	2,963,928	2,376,357	1,940,749	711,150	(182,484)
Plan Fiduciary Net Position - End of Year	7,655,850	6,253,210	5,083,288	4,279,456	4,962,793	2,963,928	2,376,357	1,940,749	711,150
Net OPEB Liability - End of Year	<u>\$ 4,317,583</u>	<u>\$ 4,964,951</u>	<u>\$ 5,732,526</u>	<u>\$ 4,172,069</u>	<u>\$ 3,176,163</u>	<u>\$ 5,362,829</u>	<u>\$ 6,112,550</u>	<u>\$ 7,962,839</u>	<u>\$ 8,376,363</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	63.94 %	55.74 %	47.00 %	50.64 %	60.98 %	35.60 %	27.99 %	19.60 %	7.83 %
Covered Payroll	\$ 37,834,092	\$ 37,834,092	\$ 45,406,131	\$ 45,406,131	\$ 26,770,839	\$ 26,770,839	\$ 29,004,929	\$ 29,004,929	\$ 27,317,927
Net OPEB Liability as a Percentage of Covered Payroll	11.41 %	13.12 %	12.63 %	9.19 %	11.86 %	20.03 %	21.07 %	27.45 %	30.66 %

\*This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OPEB – TOWN  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution (1)	\$ 1,784,242	\$ 1,847,948	\$ 3,078,072	\$ 2,860,082	\$ 3,163,176	\$ 2,986,851	\$ 2,700,739	\$ 2,548,324	\$ 2,356,683	\$ 2,169,173
Contributions in Relation to the Actuarially-Determined Contribution	<u>1,784,242</u>	<u>2,021,000</u>	<u>1,972,000</u>	<u>1,924,000</u>	<u>1,887,122</u>	<u>2,020,072</u>	<u>1,975,319</u>	<u>2,130,593</u>	<u>1,946,608</u>	<u>1,809,878</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (173,052)</u>	<u>\$ 1,106,072</u>	<u>\$ 936,082</u>	<u>\$ 1,276,054</u>	<u>\$ 966,779</u>	<u>\$ 725,420</u>	<u>\$ 417,731</u>	<u>\$ 410,075</u>	<u>\$ 359,295</u>
Covered Payroll	\$ 9,430,386	\$ 9,430,386	\$ 9,682,685	\$ 9,682,685	\$ 7,970,045	\$ 7,970,045	\$ 5,277,848	\$ 5,277,848	\$ 4,848,188	N/A
Contributions as a Percentage of Covered Payroll	18.92 %	21.43 %	20.37 %	19.87 %	23.68 %	25.35 %	37.43 %	40.37 %	40.15 %	N/A

(1) Actuarially Determined Contribution prior to fiscal year ending June 30, 2018 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule:

Valuation Date July 1, 2024  
 Measurement Date June 30, 2025

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Amortization Period	10 Years
Amortization Growth Rate	0.00%
Asset Valuation Method	5-Year Smoothed Fair Value, Non-Asymptotic, No Corridor
Inflation	2.40%
Salary Increases, including Inflation	3.50%
Discount Rate	6.00%

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OPEB – BOARD OF EDUCATION  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution (1)	\$ 737,346	\$ 780,206	\$ 743,750	\$ 778,945	\$ 922,682	\$ 887,456	\$ 1,177,141	\$ 1,111,525	\$ 1,063,989	\$ 974,866
Contributions in Relation to the Actuarially-Determined Actuarially Determined Contribution	587,346	780,206	867,274	778,945	922,682	887,456	620,355	1,389,412	1,096,301	569,278
Contribution Deficiency (Excess)	\$ 150,000	\$ -	\$ (123,524)	\$ -	\$ -	\$ -	\$ 556,786	\$ (277,887)	\$ (32,312)	\$ 405,588
Covered Payroll	\$ 37,834,092	\$ 37,834,092	\$ 45,406,131	\$ 45,406,131	\$ 26,770,839	\$ 26,770,839	\$ 29,004,929	\$ 29,004,929	\$ 27,317,927	\$ 27,317,927
Contributions as a Percentage of Covered Payroll	1.55 %	2.06 %	1.91 %	1.72 %	3.45 %	3.32 %	2.14 %	4.79 %	4.01 %	2.08 %

(1) Actuarially Determined Contribution prior to fiscal year ending June 30, 2018 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule:

Valuation Date July 1, 2024  
Measurement Date June 30, 2025

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent, Closed
Amortization Period	17 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5-Year Smoothed Fair Value, Non-Asymptotic, No Corridor
Inflation	2.40%
Salary Increases	Graded by Service for Teachers and Administrators; 3.50% for All Others
Discount Rate	6.00%

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB – TOWN  
LAST NINE FISCAL YEARS\***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	10.08 %	10.21 %	9.43 %	(7.13)%	5.52 %	1.07 %	1.64 %	2.45 %	4.10 %

\*This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF AVON, CONNECTICUT  
 SCHEDULE OF INVESTMENT RETURNS  
 OPEB – BOARD OF EDUCATION  
 LAST NINE FISCAL YEARS\***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	17.54 %	17.84 %	12.95 %	(17.65)%	34.04 %	5.78 %	8.05 %	4.73 %	10.20 %

\*This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
TEACHERS RETIREMENT PLAN  
LAST EIGHT FISCAL YEARS\***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's Proportion of the Net OPEB Liability	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	<u>22,537,273</u>	<u>11,183,692</u>	<u>11,273,860</u>	<u>11,220,688</u>	<u>19,395,147</u>	<u>18,154,088</u>	<u>17,942,658</u>	<u>23,351,462</u>
Total	<u>\$ 22,537,273</u>	<u>\$ 11,183,692</u>	<u>\$ 11,273,860</u>	<u>\$ 11,220,688</u>	<u>\$ 19,395,147</u>	<u>\$ 18,154,088</u>	<u>\$ 17,942,658</u>	<u>\$ 23,351,462</u>
Town's Covered Payroll	\$ 34,384,080	\$ 33,217,492	\$ 32,427,942	\$ 31,601,739	\$ 29,968,136	\$ 29,414,259	\$ 28,723,475	\$ 27,547,607
Town's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.40 %	11.92 %	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule:

Changes in Benefit Terms      There were no changes to benefit terms since the prior Measurement Date.

Changes of Assumptions      Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2024 was updated to equal the SEIR of 3.93% as of June 30, 2024;

Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Assumed election rates for post-65 retirees between the Local School District Coverage Subsidy and CTRB Sponsored Medical Plans were updated to reflect the recent plan expense. Spouse coverage election assumptions were also updated with this change; and Long-term health care cost trend rates were updated to reflect expected future trend for participants in the health plans.

Actuarial Cost Method      Entry Age  
 Amortization Method      Level Percent of Payroll over an Open Period  
 Remaining Amortization Period      30 Years  
 Asset Valuation Method      Fair Value of Assets  
 Investment Rate of Return      3.00%, Net of Investment Related Expense including Price Inflation  
 Price Inflation      2.50%

\*This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**TOWN OF AVON, CONNECTICUT  
REPORT OF PROPERTY TAX COLLECTIONS  
GENERAL FUND  
YEAR ENDED JUNE 30, 2025**

Grand List Date	Uncollected Taxes July 1, 2024	Current Year Levy	Lawful Corrections		Transfers to Suspense	Transfers from Suspense	Adjusted Taxes Collectible	Collections					Uncollected Taxes June 30, 2025
			Additions	Deductions				Taxes	Refunds	Net Taxes	Interest and Fees	Total	
2008 and Earlier	\$ 3,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,100
2009	1,096	-	-	-	-	-	1,096	-	-	-	-	-	1,096
2010	1,123	-	-	-	-	94	1,217	94	-	94	224	318	1,123
2011	1,150	-	-	-	-	557	1,707	557	-	557	1,246	1,803	1,150
2012	1,306	-	-	-	-	145	1,451	145	-	145	302	447	1,306
2013	1,407	-	-	-	-	-	1,407	-	-	-	-	-	1,407
2014	1,429	-	-	-	-	207	1,636	207	-	207	232	439	1,429
2015	1,465	-	-	-	-	167	1,632	167	-	167	258	425	1,465
2016	(273)	-	-	-	-	-	(273)	48	-	48	71	119	(321)
2017	9,725	-	-	-	-	1,034	10,759	9,203	-	9,203	9,197	18,400	1,556
2018	49,511	-	-	-	-	2,014	51,525	33,354	-	33,354	17,576	50,930	18,171
2019	76,474	-	-	-	-	1,459	77,933	39,416	-	39,416	33,093	72,509	38,517
2020	150,416	-	195	1,043	28,158	-	121,410	48,033	-	48,033	41,922	89,955	73,377
2021	303,941	-	756	3,727	1,852	-	299,118	146,756	7,287	139,469	50,596	190,065	159,649
2022	736,288	-	1,343	11,342	6,086	-	720,203	403,851	13,618	390,233	121,582	511,815	329,970
Total Prior Years	1,338,158	-	2,294	16,112	36,096	5,677	1,293,921	681,831	20,905	660,926	276,299	937,225	632,995
2023	-	95,885,501	79,881	165,254	9,114	-	95,791,014	94,877,311	68,649	94,808,662	224,511	95,033,173	982,352
<b>Total</b>	<b>\$ 1,338,158</b>	<b>\$ 95,885,501</b>	<b>\$ 82,175</b>	<b>\$ 181,366</b>	<b>\$ 45,210</b>	<b>\$ 5,677</b>	<b>\$ 97,084,935</b>	<b>\$ 95,559,142</b>	<b>\$ 89,554</b>	<b>\$ 95,469,588</b>	<b>\$ 500,810</b>	<b>\$ 95,970,398</b>	<b>\$ 1,615,347</b>

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Sewer Fund - To account for the collection of sewer use charges used to partially defray the operating expenditures related to sewer use and to account for the collection of inspection fees which are used to reimburse the Town for engineering and inspection services incurred by the General Fund. The fund also accounts for the collection of sewer connection charges and sewer assessments.

State and Federal Education Grants Fund - To account for state and federal education prepayment grants. Resources utilized in the various programs are detailed in the accompanying combining schedules of revenues, expenditures and changes in fund balances for this fund.

School Cafeteria Fund - To separately account for the operations of the school cafeterias. The Town's participation in the state-administered Federal Child Nutrition Program is reported in this fund.

Recreational Activities Fund - To account for various activities and programs conducted by the Recreation Department.

Local Capital Improvement Program Fund - To account for funding pursuant to Public Act 87-584 to reimburse municipalities for funds spent on infrastructure projects.

Forest Park Management Fund - To provide a dedicated source of revenue from, and improvements and maintenance to, Town-owned or Town-managed forests, parks, and open space areas.

Use of School Facilities Fund - To account for user charges and expenditures associated with the after-school use of Board of Education facilities by outside organizations.

Town Aid Road Fund - To account for improvements to Town roads funded by state funds.

Fisher Meadow Maintenance Fund - To account for conservation, farming, recreation and open space in accordance with the deeds, agreements and grant requirements of the Fisher Family and the state of Connecticut.

Police Special Services Fund - To account for the collection of billed amounts from individuals, businesses and groups, which are used to reimburse the Town for the salaries and overhead costs paid to police officers in connection with providing special services to these individuals, businesses, or groups.

Police Cadet Activities Fund - To account for various cadet functions and programs in the Town's Police Department.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **SPECIAL REVENUE FUNDS (CONTINUED)**

Trail Equipment Replacement Fund - This fund was established by The Equipment Sharing Agreement: Farmington Valley Trail Maintenance was established November 1, 2008, and shall automatically renew for successive terms of five (5) additional years unless all but one Participating Municipality provides written notice to the other of its election not to renew the Agreement for another five (5) assessment years. The participating municipalities are the Towns of Avon, Canton, East Granby, Suffield, Simsbury, Farmington, Granby, and Burlington. The Agreement is for the shared use of trail maintenance equipment for the ongoing maintenance of the Farmington Valley Trail. The housing town (Avon) will cover routine operating expenses and will bill the other towns on a regular basis.

Asset Forfeiture Fund - The Avon Police Department receives proceeds for forfeited property obtained in drug or gang-related crimes and uses the funds to cover costs associated with training officers for crime prevention and law enforcement.

Student Activity Funds - To account for various student functions and programs in the Town's schools.

Flexible Spending Account - To account for the flexible health spending account activity for the Town's Board of Education employees.

Donations Fund - To account for donor-restricted donations to the Town and expenditures of those amounts accordingly.

Property Damage Fund - To account for funding from claims filed with parties for damages to Town property. Any surplus funds remaining after the repairs to the property is completed, are used for future damages where there is no third party to file a claim with or to cover unfunded property damage insurance deductibles.

Town Clerk Fund - To account for the Town Clerk's collection of fees related to land records, foreclosures and document recorded fees, which are remitted to the state.

Technology Protection Plan - To account for the repairing and/or replacing of devices loaned to students of the Avon Public Schools. The source of revenue for this fund shall be limited to annual premiums collected from families that elect to participate in the Technology Protection Plan. The premium shall be determined by the Board of Education annually. Expenditures from this fund are limited to: (1) repairs to, or replacements of, damaged or inoperable devices during the school year, or; (2) the purchase of new devices at the conclusion of the school year.

## **NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

### **DEBT SERVICE FUND**

The Debt Service Fund is used to account for financial resources to be used for the payment of compensated absences payable to retired or terminated employees.

### **PERMANENT FUND**

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal may be used.

Police Officers' Meritorious Service Fund - This fund was established November 21, 2007 and approved by Town Council December 6, 2007. The purpose is to aid in avoidable hardships suffered by qualified officers of the Avon Police Department arising in the line of duty to the extent not compensated by any source, to encourage unfunded scholarly effort to the Police Department, and to recognize exceptionally meritorious conduct performed in the line of duty. This fund may receive bequests, gifts, or donations by third parties for the benefit of the fund.

**TOWN OF AVON, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	Special Revenue Funds						
	Sewer Fund	State and Federal Education Grants Fund	School Cafeteria Fund	Recreational Activities Fund	Local Capital Improvement Program Fund	Forest Park Management Fund	Use of School Facilities Fund
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 4,246,970	\$ -	\$ 579,917	\$ 536,681	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-
Receivables	488,482	22,590	64,454	-	-	-	459
Due from Other Funds	174,772	34,890	-	95,305	2,176	18,079	38,736
Other	-	-	19,250	11,415	-	-	-
<b>Total Assets</b>	<b>4,910,224</b>	<b>57,480</b>	<b>663,621</b>	<b>643,401</b>	<b>2,176</b>	<b>18,079</b>	<b>39,195</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	249,826	-	2,173	22,940	-	-	-
Due to Other Funds	-	-	19,252	-	-	-	-
Unearned Revenue	881,946	36,620	-	-	-	-	-
<b>Total Liabilities</b>	<b>1,131,772</b>	<b>36,620</b>	<b>21,425</b>	<b>22,940</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Special Assessments	449,690	-	-	-	-	-	-
Unavailable Revenue - Grants Receivable	-	22,590	-	-	-	-	-
Lease Receivable	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>449,690</b>	<b>22,590</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	19,250	11,415	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	3,328,762	-	622,946	609,046	2,176	18,079	39,195
Unassigned	-	(1,730)	-	-	-	-	-
<b>Total Fund Balances</b>	<b>3,328,762</b>	<b>(1,730)</b>	<b>642,196</b>	<b>620,461</b>	<b>2,176</b>	<b>18,079</b>	<b>39,195</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 4,910,224</b>	<b>\$ 57,480</b>	<b>\$ 663,621</b>	<b>\$ 643,401</b>	<b>\$ 2,176</b>	<b>\$ 18,079</b>	<b>\$ 39,195</b>

**TOWN OF AVON, CONNECTICUT  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	Special Revenue Funds							
	Town Aid Road Fund	Fisher Meadow Maintenance Fund	Police Special Services Fund	Police Cadet Activities Fund	Trail Equipment Replacement Fund	Asset Forfeiture Fund	Student Activities Fund	
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ -	\$ 267,640	\$ 133,712	\$ -	\$ 3,000	\$ -	\$ 223,915	\$ 15,952
Investments	-	-	-	-	-	-	-	-
Receivables	-	126,810	79,008	-	-	-	-	-
Due from Other Funds	27,886	734,379	135,510	817	-	1,170	-	-
Other	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>27,886</b>	<b>1,128,829</b>	<b>348,230</b>	<b>817</b>	<b>3,000</b>	<b>1,170</b>	<b>223,915</b>	<b>15,952</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable	-	-	2,774	-	-	-	-	-
Due to Other Funds	-	-	-	-	3,000	-	-	-
Unearned Revenue	-	-	70,064	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>72,838</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-
Unavailable Revenue - Grants Receivable	-	-	-	-	-	-	-	-
Lease Receivable	-	119,998	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>119,998</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	27,886	1,008,831	-	-	-	-	-	-
Committed	-	-	275,392	817	-	1,170	223,915	15,952
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>27,886</b>	<b>1,008,831</b>	<b>275,392</b>	<b>817</b>	<b>-</b>	<b>1,170</b>	<b>223,915</b>	<b>15,952</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 27,886</b>	<b>\$ 1,128,829</b>	<b>\$ 348,230</b>	<b>\$ 817</b>	<b>\$ 3,000</b>	<b>\$ 1,170</b>	<b>\$ 223,915</b>	<b>\$ 15,952</b>

**TOWN OF AVON, CONNECTICUT  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	Special Revenue Funds					Permanent Fund	Total Nonmajor Governmental Funds
	Donations Fund	Property Damage Fund	Town Clerk Fund	Technology Protection Plan Fund	Debt Service Fund	Police Officers' Meritorious Service Fund	
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 8,134	\$ 28,844	\$ 3,548	\$ -	\$ -	\$ 38,020	\$ 6,086,333
Investments	-	-	-	-	-	94,453	94,453
Receivables	-	-	-	-	-	-	781,803
Due from Other Funds	25,034	6,941	80,194	2,967	265,602	500	1,644,958
Other	-	-	-	-	-	-	30,665
<b>Total Assets</b>	<b>33,168</b>	<b>35,785</b>	<b>83,742</b>	<b>2,967</b>	<b>265,602</b>	<b>132,973</b>	<b>8,638,212</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	10,858	-	-	-	35,656	-	324,227
Due to Other Funds	-	-	-	-	-	-	22,252
Unearned Revenue	-	-	-	2,006	-	-	990,636
<b>Total Liabilities</b>	<b>10,858</b>	<b>-</b>	<b>-</b>	<b>2,006</b>	<b>35,656</b>	<b>-</b>	<b>1,337,115</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	449,690
Unavailable Revenue - Grants Receivable	-	-	-	-	-	-	22,590
Lease Receivable	-	-	-	-	-	-	119,998
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>592,278</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	132,973	163,638
Restricted	-	-	-	-	229,946	-	1,266,663
Committed	22,310	35,785	83,742	961	-	-	5,280,248
Unassigned	-	-	-	-	-	-	(1,730)
<b>Total Fund Balances</b>	<b>22,310</b>	<b>35,785</b>	<b>83,742</b>	<b>961</b>	<b>229,946</b>	<b>132,973</b>	<b>6,708,819</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 33,168</b>	<b>\$ 35,785</b>	<b>\$ 83,742</b>	<b>\$ 2,967</b>	<b>\$ 265,602</b>	<b>\$ 132,973</b>	<b>\$ 8,638,212</b>

**TOWN OF AVON, CONNECTICUT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2025**

	Special Revenue Funds						
	Sewer Fund	State and Federal Education Grants Fund	School Cafeteria Fund	Recreational Activities Fund	Local Capital Improvement Program Fund	Forest Park Management Fund	
<b>REVENUES</b>							
Intergovernmental	\$ -	\$ 1,283,033	\$ 364,346	\$ -	\$ 171,275	\$ -	\$ -
Charges for Services	3,553,938	-	743,234	543,838	-	-	-
Investment Income (Loss)	-	-	2,440	-	-	-	-
Other Local Revenues	-	3,911	-	6,101	-	-	52,994
Total Revenues	<u>3,553,938</u>	<u>1,286,944</u>	<u>1,110,020</u>	<u>549,939</u>	<u>171,275</u>	<u>-</u>	<u>52,994</u>
<b>EXPENDITURES</b>							
Current:							
General Government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	3,861,297	-	-	-	171,275	-	-
Recreation and Parks	-	-	-	481,361	-	-	-
Education	-	1,309,626	1,535,318	-	-	-	166,101
Total Expenditures	<u>3,861,297</u>	<u>1,309,626</u>	<u>1,535,318</u>	<u>481,361</u>	<u>171,275</u>	<u>-</u>	<u>166,101</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(307,359)	(22,682)	(425,298)	68,578	-	-	(113,107)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	164,259	-	-	-	-	-	-
Transfers Out	(205,000)	-	-	-	-	-	-
Other Financing Sources (Uses), Net	<u>(40,741)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(348,100)	(22,682)	(425,298)	68,578	-	-	(113,107)
Fund Balances - Beginning of Year	<u>3,676,862</u>	<u>20,952</u>	<u>1,067,494</u>	<u>551,883</u>	<u>2,176</u>	<u>18,079</u>	<u>152,302</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 3,328,762</u>	<u>\$ (1,730)</u>	<u>\$ 642,196</u>	<u>\$ 620,461</u>	<u>\$ 2,176</u>	<u>\$ 18,079</u>	<u>\$ 39,195</u>

**TOWN OF AVON, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025**

	Special Revenue Funds							
	Town Aid Road Fund	Fisher Meadow Maintenance Fund	Police Special Services Fund	Police Cadet Activities Fund	Trail Equipment Replacement Fund	Asset Forfeiture Fund	Student Activities Fund	
<b>REVENUES</b>								
Intergovernmental	\$ 315,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	120,452	-	3,000	-	420,373	91,639
Investment Income (Loss)	-	16,872	-	-	-	-	-	-
Other Local Revenues	-	115,078	-	-	-	-	-	-
Total Revenues	<u>315,822</u>	<u>131,950</u>	<u>120,452</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>420,373</u>	<u>91,639</u>
<b>EXPENDITURES</b>								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	113,273	-	-	-	-	-
Public Works	486,531	-	-	-	-	-	-	-
Recreation and Parks	-	-	-	-	3,000	-	-	-
Education	-	-	-	-	-	-	385,768	99,271
Total Expenditures	<u>486,531</u>	<u>-</u>	<u>113,273</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>385,768</u>	<u>99,271</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(170,709)	131,950	7,179	-	-	-	34,605	(7,632)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	(289,000)	(65,000)	-	-	-	-	-
Other Financing Sources (Uses), Net	<u>-</u>	<u>(289,000)</u>	<u>(65,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(170,709)	(157,050)	(57,821)	-	-	-	34,605	(7,632)
Fund Balances - Beginning of Year	<u>198,595</u>	<u>1,165,881</u>	<u>333,213</u>	<u>817</u>	<u>-</u>	<u>1,170</u>	<u>189,310</u>	<u>23,584</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 27,886</u>	<u>\$ 1,008,831</u>	<u>\$ 275,392</u>	<u>\$ 817</u>	<u>\$ -</u>	<u>\$ 1,170</u>	<u>\$ 223,915</u>	<u>\$ 15,952</u>

**TOWN OF AVON, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025**

	Special Revenue Funds					Permanent Fund	Total Nonmajor Governmental Funds
	Donations Fund	Property Damage Fund	Town Clerk Fund	Technology Protection Plan Fund	Debt Service Fund	Police Officers' Meritorious Service Fund	
<b>REVENUES</b>							
Intergovernmental	\$ -	\$ -	\$ 5,500	\$ -	\$ -	\$ -	\$ 2,139,976
Charges for Services	-	-	4,792	-	-	-	5,481,266
Investment Income (Loss)	-	-	-	-	-	11,948	31,260
Other Local Revenues	50,133	28,844	-	34,468	-	3,500	295,029
Total Revenues	<u>50,133</u>	<u>28,844</u>	<u>10,292</u>	<u>34,468</u>	<u>-</u>	<u>15,448</u>	<u>7,947,531</u>
<b>EXPENDITURES</b>							
Current:							
General Government	47,639	38,754	3,375	51,165	111,598	1,500	254,031
Public Safety	-	-	-	-	-	-	113,273
Public Works	-	-	-	-	-	-	4,519,103
Recreation and Parks	-	-	-	-	-	-	484,361
Education	-	-	-	-	-	-	3,496,084
Total Expenditures	<u>47,639</u>	<u>38,754</u>	<u>3,375</u>	<u>51,165</u>	<u>111,598</u>	<u>1,500</u>	<u>8,866,852</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,494	(9,910)	6,917	(16,697)	(111,598)	13,948	(919,321)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	-	-	-	-	150,000	-	314,259
Transfers Out	-	-	-	-	-	-	(559,000)
Other Financing Sources (Uses), Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>(244,741)</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,494	(9,910)	6,917	(16,697)	38,402	13,948	(1,164,062)
Fund Balances - Beginning of Year	<u>19,816</u>	<u>45,695</u>	<u>76,825</u>	<u>17,658</u>	<u>191,544</u>	<u>119,025</u>	<u>7,872,881</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 22,310</u>	<u>\$ 35,785</u>	<u>\$ 83,742</u>	<u>\$ 961</u>	<u>\$ 229,946</u>	<u>\$ 132,973</u>	<u>\$ 6,708,819</u>

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
SEWER FUND  
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES</b>				
Sewer Assessments	\$ 85,000	\$ 85,000	\$ 135,605	\$ 50,605
Sewer Connections	95,000	95,000	56,928	(38,072)
Sewer Use Charges	3,063,644	3,063,644	3,265,579	201,935
Permits and Inspections	1,500	1,500	6,690	5,190
Interest and Lien Fees	60,000	60,000	57,705	(2,295)
Miscellaneous	-	-	31,499	31,499
Total Revenues	<u>3,305,144</u>	<u>3,305,144</u>	<u>3,554,006</u>	<u>248,862</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	3,305,144	4,210,514	3,831,371	379,143
Total Expenditures	<u>3,305,144</u>	<u>4,210,514</u>	<u>3,831,371</u>	<u>379,143</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(905,370)	(277,365)	628,005
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	164,259	164,259
Transfers Out	(205,000)	(205,000)	(205,000)	-
Appropriation of Fund Balance	205,000	1,110,370	-	(1,110,370)
Total Other Financing Sources (Uses), Net	<u>-</u>	<u>905,370</u>	<u>(40,741)</u>	<u>(946,111)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(318,106)	<u>\$ (318,106)</u>
Fund Balance - Beginning of Year			<u>3,620,606</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 3,302,500</u>	
<b>RECONCILIATION TO GAAP BASIS</b>				
		<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
Balance, Budgetary Basis		\$ 3,718,265	\$ 4,036,371	\$ 3,302,500
Cancelled Encumbrances		(68)	-	-
Prior Year Encumbrances Paid		-	56,188	-
Current Year Encumbrances		<u>-</u>	<u>(26,262)</u>	<u>26,262</u>
Balance, GAAP Basis		<u>\$ 3,718,197</u>	<u>\$ 4,066,297</u>	<u>\$ 3,328,762</u>

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
STATE AND FEDERAL EDUCATION GRANTS FUND  
YEAR ENDED JUNE 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES</b>				
Intergovernmental	\$ 1,012,257	\$ 1,285,103	\$ 1,286,944	\$ 1,841
<b>EXPENDITURES</b>				
Education	<u>1,012,257</u>	<u>1,285,103</u>	<u>1,285,103</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	1,841	<u>\$ 1,841</u>
Fund Balance - Beginning of Year			<u>(3,668)</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ (1,827)</u>	
<b>RECONCILIATION TO GAAP BASIS</b>				
		<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
Balance, Budgetary Basis		\$1,286,944	\$ 1,285,103	\$ (1,827)
Prior Year Encumbrances Paid		-	24,620	-
Current Year Encumbrances		<u>-</u>	<u>(97)</u>	<u>97</u>
Balance, GAAP Basis		<u>\$ 1,286,944</u>	<u>\$ 1,309,626</u>	<u>\$ (1,730)</u>

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
SCHOOL CAFETERIA FUND  
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES</b>				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 296,320	\$ (103,680)
Charges for Services	673,000	1,063,859	743,234	(320,625)
Investment Income	1,200	1,200	2,440	1,240
Total Revenues	<u>1,074,200</u>	<u>1,465,059</u>	<u>1,041,994</u>	<u>(423,065)</u>
<b>EXPENDITURES</b>				
Education	<u>1,074,200</u>	<u>1,465,059</u>	<u>1,465,059</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(423,065)	<u>\$ (423,065)</u>
Fund Balance - Beginning of Year			<u>1,065,261</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 642,196</u>	
<b>RECONCILIATION TO GAAP BASIS</b>				
		<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
Balance, Budgetary Basis		\$ 1,041,994	\$ 1,465,059	\$ 642,196
Prior Year Encumbrances Paid		-	2,233	-
Commodities Received		<u>68,026</u>	<u>68,026</u>	<u>-</u>
Balance, GAAP Basis		<u>\$ 1,110,020</u>	<u>\$ 1,535,318</u>	<u>\$ 642,196</u>

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
RECREATIONAL ACTIVITIES FUND  
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES</b>				
Charges for Services	\$ 509,605	\$ 509,605	\$ 543,839	\$ 34,234
Other Revenues	-	-	18,376	18,376
Total Revenues	<u>509,605</u>	<u>509,605</u>	<u>562,215</u>	<u>52,610</u>
<b>EXPENDITURES</b>				
Recreation and Parks	<u>509,605</u>	<u>509,605</u>	<u>453,715</u>	<u>55,890</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	108,500	<u>\$ 108,500</u>
Fund Balance - Beginning of Year			<u>511,961</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 620,461</u>	
<b>RECONCILIATION TO GAAP BASIS</b>				
		<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
Balance, Budgetary Basis		\$ 562,215	\$ 453,715	\$ 620,461
Cancelled Encumbrances		(12,276)	-	-
Prior Year Encumbrances Paid		<u>-</u>	<u>27,646</u>	<u>-</u>
Balance, GAAP Basis		<u>\$ 549,939</u>	<u>\$ 481,361</u>	<u>\$ 620,461</u>

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
LOCAL CAPITAL IMPROVEMENT PROGRAM FUND  
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 113,343	\$ 171,275	\$ 171,275	\$ -
<b>EXPENDITURES</b>				
Public Works	113,343	171,275	171,275	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>2,176</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 2,176</u>	

**TOWN OF AVON, CONNECTICUT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
 FOREST PARK MANAGEMENT FUND  
 YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		(Unfavorable)
<b>REVENUES</b>				
Other Local Revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Recreation and Parks	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	\$ -	-	\$ -
Fund Balance - Beginning of Year			18,079	
<b>FUND BALANCE - END OF YEAR</b>			\$ 18,079	

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
TOWN AID ROAD FUND  
YEAR ENDED JUNE 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES</b>				
Intergovernmental	\$ 316,468	\$ 316,468	\$ 315,822	\$ (646)
<b>EXPENDITURES</b>				
Public Works	<u>316,468</u>	<u>419,461</u>	<u>407,682</u>	<u>11,779</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(102,993)	(91,860)	11,133
<b>OTHER FINANCING SOURCES (USES)</b>				
Appropriation of Fund Balance	<u>-</u>	<u>102,993</u>	<u>-</u>	<u>(102,993)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	(91,860)	<u><u>\$ (91,860)</u></u>
Fund Balance - Beginning of Year			<u>103,640</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u><u>\$ 11,780</u></u>	
<b>RECONCILIATION TO GAAP BASIS</b>				
		<u>Revenues</u>	<u>Expenditures</u>	<u>Fund Balance</u>
Balance, Budgetary Basis		\$ 315,822	\$ 407,682	\$ 11,780
Prior Year Encumbrances Paid		-	94,955	-
Current Year Encumbrances		<u>-</u>	<u>(16,106)</u>	<u>16,106</u>
Balance, GAAP Basis		<u><u>\$ 315,822</u></u>	<u><u>\$ 486,531</u></u>	<u><u>\$ 27,886</u></u>

**TOWN OF AVON, CONNECTICUT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
 USE OF SCHOOL FACILITIES FUND  
 YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES</b>				
Other Local Revenues	\$ 40,000	\$ 166,101	\$ 52,994	\$ (113,107)
<b>EXPENDITURES</b>				
Education	40,000	166,101	166,101	-
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	\$ -	(113,107)	\$ 113,107
Fund Balance - Beginning of Year			152,302	
<b>FUND BALANCE - END OF YEAR</b>			\$ 39,195	

**TOWN OF AVON, CONNECTICUT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
 POLICE SPECIAL SERVICES FUND  
 YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other Local Revenues	\$ 40,986	\$ 113,273	\$ 120,452	\$ 7,179
<b>EXPENDITURES</b>				
Public Safety	40,986	178,273	113,273	65,000
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(65,000)	7,179	72,179
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	-	-	(65,000)	(65,000)
Appropriation of Fund Balance	-	65,000	-	(65,000)
Other Financing Sources (Uses), Net	-	65,000	(65,000)	(130,000)
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	\$ -	(57,821)	\$ (57,821)
Fund Balance - Beginning of Year			333,213	
<b>FUND BALANCE - END OF YEAR</b>			\$ 275,392	

**TOWN OF AVON, CONNECTICUT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
 FISHER MEADOW MAINTENANCE FUND  
 YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Other Local Revenues	\$ -	\$ -	\$ 131,950	\$ 131,950
<b>EXPENDITURES</b>				
Public Works	-	-	-	-
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	-	-	131,950	131,950
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	(182,000)	(289,000)	(289,000)	-
Appropriation of Fund Balance	182,000	289,000	-	(289,000)
Other Financing Uses, Net	-	-	(289,000)	(289,000)
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	\$ -	(157,050)	\$ (157,050)
Fund Balance - Beginning of Year			1,165,881	
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 1,008,831</b>	

**TOWN OF AVON, CONNECTICUT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
 TECHNOLOGY PROTECTION PLAN FUND  
 YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES</b>				
Other Local Revenues	\$ 31,520	\$ 51,165	\$ 34,468	\$ (16,697)
<b>EXPENDITURES</b>				
Education	31,520	51,165	51,165	-
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	\$ -	(16,697)	\$ (16,697)
Fund Balance - Beginning of Year			17,658	
<b>FUND BALANCE - END OF YEAR</b>			\$ 961	

## **FIDUCIARY FUNDS**

## **FIDUCIARY FUNDS**

Fiduciary funds are used to account for assets held by the Town in a trustee capacity for individuals, private organizations or other governments.

### **PENSION TRUST FUNDS**

A fiduciary fund type used to report resources that are required to be held in trust for the member and beneficiaries of defined benefit pension plans.

To account for the accumulation of resources for pension benefit payments to qualified Town and Board of Education employees.

### **OTHER POSTEMPLOYMENT BENEFITS FUND**

A fiduciary fund type used to report resources that are required to be held in trust for the member and beneficiaries for other postretirement benefits.

To account for the accumulation of resources for other postretirement benefit payments to qualified Town and Board of Education employees.

### **CUSTODIAL FUND**

Custodial funds are used to report resources held by the reporting government in a purely custodial capacity.

*C-PACE Clean Energy Fund* - To account for assessments collected on behalf of and remitted to the Clean Energy Finance and Investment Authority (CEFIA) for the Commercial & Industrial Property Assessed Clean Energy (C-PACE) program.

**TOWN OF AVON, CONNECTICUT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS**  
**JUNE 30, 2025**

	Pension	Other Postemployment Benefit Fund	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 152,242	\$ 35,384	\$ 187,626
Investments, at Fair Value:			
Guaranteed Interest Contract	1,364,468	-	1,364,468
Mutual Funds	48,729,376	26,597,413	75,326,789
Total Investments	50,093,844	26,597,413	76,691,257
Total Assets	50,246,086	26,632,797	76,878,883
<b>LIABILITIES</b>			
Accounts Payable	-	19,487	19,487
Due to Other Funds	-	3,136,141	3,136,141
Total Liabilities	-	3,155,628	3,155,628
<b>NET POSITION</b>			
Restricted for Pension Benefits and OPEB Benefits	\$ 50,246,086	\$ 23,477,169	\$ 73,723,255

**TOWN OF AVON, CONNECTICUT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS**  
**YEAR ENDED JUNE 30, 2025**

	Pension	Other Postemployment Benefit Fund	Total
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 4,814,110	\$ 2,371,588	\$ 7,185,698
Plan Members	135,074	-	135,074
Total Contributions	<u>4,949,184</u>	<u>2,371,588</u>	<u>7,320,772</u>
Investment Income:			
Net Increase in Fair Value of Investments	3,101,962	2,356,007	5,457,969
Interest and Dividends	1,606,329	301,628	1,907,957
Total Investment Income	<u>4,708,291</u>	<u>2,657,635</u>	<u>7,365,926</u>
Total Additions	9,657,475	5,029,223	14,686,698
<b>DEDUCTIONS</b>			
Benefits	4,661,267	1,750,447	6,411,714
Administration	46,845	-	46,845
Total Deductions	<u>4,708,112</u>	<u>1,750,447</u>	<u>6,458,559</u>
<b>CHANGES IN NET POSITION</b>	4,949,363	3,278,776	8,228,139
Net Position - Beginning of Year	<u>45,296,723</u>	<u>20,198,393</u>	<u>65,495,116</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 50,246,086</u>	<u>\$ 23,477,169</u>	<u>\$ 73,723,255</u>

## OTHER INFORMATION

## **CIFA FUND**

The CIFA Fund accounts for the financial resources to be used for major capital asset construction and/or purchase.

**TOWN OF AVON, CONNECTICUT  
PROJECT LENGTH SCHEDULE OF EXPENDITURES – PROJECT BUDGET AND ACTUAL  
CIFA FUND  
YEAR ENDED JUNE 30, 2025**

	Project Appropriations - Beginning of Year	Additions (Reductions)	Project Appropriations - End of Year	Expenditures Incurred to Beginning of Year	Current Year Expenditures	Expenditures Incurred to End of Year	Current Year Encumbrances	Unexpended Appropriations - End of Year
General Government:								
DPW Shop Floor & Wall Coating	\$ 50,000	\$ -	\$ 50,000	\$ 34,608	\$ 15,392	\$ 50,000	\$ -	\$ -
Synthetic Field Project	440,048	-	440,048	429,388	-	429,388	-	10,660
Patrol Building Improvements	219,115	-	219,115	202,867	2,976	205,843	-	13,272
DEEP Farmington Trail Grant Expenses	-	114,412	114,412	-	30,235	30,235	-	84,177
Sidewalk Improvements	50,000	25,000	75,000	25,000	-	25,000	-	50,000
Tennis Court Repair - Sycamore	263,145	-	263,145	229,933	18,913	248,846	1,901	12,398
Sycamore Hills Pool Improvements	-	35,000	35,000	-	595	595	-	34,405
Sewer Pump Station Replacement	320,000	-	320,000	289,220	-	289,220	-	30,780
Lateral Extension Program	3,358,999	-	3,358,999	1,575,237	-	1,575,237	-	1,783,762
Infiltration & Inflow Study	1,160,000	110,000	1,270,000	731,407	35,273	766,680	263,315	240,005
Town Wide Phone System	135,000	-	135,000	94,332	1,269	95,601	18,848	20,551
Fire Company Building Improvements	587,088	200,000	787,088	414,605	158,119	572,724	-	214,364
Fisher Meadows Field Expansion	473,838	-	473,838	440,030	-	440,030	-	33,808
W Avon Road Sidewalk Replacement (CPF)	424,000	-	424,000	-	113,466	113,466	303,175	7,359
HVAC Repairs -Town Buildings	1,813,485	(25,159)	1,788,326	1,788,326	-	1,788,326	-	-
Countryside Park Facility	575,000	-	575,000	383,601	164,320	547,921	4,254	22,825
Refurbish Metal Roofs: 1, 2, 8	120,000	110,000	230,000	112,854	-	112,854	103,635	13,511
Pole Building For Storage	175,000	-	175,000	-	-	-	-	175,000
Tillotson Road Box Culvert	385,000	-	385,000	51,955	5,887	57,842	47,690	279,468
Trail Improvements	12,222	-	12,222	4,582	-	4,582	-	7,640
Senior Center Improvements	50,000	25,158	75,158	2,520	-	2,520	-	72,638
Building #1 Design	25,000	-	25,000	21,456	2,460	23,916	-	1,084
Senior Center Restroom Renovations	100,000	-	100,000	7,229	91,215	98,444	-	1,556
Town-Wide Fiber Network	700,000	-	700,000	124,723	277,740	402,463	297,537	-
Route 44 Pump Station Upgrade	1,825,000	-	1,825,000	261,615	1,429,906	1,691,521	-	133,479
Generator Replacement - Fire Company 2	-	35,500	35,500	-	-	-	-	35,500
Pipe Lining	405,000	-	405,000	-	-	-	-	405,000
Recreation Master Plan	60,000	-	60,000	59,500	500	60,000	-	-
Fisher Meadows JV Softball Field Renovation	-	163,000	163,000	-	-	-	-	163,000
Country Club Road Design	-	150,000	150,000	-	4,700	4,700	145,300	-
Farmington Flume Modifications	-	60,000	60,000	-	-	-	-	60,000
Sperry Park Field Grant Expenses	-	200,000	200,000	-	200,000	200,000	-	-
Sperry Park Field Prep (Phase I)	-	210,000	210,000	-	30,959	30,959	19,041	160,000

**TOWN OF AVON, CONNECTICUT  
PROJECT LENGTH SCHEDULE OF EXPENDITURES – PROJECT BUDGET AND ACTUAL (CONTINUED)  
CIFA FUND  
YEAR ENDED JUNE 30, 2025**

	Project Appropriations - Beginning of Year	Additions (Reductions)	Project Appropriations - End of Year	Expenditures Incurred to Beginning of Year	Current Year Expenditures	Expenditures Incurred to End of Year	Current Year Encumbrances	Unexpended Appropriations - End of Year
General Government (Continued):								
Fisher Meadows Batting Cage	\$ -	\$ 19,000	\$ 19,000	\$ -	\$ -	\$ -	\$ -	\$ 19,000
DPW Building Upgrades	50,000	450,000	500,000	27,741	8,915	36,656	-	463,344
Drainage Improvements - Cider Brook Road	65,000	-	65,000	-	-	-	-	65,000
Drainage Improvements - Deepwood Road	100,000	-	100,000	94,500	5,500	100,000	-	-
Drainage Improvements	70,121	375,200	445,321	63,823	376,513	440,336	-	4,985
Road Surface Improvements	10,069,157	1,653,116	11,722,273	9,713,457	1,020,131	10,733,588	232,839	755,846
Fisher Meadows Irrigation Improvements	320,000	-	320,000	157,670	-	157,670	-	162,330
Fire Engine Purchase	1,259,000	-	1,259,000	52	-	52	1,210,130	48,818
Ladder Truck Purchase	2,172,000	-	2,172,000	92	-	92	2,123,217	48,691
Highway Division Equipment Replacement	2,327,139	-	2,327,139	2,062,118	264,675	2,326,793	-	346
Emergency Operations Center Grant	-	25,000	25,000	-	24,577	24,577	-	423
Police Vehicles	561,879	65,000	626,879	519,862	64,720	584,582	12,469	29,828
Chipper	95,000	-	95,000	81,795	-	81,795	-	13,205
Infield Pro Replacement	28,000	-	28,000	-	28,000	28,000	-	-
Security Camera Upgrades	34,000	20,000	54,000	33,983	20,000	53,983	-	17
Registrar Of Voters Equipment Upgrades	20,000	-	20,000	10,285	8,729	19,014	-	986
Tanker 20	-	375,000	375,000	-	-	-	-	375,000
Truck 15 Chassis	-	85,000	85,000	-	49,125	49,125	18,596	17,279
Dispatch Consoles	-	80,000	80,000	-	-	-	-	80,000
Police Technology	-	50,000	50,000	-	7,490	7,490	-	42,510
Robotic Line Painter	-	50,000	50,000	-	44,950	44,950	-	5,050
Ovis Mower	-	32,000	32,000	-	-	-	-	32,000
Switch Stand On Mower	-	25,000	25,000	-	25,000	25,000	-	-
APD Body & Dash Cameras	253,983	-	253,983	189,623	45,853	235,476	-	18,507
Public Safety Communications System	4,450,000	-	4,450,000	1,947,249	2,386,344	4,333,593	72,377	44,030
Vehicles	625,590	-	625,590	619,177	5,996	625,173	-	417
Farmington Interceptor	-	35,000	35,000	-	-	-	-	35,000
Total General Government	36,227,809	4,752,227	40,980,036	22,806,415	6,970,443	29,776,858	4,874,324	6,328,854

**TOWN OF AVON, CONNECTICUT  
PROJECT LENGTH SCHEDULE OF EXPENDITURES – PROJECT BUDGET AND ACTUAL (CONTINUED)  
CIFA FUND  
YEAR ENDED JUNE 30, 2025**

	Project Appropriations - Beginning of Year	Additions (Reductions)	Project Appropriations - End of Year	Expenditures Incurred to Beginning of Year	Current Year Expenditures	Expenditures Incurred to End of Year	Current Year Encumbrances	Unexpended Appropriations - End of Year
Board of Education:								
BOE Security Upgrades	\$ 120,000	\$ 20,000	\$ 140,000	\$ 89,475	\$ 45,757	\$ 135,232	\$ 4,768	\$ -
AHS Water Heater/Boiler Replacement	211,000	-	211,000	31,489	-	31,489	-	179,511
TBS Courts Replacement	-	110,000	110,000	-	82,255	82,255	-	27,745
AMS Electrical Upgrades	-	50,000	50,000	-	28,530	28,530	20,650	820
RBS Pre-K/K Playground Replacement	-	260,000	260,000	-	259,494	259,494	-	506
AMS Door Entrance (Phase 1)	-	130,000	130,000	-	7,973	7,973	19,723	102,304
PGS Notification Alarm System	450,000	(75,000)	375,000	309,623	-	309,623	25,835	39,542
RBS Emergency Generator	160,000	-	160,000	122,761	-	122,761	-	37,239
DW Interior Lock Replacement	105,000	-	105,000	99,571	2,534	102,105	-	2,895
AHS Partial Roof Replacement	255,000	375,000	630,000	244,247	32,780	277,027	22,500	330,473
AMS Emergency Generator	265,000	-	265,000	-	250,819	250,819	-	14,181
BOE Central Office Improvements	50,000	-	50,000	24,050	19,300	43,350	-	6,650
AHS Floor Replacement/Asbestos Abatement	55,000	-	55,000	52,631	456	53,087	-	1,913
200 Fisher Drive Property Acquisition & Renovations	-	3,187,000	3,187,000	-	2,365,846	2,365,846	541,127	280,027
Total Board of Education	<u>1,671,000</u>	<u>4,057,000</u>	<u>5,728,000</u>	<u>973,847</u>	<u>3,095,744</u>	<u>4,069,591</u>	<u>634,603</u>	<u>1,023,806</u>
 Total	 <u>\$ 37,898,809</u>	 <u>\$ 8,809,227</u>	 <u>\$ 46,708,036</u>	 <u>\$ 23,780,262</u>	 <u>\$ 10,066,187</u>	 <u>\$ 33,846,449</u>	 <u>\$ 5,508,927</u>	 <u>\$ 7,352,660</u>

**TOWN OF AVON, CONNECTICUT  
PROJECT LENGTH SCHEDULE OF EXPENDITURES – PROJECT BUDGET AND ACTUAL  
CAPITAL AND NONRECURRING EXPENDITURES FUND  
YEAR ENDED JUNE 30, 2025**

	Project Appropriations - Beginning of Year	Additions (Reductions)	Project Appropriations - End of Year	Expenditures Incurred to Beginning of Year	Current Year Expenditures	Expenditures Incurred to End of Year	Current Year Encumbrances	Unexpended Appropriations - End of Year
General Government:								
Senior Center Software	\$ 29,235	\$ -	\$ 29,235	\$ -	\$ 2,499	\$ 2,499	\$ -	\$ 26,736
Cider Brook Road Reconstruction	-	75,000	75,000	-	-	-	-	75,000
Tillotson Bridge Replacement	-	620,000	620,000	-	-	-	-	620,000
2023 Revaluation	150,000	75,000	225,000	85,754	11,776	97,530	-	127,470
Opioid Remediation	-	146,484	146,484	-	-	-	-	146,484
Old Farms Road N/S - LOTCIP	5,110,076	-	5,110,076	1,988,486	2,984,495	4,972,981	76,726	60,369
Old Farms Road N/S	1,294,826	100,000	1,394,826	616,542	206,540	823,082	424,553	147,191
Old Farms Road - CEPA	69,570	-	69,570	67,421	-	67,421	-	2,149
	<u>\$ 6,653,707</u>	<u>\$ 1,016,484</u>	<u>\$ 7,670,191</u>	<u>\$ 2,758,203</u>	<u>\$ 3,205,310</u>	<u>\$ 5,963,513</u>	<u>\$ 501,279</u>	<u>\$ 1,205,399</u>
Total Capital and Nonrecurring								

**TOWN OF AVON, CONNECTICUT  
LONG-TERM DEBT OBLIGATIONS  
SCHEDULE OF BOND MATURITIES  
YEAR ENDED JUNE 30, 2025**

Description	Original Issue		Year Ending June 30,	Principal	Interest	Total
	Amount	Date				
General Purpose:						
Bonds:						
Avon Public Library	\$ 7,100,000	October 30, 2012	2026	\$ 525,000	\$ 31,000	\$ 556,000
Interest Payable December 15 and June 15 of Each Year at 2.0%			2027	525,000	20,500	545,500
Principal Payable - June			2028	500,000	10,000	510,000
Total				1,550,000	61,500	1,611,500
General Purpose Refunding	964,000	March 15, 2016	2026	138,000	8,360	146,360
Interest Payable October 15 and April 15 of Each Year at 2.0% to 4.0%			2027	140,000	2,800	142,800
Principal Payable - October				278,000	11,160	289,160
Total						
Town & Public Safety Communications System Replacement Project	280,000	June 16, 2020	2026	18,809	6,335	25,144
Interest Payable December 15 and June 15 of Each Year at 2.0% to 4.0%			2027	18,809	5,583	24,392
Principal Payable - June			2028	18,809	4,831	23,640
			2029	18,809	4,078	22,887
			2030	18,809	3,326	22,135
			2031	18,382	2,573	20,955
			2032	18,382	1,838	20,220
			2033	18,382	1,287	19,669
			2034	18,382	735	19,117
			2035	18,382	368	18,750
Total				185,955	30,954	216,909
Town & Public Safety Communications System Replacement Project	3,610,000	May 29, 2025	2026	200,000	152,336	352,336
Interest Payable November 15 and May 15 of Each Year at 4.0% to 5.0%			2027	200,000	148,500	348,500
Principal Payable - May			2028	200,000	138,500	338,500
			2029	200,000	128,500	328,500
			2030	200,000	118,500	318,500
			2031	200,000	108,500	308,500
			2032	210,000	98,500	308,500
			2033	225,000	88,000	313,000
			2034	225,000	79,000	304,000
			2035	250,000	70,000	320,000
			2036	300,000	60,000	360,000
			2037	300,000	48,000	348,000
			2038	300,000	36,000	336,000
			2039	300,000	24,000	324,000
			2040	300,000	12,000	312,000
Total				3,610,000	1,310,336	4,920,336
Fisher Drive Property Acquisition & Renovation	3,185,000	May 29, 2025	2026	315,000	153,057	468,057
Interest Payable November 15 and May 15 of Each Year at 5.0%			2027	315,000	143,500	458,500
Principal Payable - May			2028	315,000	127,750	442,750
			2029	320,000	112,000	432,000
			2030	320,000	96,000	416,000
			2031	320,000	80,000	400,000
			2032	320,000	64,000	384,000
			2033	320,000	48,000	368,000
			2034	320,000	32,000	352,000
			2035	320,000	16,000	336,000
Total				3,185,000	872,307	4,057,307
Total General Purpose				8,808,955	2,286,257	11,095,212
Private Placement:						
Bonds:						
Land Purchase 2018*	1,600,000	July 1, 2018	2026	200,000	3,500	203,500
Interest Payable July 15 of Each Year at 1.75%						
Total Private Placement				200,000	3,500	203,500
Total Town				9,008,955	2,289,757	11,298,712

**TOWN OF AVON, CONNECTICUT  
LONG-TERM DEBT OBLIGATIONS  
SCHEDULE OF BOND MATURITIES (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

Description	Original Issue		Year Ending June 30,	Principal	Interest	Total
	Amount	Date				
<b>Schools:</b>						
<b>Bonds:</b>						
Refunding Avon High School Renovations	\$ 9,423,000	March 15, 2016	2026	\$ 1,352,000	\$ 81,560	\$ 1,433,560
Interest Payable October 15 and April 15 of Each Year at 2.0% to 4.0%			2027	1,363,000	27,260	1,390,260
Principal Payable - October						
Total				2,715,000	108,820	2,823,820
Refunding Avon Middle School Roof	1,013,000	March 15, 2016	2026	145,000	8,780	153,780
Interest Payable October 15 and April 15 of Each Year at 2.0% to 4.0%			2027	147,000	2,940	149,940
Principal Payable - October						
Total				292,000	11,720	303,720
Avon High School Turf Field & Track Improvement Project	2,995,000	June 16, 2020	2026	201,191	67,765	268,956
Interest Payable December 15 and June 15 of Each Year at 2.0% to 4.0%			2027	201,191	59,717	260,908
Principal Payable - June			2028	201,191	51,669	252,860
			2029	201,191	43,622	244,813
			2030	201,191	35,574	236,765
			2031	196,618	27,527	224,145
			2032	196,618	19,662	216,280
			2033	196,618	13,763	210,381
			2034	196,618	7,865	204,483
			2035	196,618	3,932	200,550
Total				1,989,045	331,096	2,320,141
Total Schools				4,996,045	451,636	5,447,681
Grand Total - All Bonded Debt				\$ 14,005,000	\$ 2,741,393	\$ 16,746,393

**STATISTICAL SECTION**

## STATISTICAL SECTION

This part of the Town of Avon's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the government's financial health.

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

*Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.

*Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate own-source revenues (property taxes, charges for services, etc.).

*Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.

*Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.

*Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the annual comprehensive financial reports for the relevant year.

**TOWN OF AVON, CONNECTICUT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities:										
Net Investment in Capital Assets	\$ 137,475,678	\$ 133,791,400	\$ 130,427,683	\$ 128,812,896	\$ 126,527,955	\$ 123,550,748	\$ 125,283,735	\$ 122,926,656	\$ 121,244,059	\$ 119,384,191
Restricted:										
Nonexpendable - Purposes of Trust	132,973	119,025	103,230	90,816	71,459	-	-	-	-	-
Expendable - Purposes of Trust	663,876	-	-	-	29,530	-	-	-	-	-
Grants	1,221,233	1,425,978	1,465,027	1,020,997	174,545	-	-	-	-	-
Net Pension Asset	229,946	191,544	196,509	176,520	174,622	-	-	-	-	-
Other Purposes	8,000	131,463	-	-	795,176	64,259	71,340	66,141	61,304	(55,309)
Unrestricted	13,138,197	7,031,709	(6,942,865)	(24,679,294)	(21,871,642)	(25,796,913)	(34,573,019)	(35,429,391)	(35,884,141)	(8,996,683)
Total Governmental Activities Net Position	<u>\$ 152,869,903</u>	<u>\$ 142,691,119</u>	<u>\$ 125,249,584</u>	<u>\$ 105,421,935</u>	<u>\$ 105,901,645</u>	<u>\$ 97,818,094</u>	<u>\$ 90,782,056</u>	<u>\$ 87,563,406</u>	<u>\$ 85,421,222</u>	<u>\$ 110,332,199</u>

\*Fiscal year 2017 balance is restated for GASB 75.

**TOWN OF AVON, CONNECTICUT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>EXPENSES</b>										
Governmental Activities:										
General Government	\$ 4,888,234	\$ 4,698,586	\$ 4,138,274	\$ 4,297,315	\$ 3,862,914	\$ 4,438,962	\$ 4,081,541	\$ 5,259,593	\$ 5,092,723	\$ 5,054,762
Public Safety	11,692,404	10,523,179	10,644,920	11,601,624	10,420,926	12,029,141	11,561,883	10,615,016	10,380,345	10,225,228
Public Works	13,186,009	10,823,589	10,732,371	18,347,246	10,199,133	9,841,578	9,520,951	9,562,683	8,707,196	9,173,641
Health and Social Services	1,045,487	827,516	715,982	625,171	621,989	577,294	487,032	604,707	618,921	610,314
Recreation and Parks	1,748,933	1,635,413	1,548,815	1,423,973	1,270,380	1,276,822	1,291,138	1,309,141	1,229,717	1,197,746
Educational Cultural	1,858,278	1,773,110	1,851,963	1,891,374	1,747,856	1,960,605	1,827,791	1,487,041	1,449,442	1,384,043
Conservation and Development	562,439	522,516	543,738	627,156	490,204	724,082	661,503	539,068	531,433	535,617
Board of Education	88,987,789	80,753,666	83,561,081	74,047,519	83,516,915	76,017,437	71,816,351	67,239,900	70,345,291	64,741,526
Interest Expense	256,874	187,807	165,981	137,385	83,344	88,928	257,298	519,206	584,557	500,118
Total Governmental Activities Expenses	124,226,447	111,745,382	113,903,125	112,998,763	112,213,661	106,954,849	101,505,488	97,136,355	98,939,625	93,422,995
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services	10,155,876	9,552,050	9,117,736	7,581,281	9,093,388	10,343,698	7,229,361	5,637,127	5,645,635	5,651,311
Operating Grants and Contributions	21,569,906	17,675,836	22,059,373	13,360,905	24,506,537	17,539,610	12,970,047	11,503,400	15,639,406	11,336,604
Capital Grants and Contributions	3,213,513	2,815,593	138,147	630,409	532,830	18,846	152,310	550,371	1,054,261	901,473
Total Governmental Activities Program Revenues	34,939,295	30,043,479	31,315,256	21,572,595	34,132,755	27,902,154	20,351,718	17,690,898	22,339,302	17,889,388
<b>NET EXPENSE GOVERNMENTAL ACTIVITIES</b>	(89,287,152)	(81,701,903)	(82,587,869)	(91,426,168)	(78,080,906)	(79,052,695)	(81,153,770)	(79,445,457)	(76,600,323)	(75,533,607)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Property Taxes	96,261,644	95,195,683	92,639,286	89,773,279	85,087,477	84,757,302	82,628,403	80,382,156	77,168,752	74,759,366
Grants and Contributions Not Restricted to Specific Programs	266,034	267,415	280,825	337,053	266,473	267,287	275,936	287,610	367,241	382,132
Unrestricted Investment Earnings	2,345,230	3,219,726	2,014,112	148,310	113,598	665,824	921,647	586,602	290,352	204,928
Miscellaneous	593,028	460,614	535,172	687,816	464,169	398,320	546,434	331,273	454,531	699,414
Total Governmental Activities	99,465,936	99,143,438	95,469,395	90,946,458	85,931,717	86,088,733	84,372,420	81,587,641	78,280,876	76,045,840
<b>CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES</b>	\$ 10,178,784	\$ 17,441,535	\$ 12,881,526	\$ (479,710)	\$ 7,850,811	\$ 7,036,038	\$ 3,218,650	\$ 2,142,184	\$ 1,680,553	\$ 512,233

**TOWN OF AVON, CONNECTICUT  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund:										
Nonspendable	\$ 72,803	\$ 64,374	\$ 39,293	\$ 46,176	\$ 58,468	\$ 59,972	\$ 43,294	\$ 96,320	\$ 13,077	\$ 11,398
Restricted	8,000	131,463	64,472	-	-	-	-	-	-	-
Assigned	5,283,396	8,445,253	6,824,821	5,208,618	3,303,281	4,112,896	1,902,980	2,234,305	2,116,988	2,326,985
Unassigned	17,452,437	16,526,495	14,673,859	13,560,617	12,718,912	12,722,454	11,175,459	9,594,498	8,954,322	8,443,716
Total General Fund	<u>\$ 22,816,636</u>	<u>\$ 25,167,585</u>	<u>\$ 21,602,445</u>	<u>\$ 18,815,411</u>	<u>\$ 16,080,661</u>	<u>\$ 16,895,322</u>	<u>\$ 13,121,733</u>	<u>\$ 11,925,123</u>	<u>\$ 11,084,387</u>	<u>\$ 10,782,099</u>
All Other Governmental Funds:										
Nonspendable	\$ 163,638	\$ 142,331	\$ 278,026	\$ 107,183	\$ 80,911	\$ 69,850	\$ 76,931	\$ 70,832	\$ 64,034	\$ 61,671
Restricted	1,266,663	1,576,972	1,398,524	1,197,517	993,901	1,378,930	1,111,995	880,410	691,402	760,214
Committed	16,838,499	17,965,479	16,108,870	13,632,508	14,934,277	14,066,534	9,366,115	9,467,597	10,264,955	9,257,902
Unassigned	(1,730)	(4,001,652)	(181,817)	(185,190)	(122,188)	(121,816)	(269,759)	(2,042)	-	-
Total All Other Governmental Funds	<u>\$ 18,267,070</u>	<u>\$ 15,683,130</u>	<u>\$ 17,603,603</u>	<u>\$ 14,752,018</u>	<u>\$ 15,886,901</u>	<u>\$ 15,393,498</u>	<u>\$ 10,285,282</u>	<u>\$ 10,416,797</u>	<u>\$ 11,020,391</u>	<u>\$ 10,079,787</u>

**TOWN OF AVON, CONNECTICUT**  
**REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>REVENUES</b>										
Property Taxes	\$ 96,015,367	\$ 95,063,477	\$ 92,575,481	\$ 89,720,542	\$ 85,021,376	\$ 84,561,255	\$ 82,563,358	\$ 80,359,926	\$ 77,085,268	\$ 74,777,579
Intergovernmental (State and Federal Grants)	22,617,510	21,935,466	19,445,490	16,320,177	13,785,295	13,409,943	8,523,573	16,922,028	17,006,783	12,464,156
Charges for Services Contributions	10,311,019	9,777,557	9,144,773	8,355,700	8,299,007	9,595,956	7,256,193	5,678,186	5,686,935	5,689,126
Investment Income	2,345,230	3,219,726	2,014,112	148,310	113,598	665,824	921,647	586,602	290,352	204,928
Other Local Revenues	947,807	621,546	701,410	1,177,830	1,102,324	691,731	618,732	475,291	519,041	862,793
<b>Total Revenues</b>	<b>132,236,933</b>	<b>130,617,772</b>	<b>123,881,266</b>	<b>115,722,559</b>	<b>108,321,600</b>	<b>108,924,709</b>	<b>99,883,503</b>	<b>104,022,033</b>	<b>100,588,379</b>	<b>93,998,582</b>
<b>EXPENDITURES</b>										
Town Council:										
General Government	4,023,812	3,816,720	3,386,774	3,909,139	4,073,531	3,685,447	3,683,960	3,697,800	3,535,117	3,123,409
Public Safety	10,783,151	10,270,992	10,106,859	12,207,571	11,594,071	11,290,319	11,180,560	10,874,651	10,403,599	10,058,947
Public Works	10,885,857	9,080,375	8,678,866	10,058,261	9,344,836	8,305,380	8,464,351	8,344,648	7,621,372	7,682,977
Health and Social Services	1,030,927	809,908	709,079	645,450	597,887	563,164	515,599	513,906	520,032	506,087
Recreation and Parks	1,430,892	1,302,390	1,232,955	1,222,739	1,050,026	1,152,089	1,160,315	1,251,232	1,159,410	1,127,639
Educational - Cultural	1,770,462	1,753,204	1,717,321	1,892,505	1,751,983	1,744,194	1,705,979	1,657,693	1,607,338	1,541,279
Conservation and Development	547,651	539,461	543,272	730,137	684,397	672,032	666,166	665,679	655,995	650,786
Miscellaneous	6,656,122	6,597,414	6,240,815	369,835	422,912	304,891	291,084	282,880	280,949	275,247
<b>Total Town Council</b>	<b>37,128,874</b>	<b>34,170,464</b>	<b>32,615,941</b>	<b>31,035,637</b>	<b>29,519,643</b>	<b>27,717,516</b>	<b>27,668,014</b>	<b>27,288,489</b>	<b>25,783,812</b>	<b>24,966,371</b>
Board of Education	84,797,893	82,284,487	78,183,886	74,751,617	71,244,336	69,452,527	64,331,909	69,839,858	67,664,985	61,659,117
Debt Service:										
Principal	2,540,000	2,540,000	2,535,000	2,540,000	2,645,000	2,535,000	2,220,000	2,220,000	2,365,000	2,910,000
Interest	278,750	349,400	427,950	498,525	515,038	501,692	535,750	598,850	664,750	789,813
<b>Total Debt Service</b>	<b>2,818,750</b>	<b>2,889,400</b>	<b>2,962,950</b>	<b>3,038,525</b>	<b>3,160,038</b>	<b>3,036,692</b>	<b>2,755,750</b>	<b>2,818,850</b>	<b>3,029,750</b>	<b>3,699,813</b>
Capital Improvements	14,341,483	9,528,166	4,479,870	5,296,913	5,214,701	3,897,907	5,931,070	3,989,441	3,115,689	3,451,950
<b>Total Expenditures</b>	<b>139,087,000</b>	<b>128,872,517</b>	<b>118,242,647</b>	<b>114,122,692</b>	<b>109,138,718</b>	<b>104,104,642</b>	<b>100,686,743</b>	<b>103,936,638</b>	<b>99,594,236</b>	<b>93,777,251</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENSES</b>	<b>(6,850,067)</b>	<b>1,745,255</b>	<b>5,638,619</b>	<b>1,599,867</b>	<b>(817,118)</b>	<b>4,820,067</b>	<b>(803,240)</b>	<b>85,395</b>	<b>994,143</b>	<b>221,331</b>

**TABLE 4  
(CONTINUED)**

**TOWN OF AVON, CONNECTICUT  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>OTHER FINANCING SOURCES (USES)</b>										
Issuance of Capital Lease	\$ -	\$ -	\$ -	\$ -	\$ 263,120	\$ 278,823	\$ 268,335	\$ 151,747	\$ 248,749	\$ 299,906
Issuance of Bond/BAN	6,795,000	-	-	-	-	3,275,000	1,600,000	-	-	-
Bond/BAN Issue Premium	187,470	-	-	-	-	507,915	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-	-	-	-	-	11,400,000
Premium on Refunding Bonds	-	-	-	-	-	-	-	-	-	1,367,508
Payment to Escrow Agent	-	-	-	-	-	-	-	-	-	(12,603,307)
Transfers In	6,533,651	8,326,953	5,638,533	5,107,993	5,195,979	2,935,205	4,335,646	4,768,645	4,769,823	4,330,203
Transfers Out	(6,533,651)	(8,326,953)	(5,638,533)	(5,107,993)	(5,195,979)	(2,935,205)	(4,335,646)	(4,768,645)	(4,769,823)	(4,755,203)
Total Other Financing Sources (Uses)	6,982,470	-	-	-	263,120	4,061,738	1,868,335	151,747	248,749	39,107
<b>NET CHANGE IN FUND BALANCE</b>	132,403	1,745,255	5,638,619	1,599,867	(553,998)	8,881,805	1,065,095	237,142	1,242,892	260,438
Fund Balance - Beginning of Year*	40,951,303	39,206,048	33,567,429	31,967,562	32,521,560	23,407,015	22,341,920	22,104,778	20,861,886	20,601,448
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 41,083,706</u>	<u>\$ 40,951,303</u>	<u>\$ 39,206,048</u>	<u>\$ 33,567,429</u>	<u>\$ 31,967,562</u>	<u>\$ 32,288,820</u>	<u>\$ 23,407,015</u>	<u>\$ 22,341,920</u>	<u>\$ 22,104,778</u>	<u>\$ 20,861,886</u>
Debt Service as a Percentage of Noncapital Expenditures	2.24 %	2.40 %	2.59 %	2.76 %	3.02 %	3.03 %	2.91 %	2.81 %	3.13 %	4.08 %
Total Debt Service	\$ 2,818,750	\$ 2,889,400	\$ 2,962,950	\$ 3,038,525	\$ 3,160,038	\$ 3,036,692	\$ 2,755,750	\$ 2,818,850	\$ 3,029,750	\$ 3,699,813
Noncapital Expenditures	\$ 126,029,633	\$ 120,363,256	\$ 114,399,428	\$ 109,977,874	\$ 104,486,780	\$ 100,206,400	\$ 94,760,502	\$ 100,363,020	\$ 96,745,852	\$ 90,652,884

\*Fiscal year 2021 fund balance is restated at beginning of year due to the implementation of GASB Statement No. 84. Fiscal year 2016 fund balance is restated at beginning of year due to moving revenues and expenditures to two new Special Revenue Funds (Avon Day Fund and Property Damage Fund). Fiscal year 2015 fund balance is restated at beginning of year due to moving donations revenues and expenditures to new Special Revenue Fund (Donations Fund).

\*FY 2008 fund balance is restated at beginning of year due to moving Postemployment Healthcare Fund assets of 1,696,946 from Fiduciary to Special Revenue Fund.

TABLE 5

**TOWN OF AVON, CONNECTICUT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS**

Fiscal Year	Real Property		Personal Property		Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2025	\$ 2,495,704,707	\$ 365,705,494	\$ 233,379,855	\$ 119,706,580	\$ 315,643,251	\$ 3,214,496,636	\$ 29.66	\$ 4,775,170,686	67.3 %
2024	1,977,682,901	345,669,415	252,795,560	112,336,430	241,670,823	2,688,484,306	35.39	4,597,673,800	58.5
2023	1,971,022,764	347,668,369	240,001,730	109,079,684	241,595,383	2,667,772,547	34.61	4,336,073,381	61.5
2022	1,964,749,712	341,255,050	192,203,680	102,424,590	241,460,133	2,600,633,032	34.21	3,918,980,502	66.4
2021	1,959,846,474	333,915,378	180,714,960	98,491,980	241,454,033	2,572,968,792	32.90	3,728,940,280	69.0
2020	1,956,003,078	332,558,398	180,813,340	89,968,320	241,529,423	2,559,343,136	32.90	3,656,204,480	70.0
2019	2,021,499,800	329,276,340	175,759,330	89,050,090	241,516,850	2,615,585,560	31.35	3,763,432,460	69.5
2018	2,013,787,610	330,070,100	178,545,800	89,406,430	241,507,800	2,611,809,940	30.59	3,785,231,800	69.0
2017	2,000,794,600	329,328,350	176,244,430	86,335,450	240,552,120	2,592,702,830	29.52	3,812,798,280	68.0
2016	1,992,524,590	327,845,890	178,142,700	83,561,770	240,632,240	2,582,074,950	28.80	3,786,173,057	68.2

Source: Town Assessor's Office

Note: By state law, property is assessed at 70% of actual value with periodic revaluation of real property.

**TOWN OF AVON, CONNECTICUT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(RATE PER \$1,000 OF ASSESSED VALUE)**

Fiscal Year	Direct Rates			Overlapping Debt
	Basic Rate	General Obligation Debt Service	Total Direct	
2025	28.86	0.80	29.66	N/A
2024	34.40	0.99	35.39	N/A
2023	33.57	1.04	34.61	N/A
2022	33.14	1.07	34.21	N/A
2021	31.84	1.06	32.90	N/A
2020	31.52	1.38	32.90	N/A
2019	30.36	0.99	31.35	N/A
2018	29.58	1.01	30.59	N/A
2017	28.53	0.99	29.52	N/A
2016	27.62	1.18	28.80	N/A

Source: Town Finance Office

**TOWN OF AVON, CONNECTICUT  
PRINCIPAL TAXPAYERS  
CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO**

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List
CL&P, a/k/a Eversource	\$ 25,632,440	1	.80 %	\$ 16,319,870	1	.63 %
Avon Place LLC	25,280,900	2	0.79	15,287,990	2	1
BFS Property Group LLC (64 Avonwood)**	19,835,020	3	0.62	13,674,330	5	0.53
Farmington Valley Gateway LLC****	17,500,240	4	0.54	-		0.00
Nod Brook Investors LLC *****	17,259,020	5	0.54	12,482,220	6	0.48
Connecticut Water Company *	15,911,160	6	0.49	9,941,450	8	0.39
Two Fifty-Five West Main LLC	14,651,340	7	0.46	14,052,020	4	0.55
Avon Marketplace Investors	13,613,420	8	0.42	14,325,490	3	0.56
Connecticut On-Line Computer	13,139,460	9	-	-		-
KRE-BSL Husky Avon LLC (River Ridge)	9,383,314	10	-	-		-
Ensign Bickford Realty Corp.	-		-	10,754,440	7	0.42
Family Wellness Center	-		-	9,030,000	9	0.35
One Hundred One Bickford	-		-	8,599,090	10	0.33
<b>Total</b>	<b>\$ 172,206,314</b>		<b>4.66 %</b>	<b>\$ 124,466,900</b>		<b>4.83 %</b>

\* Formerly Avon Water Company

\*\*Formerly Sixty Four Avonwood Road Associates & Avon Mill LLC

\*\*\*Formerly GAIA Avon Place LLC and Avon 46 LLC

\*\*\*\*Formerly Avon Town Center

\*\*\*\*\*Formerly Nod Brook LLC

Source: Town Assessor's Office

**TOWN OF AVON, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Percentage of Levy Uncollected	Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy			Amount	Percentage of Levy
2025	\$ 95,791	\$ 94,809	98.97 %	1.03 %	\$ -	\$ 94,809	98.97 %
2024	94,777	94,040	99.22	0.78	390	94,430	99.63
2023	92,212	91,589	99.32	0.68	452	92,041	99.81
2022	89,514	89,062	99.50	0.50	306	89,368	99.84
2021	85,007	84,585	99.50	0.50	299	84,884	99.86
2020	84,558	84,122	99.48	0.52	284	84,406	99.82
2019	82,409	82,088	99.61	0.39	282	82,370	99.95
2018	80,215	79,920	99.63	0.37	264	80,184	99.96
2017	76,942	76,689	99.67	0.33	208	76,897	99.94
2016	74,538	74,333	99.72	0.28	161	74,494	99.94

Source: Town Assessor's Office, Collector of Revenue and Finance Office

**TOWN OF AVON, CONNECTICUT  
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt General Obligation Bonds	Accumulated Resources Restricted for Debt Repayment	Net Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Taxable Value*	Bonded Debt per Capita†	Lease Liability	Other Debt Total Debt	Total Debt Per Capita†	Percentage of Personal Income†
2025	\$ 14,482,013	\$ 229,946	\$ 14,252,067	0.30 %	\$ 769	\$ -	\$ 14,482,013	\$ 769	.86 %
2024	10,166,345	191,544	9,974,801	0.22	537	-	10,166,345	537	.60
2023	12,861,597	196,509	12,665,088	0.29	682	67,291	12,928,888	685	.86
2022	15,584,143	176,520	15,407,623	0.39	827	202,686	15,786,829	838	1.12
2021	18,348,769	86,322	18,262,447	0.49	969	400,150	18,748,919	990	1.39
2020	21,465,965	220,492	21,245,473	0.58	1,175	376,703	21,842,668	1,195	1.65
2019	20,389,740	64,391	20,325,349	0.54	1,099	398,497	20,788,237	1,120	1.69
2018	21,149,685	49,680	21,100,005	0.56	1,152	358,138	21,507,823	1,172	1.74
2017	23,509,630	67,070	23,442,560	0.61	1,282	402,088	23,911,718	1,304	1.95
2016	26,014,575	90,761	25,923,814	0.68	1,307	313,279	26,327,854	1,323	2.14

\*See Table 5 for taxable property value data.

†See Table 14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**TOWN OF AVON, CONNECTICUT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Debt Limit	\$ 699,078,625	\$ 680,455,335	\$ 659,356,208	\$ 626,176,159	\$ 621,258,253	\$ 605,765,265	\$ 590,060,653	\$ 566,255,025	\$ 549,535,427	\$ 532,901,257
Total Net Debt Applicable to Limit	<u>17,913,014</u>	<u>16,791,000</u>	<u>19,331,000</u>	<u>18,435,000</u>	<u>20,975,000</u>	<u>23,620,000</u>	<u>19,270,000</u>	<u>19,773,495</u>	<u>21,884,367</u>	<u>24,208,066</u>
Legal Debt Margin	<u>\$ 681,165,611</u>	<u>\$ 663,664,335</u>	<u>\$ 640,025,208</u>	<u>\$ 607,741,159</u>	<u>\$ 600,283,253</u>	<u>\$ 582,145,265</u>	<u>\$ 570,790,653</u>	<u>\$ 546,481,530</u>	<u>\$ 527,651,060</u>	<u>\$ 508,693,191</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.56 %	2.47 %	2.93 %	2.94 %	3.38 %	3.90 %	3.27 %	3.49 %	3.98 %	4.54 %

Note: the State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. the calculation of the 2023 debt limit can be found on Table 13 of this report.

**TOWN OF AVON, CONNECTICUT  
DEBT STATEMENT  
JUNE 30, 2025**

## Long-Term Debt:

## Bonds:

General Public Improvement	\$ 9,232,725
School	<u>5,249,288</u>
Total Bonds	<u>14,482,013</u>
 Total Net Direct Debt	 <u><u>\$ 14,482,013</u></u>

## Notes:

(1) There were no overlapping jurisdictions with outstanding debt applicable to the municipality as of June 30, 2025.

**TOWN OF AVON, CONNECTICUT  
CURRENT DEBT RATIOS  
JUNE 30, 2025**

Population (a)			18,821
Net Taxable Grand List (October 1, 2023) (b)			\$ 3,214,496,636
Estimated Full Value (70%)			\$ 4,592,138,051
Equalized Net Taxable Grand List (October 1, 2021) (c)			\$ 4,697,944,332
Income Per Capita (2022) (c)			\$ 89,357
	<u>Total Direct Debt</u>	<u>Total Net Direct Debt</u>	<u>Total Overall Net Debt</u>
	\$ 14,482,013	\$ 14,482,013	\$ 14,482,013
Per Capita	\$ 769	\$ 769	\$ 769
Ratio to Net Taxable Grand List	0.45 %	0.45 %	0.45 %
Ratio to Estimated Full Value	0.32 %	0.32 %	0.32 %
Ratio to Equalized Net Taxable Grand List	0.31 %	0.31 %	0.31 %
Debt per Capita to Income per Capita	0.86 %	0.86 %	0.86 %

(a) U.S. Department of Commerce, Bureau of the Census, 2021 American Community Survey 5-year Estimates

(b) Grand List October 1, 2023, Town of Avon Division of Assessing

(c) State of Connecticut, Office of Policy and Management, Fiscal Indicators, Town of Avon, 2023

**TOWN OF AVON, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
YEAR ENDED JUNE 30, 2025**

Total Tax Collections (Including Interest and Lien Fees) Received by Treasurer at prior year, June 30, 2024					\$ 94,942,945
Total Tax Collections (Including Interest and Lien Fees) Received by Treasurers of All Other Taxing Districts within Town for prior fiscal year, June 30, 2024					<u>4,925,430</u>
Base for Debt Limitation Computation					<u>\$ 99,868,375</u>
	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 Times Base	\$ 224,703,844	\$ -	\$ -	\$ -	\$ -
4-1/2 Times Base	-	449,407,688	-	-	-
3-3/4 Times Base	-	-	374,506,406	-	-
3-1/4 Times Base	-	-	-	324,572,219	-
3 Times Base	-	-	-	-	299,605,125
Total Debt Limitation	<u>224,703,844</u>	<u>449,407,688</u>	<u>374,506,406</u>	<u>324,572,219</u>	<u>299,605,125</u>
Indebtedness:					
Bonds Payable	9,232,725	5,249,288	-	-	-
Bonds Authorized and Unissued	<u>3,431,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Indebtedness*	<u>12,663,725</u>	<u>5,249,288</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding Debt	<u>\$ 212,040,119</u>	<u>\$ 444,158,400</u>	<u>\$ 374,506,406</u>	<u>\$ 324,572,219</u>	<u>\$ 299,605,125</u>
*The Total of the Above Net Indebtedness Amounts to:					<u>\$ 17,913,013</u>
In No Event Shall Total Indebtedness Exceed Seven Times the Base for Debt Limitation Computation:					<u>\$ 699,078,625</u>

**TOWN OF AVON, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (Thousands of Dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Median Age (4)</u>	<u>Education Level in Years of Schooling (5)</u>	<u>School Enrollment (5)</u>	<u>Unemployment Rate (6)</u>
2025	18,821	\$ 1,681,788	\$ 89,357	46.0	16	3,066	2.6
2024	18,932	1,691,707	89,357	46.0	16	3,189	3.3
2023	18,871	1,497,395	79,349	45.2	16	3,250	3.5
2022	18,848	1,406,381	74,617	45.0	16	3,111	3.4
2021	18,932	1,350,741	71,347	45.0	16	3,162	5.3
2020	18,276	1,326,728	72,594	45.8	16	3,146	3.4
2019	18,561	1,229,258	66,228	45.7	16	3,156	2.6
2018	18,352	1,237,475	67,430	45.8	16	3,208	3.4
2017	18,335	1,225,181	66,822	45.1	16	3,289	3.5
2016	19,900	1,228,905	61,754	45.1	16	3,273	3.6

Sources:

- (1) U.S. Department of Commerce, Bureau of the Census, 2021 American Community Survey 5-year Estimates
- (2) Formula of Population Times per Capita Personal Income, Divided by One Thousand
- (3) State of Connecticut, Office of Policy and Management, Municipal Fiscal Indicators, Town of Avon, 2023
- (4) AdvanceCT Town Profile
- (5) Town of Avon, Board of Education
- (6) State of Connecticut, Department of Labor

**TOWN OF AVON, CONNECTICUT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

Employer	2025			2016		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Avon	719	1	7.73 %	592	1	6.57 %
Whole Foods	260	2	2.79	-		-
Avon Old Farms School	176	3	1.89	-		-
Avon Health Center, Inc.	169	4	1.82	191	2	2.12
Apple Health Care, Inc	131	5	1.41	145	8	1.61
Legere Group	131	6	1.41	148	6	1.64
Wal-Mart	131	7	1.41	130	9	1.44
O.F.S Fitel LLC	130	8	1.40	156	4	0.73
Big Y Supermarket	102	9	1.10	146	7	1.62
Orafal Americas (formerly Reflexite Tech Center)	117	10	1.26	130	10	1.44
Norcom Management & Insurance	-		-	161	3	1.79
Women's Health USA	-		-	150	5	1.67
<b>Total</b>	<b>2,066</b>		<b>22.20 %</b>	<b>1,949</b>		<b>21.65 %</b>

Source: Town Assessor's Office

**TOWN OF AVON, CONNECTICUT  
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Government:										
Manager	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Town Hall**	-	-	1.0	1.0	1.0	-	-	-	-	-
Human Resources*	2.0	2.0	2.0	2.0	1.5	-	-	-	-	-
Finance	2.5	2.5	1.9	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Accounting*	2.6	2.6	3.1	3.5	3.6	-	-	-	-	-
Assessor*	2.6	2.6	2.7	2.5	2.6	-	-	-	-	-
Revenue Collection*	2.0	2.0	2.5	2.5	2.5	-	-	-	-	-
Town Clerk*	2.0	2.0	2.5	2.5	2.5	-	-	-	-	-
Planning and Community										
Development	3.6	3.6	3.4	3.25	3.5	3.0	3.0	3.0	3.0	3.0
Fire Marshall*	2.5	2.5	2.6	2.0	1.7	-	-	-	-	-
Building	3.6	3.6	3.7	3.5	3.0	4.0	-	-	-	-
Engineering*	6.0	6.0	5.7	5.6	5.6	-	4.0	4.0	4.0	4.0
Fire Department	1.6	1.6	-	-	-	-	-	-	-	-
Information Technology	1.0	1.0	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	10.0	11.0	11.0	10.0	10.0
Public Safety:										
Sworn Officers	35.0	35.0	35.0	32.0	28.0	35.0	35.0	35.0	35.0	35.0
Dispatchers	6.0	6.0	6.0	6.0	4.0	9.0	9.0	9.0	9.0	9.0
Civilian*	4.1	4.1	4.3	4.7	5.5	-	-	-	-	-
Public Works	25.2	25.2	25.6	25.5	25.5	28.0	28.0	28.0	28.0	28.0
Parks and Recreation	3.6	3.6	3.7	3.5	3.2	3.0	3.0	3.0	3.0	3.0
Senior Center	1.6	1.6	1.6	1.5	1.6	-	-	-	-	-
Public Library	18.0	18.0	18.0	18.0	8.0	8.0	8.0	8.0	8.0	8.0
Human Services	2.3	2.3	2.3	1.6	1.2	0.6	0.6	1.6	1.6	1.6
Board of Education:										
Certified	<u>299.3</u>	<u>304.3</u>	<u>306.3</u>	<u>314.1</u>	<u>293.8</u>	<u>292.6</u>	<u>293.7</u>	<u>288.7</u>	<u>301.7</u>	<u>294.4</u>
Total	<u>431.1</u>	<u>436.1</u>	<u>436.9</u>	<u>439.7</u>	<u>402.7</u>	<u>397.6</u>	<u>399.7</u>	<u>395.7</u>	<u>407.7</u>	<u>400.4</u>

Source: Annual Operating Budgets

Notes: Police, Dispatchers and Public Works Bargaining Units are scheduled to work 2,080 hours per year. All other positions are scheduled to work 1,950 hours per year. Full-time equivalent is calculated by dividing total labor hours by the scheduled work hours per year.

\*Prior to fiscal year 2020/2021: Town Clerk, Town Hall, Accounting, Assessor, Revenue Collection, and Human Resources were included in Other; Fire Marshall was included in Building; Engineering was included in Public Works; and Administrative Support (Civilians) were included in Dispatchers.

\*\* Effective 7/1/2023, position of Town Hall moved under the Managers Office. Seasonal and Substitute employees not included.

**TOWN OF AVON, CONNECTICUT  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>General Government:</b>										
Marriage Licenses	72	76	106	102	91	83	103	124	122	122
Birth Certificates	143	136	140	113	187	136	154	146	142	140
Death Certificates	214	226	210	160	131	218	211	228	221	189
<b>Boards and Agencies:</b>										
Registered Voters	13,192	13,180	13,652	13,752	12,953	13,267	12,996	12,651	12,526	11,590
Elections and Referenda	3	5	4	2	1	1	5	2	2	4
<b>Planning and Development:</b>										
Building Permits Issued	2,610	2,848	2,522	2,515	2,311	1,836	1,789	1,749	618	700
Building Inspections Conducted	2,486	2,312	2,494	2,741	2,812	2,346	2,814	2,563	2,026	2,282
Value of Building Permits	57,726,815	66,004,535	51,393,842	42,226,750	38,912,962	41,578,462	31,559,903	33,736,397	23,065,385	32,967,887
<b>Public Safety:</b>										
Arrests	139	143	90	48	74	106	187	214	164	219
Parking Violations	6	-	-	-	1	-	-	-	-	1
Traffic Violations	1,934	1,323	1,735	266	373	956	727	1,478	426	1,175
Emergency Responses	2,521	2,542	2,124	2,015	1,723	1,813	1,940	1,831	1,821	1,847
Fires Extinguished	45	35	54	37	38	43	41	31	45	38
Inspections/Fire Prevention	361	409	492	392	440	237	292	348	388	256
Calls for Service	18,037	18,091	17,441	13,247	12,867	13,922	16,593	19,464	16,126	21,053
Citations Issued	1,800	1,369	1,628	239	283	437	564	948	380	659
<b>Public Works:</b>										
Miles of Roads Maintained	112	112	112	111	111	111	111	110	110	110
Refuse Collected (Tons per Year)	743	717	678	673	730	653	650	660	670	700
Recyclables Collected (Tons per Year)	344	319	303	316	337	388	375	448	418	413
<b>Parks and Recreation:</b>										
Total Park Reservations	5,467	3,868	2,543	2,942	3,020	3,817	4,017	3,965	3,652	4,032
Total Day Camp Registrations	687	689	674	700	528	141	457	474	499	495
Total Swim Memberships	517	506	504	520	513	357	426	373	417	358
Pool Attendance	13,617	13,956	12,534	16,782	14,473	14,022	14,821	13,189	13,627	13,717
<b>Public Library:</b>										
Volumes in Collection	225,734	215,304	214,464	201,912	199,693	191,571	195,637	195,684	153,962	124,772
Items Circulated	285,072	295,840	278,308	272,143	204,815	212,594	225,318	258,724	285,596	299,743
<b>Human Services:</b>										
Senior Mini-Bus Trips	2,463	2,470	2,472	1,946	1,618	2,323	2,971	2,708	2,205	2,535
Households Provided Energy Assistance	139	141	145	137	107	129	143	131	129	78
Households Provided Food Bank Assistance	164	159	151	116	116	113	130	121	110	110
<b>Education:</b>										
Elementary Schools	2	2	2	2	2	2	2	2	2	2
Grade 5/6 Schools	1	1	1	1	1	1	1	1	1	1
Middle Schools	1	1	1	1	1	1	1	1	1	1
High Schools	1	1	1	1	1	1	1	1	1	1

Source(s): Various Town Departments

**TOWN OF AVON, CONNECTICUT  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Public Safety:</b>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	4	4	4	4	4	4	4	4	4	4
Police Vehicles	23	22	22	20	19	20	20	20	23	23
Fire Vehicles	13	16	16	15	15	17	15	18	13	14
<b>Public Works:</b>										
Miles of Town Roads	112	112	112	111	111	111	111	111	111	111
Linear Feet of Sidewalks (see Note)	64,000	64,000	64,000	53,065	53,065	53,065	53,065	53,065	53,065	53,065
Streetlights	797	795	795	795	795	795	795	795	795	795
Traffic Signals	22	22	22	21	21	21	21	21	22	22
Public Works Vehicles	32	32	31	33	33	31	32	32	32	31
<b>Parks and Recreation:</b>										
Acreage (Parks Only)	1,167	1,167	1,167	1,167	1,167	1,167	1,155	1,155	1,155	1,155
Parks and Greens	14	14	14	14	14	14	14	14	14	14
Athletic Fields (Includes Board of Education)	64	64	36	36	36	36	30	30	30	30
Swimming Pools	2	2	2	2	2	2	2	2	2	2
<b>Public Library:</b>										
Library	1	1	1	1	1	1	1	1	1	1
<b>Human Services:</b>										
Senior Center	1	1	1	1	1	1	1	1	1	1
<b>Education:</b>										
Schools	51	5	5	5	5	5	5	5	5	5
<b>Water:</b>										
Fire Hydrant Rentals	776	770	770	770	765	767	771	765	765	764
<b>Sewer:</b>										
Sanitary Sewers (Miles)	92.5	92.5	92.1	92.1	92.1	91.4	91.4	92.0	90.1	90.1
Storm Sewers (Miles)	85	85	85	85	85	85	85	85	85	85

Source(s): Various Town Departments

Note: No capital asset indicator is available for the conservation and development function. Per implementation of Pavement Management Program effective in 06-07 information to be captured in square feet.