



DLS

DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

Christopher C. Harding
Commissioner of Revenue

Sean R. Cronin
Senior Deputy Commissioner

To: Gregory Enos, Town Administrator
From: Zack Blake, Technical Assistance Bureau Chief
Date: October 25, 2019
Re: Community Comparison Study

INTRODUCTION

The Division of Local Services (DLS) Technical Assistance Bureau (TAB) conducted a community comparison study at the request of Avon's town administrator. Comparing Avon to other municipalities is a benchmarking exercise that the town administrator sought to enhance analytics and transparency during his second budget cycle with the town. TAB's analysis resulted in multiple comparative datasets, which we provide in an accompanying Excel file and describe further below.

SUMMARY

A small suburban community of 4,498 residents, Avon encompasses just 4.29 square miles of land lying about 20 miles south of Boston in Norfolk County. With a \$29.2 operating budget for FY2019, the town provides a full array of municipal services, including a police force, fire department, ambulance service, public works department, library, and council on aging. Despite its small population and relatively modest budget, Avon also supports its own K-12 school system for 728 students, as well as being a member of the Blue Hills Regional Technical and Norfolk County Agricultural High School Districts.

With its location on Route 24 and large retail presence, Avon has a highly developed commercial/industrial sector. In fact, fully 43.27 percent of the town's total property valuation is attributable to commercial/industrial/personal (CIP) properties, which ranks fifth highest among all communities in the state. Historically, Avon's select board votes to "split" the town's tax rate each year, assigning a higher rate to CIP property owners and thereby helping to further alleviate the tax burden on residents. With this rate shift, nearly 60 percent of the town's total tax levy was assessed to business or personal property owners in FY2019. Avon is one of only 11 communities in the state

whose residential taxpayers pay less than half of the total property tax levy, and this situation is the most crucial factor in setting the town apart from other municipalities in the region.

The town administrator provided TAB with a list of nearby towns to use for comparison, which we have called the Neighbors group. However, from budgetary and socioeconomic standpoints, Avon actually has very little in common with almost all of those communities. Therefore, we researched the DLS Databank to develop a list of municipalities more aptly similar to Avon, which we call the Peers group. In order of importance the factors used to identify these peers were:

1. CIP percentage of total property valuation
2. Population
3. General fund budget
4. Equalized valuation per capita
5. Income per capita

After taking the above metrics into consideration, West Bridgewater is the only town that is both a neighbor and peer to Avon.

Attached ([click here](#)) to this report is an Excel workbook that contains tables and graphs comparing the Neighbor and Peer groups relative to the following:

- Financial reserve benchmarks
- Debt service benchmarks
- CIP percentage of valuation vs. CIP percentage of local levies
- Sources of revenue
- Overall spending by category
- Per capita spending on general government, public safety, and education

The datasets with neighboring communities illustrate how much Avon differs from other communities in its region. Ultimately, the peer group comparisons provide better benchmarking standards.

COMMUNITY PROFILES

Neighboring Communities

Municipality	County	2015 Pop.	Land Area	Pop. Density	2016 Per Capita Income	2018 Per Capita EQV	FY19 Avg. Single-Family Tax Bill	FY19 Total Budget	School System	Moody's / S&P Rating	CIP % of Total Value
Avon	NORFOLK	4,498	4.29	1,048	34,043	190,276	5,524	29,205,312	K-12	Aa2	43%
Ayer	MIDDLESEX	8,001	8.92	897	33,821	152,394	4,534	35,826,010	RSD	Aa3/AA+	34%
Boylston	WORCESTER	4,534	16.06	282	55,209	169,162	6,421	17,351,956	RSD	Aa3	13%
Deerfield	FRANKLIN	5,015	32.39	155	40,285	141,871	4,631	19,636,224	RSD	Aa3	25%
Hadley	HAMPSHIRE	5,352	23.09	232	32,970	194,440	4,015	20,668,572	K-12	AA+	35%
Lee	BERKSHIRE	5,816	26.15	222	28,631	167,383	3,757	26,062,271	K-12	AA	32%
Mendon	WORCESTER	6,024	17.77	339	57,240	164,282	6,786	20,498,615	RSD	Aa3/AA+	12%
Plainville	NORFOLK	9,057	11.00	823	40,087	163,964	5,684	40,936,390	K-12	Aa2	27%
West Bridgewater	PLYMOUTH	7,094	15.32	463	36,548	178,788	5,768	37,563,707	K-12	Aa3/AA	32%
Averages		6,155	17.22	496	39,870	169,173	5,236	27,527,673			28%

Peer Communities

Municipality	County	2015 Pop.	Land Area	Pop. Density	2016 Per Capita Income	2018 Per Capita EQV	FY19 Avg. Single-Family Tax Bill	FY19 Total Budget	School System	Moody's / S&P Rating	CIP % of Total Value
Avon	NORFOLK	4,498	4.29	1,048	34,043	190,276	5,524	29,205,312	K-12	Aa2	43%
Easton	BRISTOL	23,908	28.75	832	48,400	150,964	7,182	89,567,228	K-12	Aa3	13%
Halifax	PLYMOUTH	7,834	16.00	490	35,605	121,666	5,855	26,322,680	RSD	Aa3	9%
Hanson	PLYMOUTH	10,630	15.05	706	34,944	129,221	5,140	30,024,314	RSD	Aa3	8%
Holbrook	NORFOLK	11,050	7.25	1,524	29,766	115,545	5,928	47,400,986	K-12	A2/AA-	13%
Randolph	NORFOLK	33,699	9.83	3,428	27,196	108,224	5,003	121,017,249	K-12	AA	12%
Stoughton	NORFOLK	28,431	16.09	1,767	32,900	141,204	5,637	129,336,200	K-12	Aa2	20%
West Bridgewater	PLYMOUTH	7,094	15.32	463	36,548	178,788	5,768	37,563,707	K-12	Aa3/AA	32%
Whitman	PLYMOUTH	14,849	6.94	2,140	30,527	110,330	4,949	30,024,314	RSD	Aa3	11%
Averages		15,777	13.28	1,378	30,527	110,330	5,665	60,051,332			18%