



2019-2020

**BOARD OF SELECTMEN
PROPOSED BUDGET**

BOARD OF FINANCE BUDGET FORUM

MARCH 9, 2019, 9 AM

MUNICIPAL OFFICE COMPLEX

EMMETT LYMAN, FIRST SELECTMAN

SUSAN LINK, SELECTMAN

ROBERT SMITH, SELECTMAN

GOALS AND OBJECTIVES

- To maintain our AA+ Standard and Poor's bond rating—continue to strive for the highest rating of AAA
- To continue our capital savings plan to offset debt costs associated with the four major capital improvement projects
- To focus on the economic development opportunities in the two villages and the industrial areas
- To continue public safety initiatives and measures
- To continue to maintain and improve our infrastructure
- To continue to improve the appearance of town properties parks and greens
- To continue to build on recreational opportunities
- To continue to build on programs and services for senior citizens

BUDGET CHALLENGES



- September storm damage—FEMA funds are available and should offset a significant portion (approximately 75%) of the costs.
- Tree care and removal—at this time there are no opportunities for grant funding to help with this cost.
- Reduced State of Connecticut funding to include LoCIP, Casino and Education Cost Sharing.
- Ensuring adequate EMS services for our citizens
- Addressing school security concerns
- Teachers Retirement—the Governor's Proposed Budget allocates \$61,962 of the cost to the town this year. This amount continues to accelerate in the years to come. The projection for next year is more than double of this year.

BUDGET HIGHLIGHTS



- Grand List growth of \$8,369,098 or 1%.
- First debt service payment for Municipal Office Complex—using Capital Project Savings Plan to pay for—no net tax increase.
- Utilizes state aid to municipalities based on the Governor’s Proposed Budget.
- Proposes realignment of police staff to institute a School Resource Officer.
- Includes funding for:
 - A full-time Building Official
 - Increased career (paid) firefighter/EMS hours to better address the EMS needs of our community
 - An increase in cost for our Emergency 9-1-1 Services
 - Tree care and removal, increased to provide for greater tree remediation
 - Teachers Retirement funding in accordance with the Governor’s Proposed Budget

RECENT ACCOMPLISHMENTS

- Continued to maintain AA+ bond rating with Standard & Poor's.
- Reconvened the Financial Needs Roundtable.
- Ordinance Codification implemented with full online access.
- Use of the Municipal Office Complex is steadily increasing:
 - We are now a center for community and regional meetings, workshops and events.
 - Recreational opportunities continue to expand and grow.
 - Elections and referendums may now be conducted in one location.
- Completed USDA bonding for the Municipal Office Complex.
- Bone Mill Bridge replacement completed under budget.
- Issued Request for Qualifications for former Town Offices site.
- Upgrade to the Town's website is underway.



BUDGET EXPENDITURE SUMMARY

	2017-2018	2018-2019	2019-2020		
	Actual	Budget	Proposed Budget	\$ Change	% Change
General Government	3,497,686	3,816,857	3,971,238	154,382	4.0%
Public Safety	1,152,208	1,152,115	1,235,059	82,942	7.2%
Public Works	1,998,186	1,929,934	2,169,269	239,335	12.4%
Health and Social Services	451,105	460,787	466,035	5,248	1.1%
Culture and Recreation	570,033	525,374	567,164	41,791	8.0%
Debt Service	1,771,825	1,767,688	2,690,253	922,565	52.2%
Interfund Transfers	1,382,103	1,870,530	2,245,450	374,920	20.0%
Education	19,758,120	20,039,232	20,600,060	560,828	2.8%
Proposed Teachers Retirement	-	-	61,962	61,962	n/a
Grand Total	30,581,264	31,562,517	34,006,491	2,443,973	7.7%

TOWN GOVERNMENT

	2017-2018	2018-2019	2019-2020		
	Actual	Budget	Proposed Budget	\$ Change	% Change
General Government	3,497,686	3,816,857	3,971,238	154,382	4.0%
Public Safety	1,152,208	1,152,115	1,235,059	82,942	7.2%
Public Works	1,998,186	1,929,934	2,169,269	239,335	12.4%
Health and Social Services	451,105	460,787	466,035	5,248	1.1%
Culture and Recreation	570,033	525,374	567,164	41,791	8.0%
Grand Total	7,669,218	7,885,067	8,408,766	523,698	6.6%

General Government:

- Municipal Office Complex: increase in the cost of electricity.
- Salaries and Benefits: increase in benefits and employer share of Social Security for Building and Fire positions.

Public Safety:

- Building Department: increase of Building Official to full-time 35 hours per week.
- Fire Department: increase of Firefighter/EMS to hours to provide better coverage to our community.

Public Works:

- Transfer Station: increase to purchased services for the hauling of bulky waste and anticipated cost of recycling.
- Tree Care and Removal: new budget to begin to address tree care and removal.

Culture and Recreation:

- Lakes Association: increase in funding to our three lakes.
- Town Greens, Grounds and Fields: increase to support part time summer help as well as maintenance of our grounds equipment.

CAPITAL IMPROVEMENT PLAN

	2017-2018	2018-2019	2019-2020		
	Actual	Approved Budget	Proposed Budget	\$ Change	% Change
General Government	142,660	59,100	8,385	(50,715)	-85.8%
Public Safety	9,711	255,000	182,000	(73,000)	-28.6%
Public Works	311,864	1,169,500	927,000	(242,500)	-20.7%
Health and Social Services	-	-	9,000	9,000	n/a
Culture and Recreation	7,404	69,000	69,800	800	1.2%
Education	222,264	200,000	350,000	150,000	75.0%
Grand Total	693,902	1,752,600	1,546,185	(206,415)	-11.8%

Funding Sources	Amount
General Fund Support (Taxation)	1,071,861
Lakes Reserve	30,000
State Grants (Town Aid Road, LoCIP)	414,620
Rathbun Trust Proceeds	18,649
Repurposed Capital Funds (unspent)	11,055
Total	1,546,185

DEBT SERVICE

	2017-2018	2018-2019	2019-2020		
	Actual	Budget	Proposed Budget	\$ Change	% Change
General Fund Principal	1,330,000	1,380,000	1,370,000	(10,000)	-0.8%
General Fund Interest	441,825	387,688	338,576	(49,112)	-11.1%
Capital Projects Savings Principal	-	-	481,590	481,590	n/a
Capital Projects Savings Interest	-	-	500,087	500,087	n/a
Grand Total	1,771,825	1,767,688	2,690,253	922,565	52.2%

2019-2020 is the first principal and interest payments for the Municipal Office Complex. The Debt Service for this project was structured through a Capital Projects Savings Reserve. The Principal and Interest for the Project total \$981,677.

Capital Projects Savings Plan	
2019-2020 Debt Service for Municipal Office Complex	981,677
Transfer in from Capital Projects Savings Reserve	(981,677)
Taxation for Debt Service for Municipal Office Complex	-0-

RESERVES

	2017-2018	2018-2019	2019-2020		
	Actual	Budget	Budget Request	\$ Change	% Change
Transfers to:					
Ambulance Reserve	20,000	25,000	25,000	-	0.0%
Education Reserve	104,410	100,000	100,000	-	0.0%
Fire Department Reserve	75,910	75,910	95,910	20,000	26.3%
Future Capital Projects Reserve	426,598	430,298	489,410	59,112	13.7%
Revaluation Reserve	20,000	20,000	30,000	10,000	26.3%
Grand Total	646,918	651,208	740,320	89,112	13.7%

- Maintains discipline of reserving for future ambulances, education capital, fire apparatus and revaluation and four major capital projects savings.

REVENUE

	2017-2018	2018-2019	2019-2020		
	Actual	Budget	Budget Request	\$ Change	% Change
Property Taxes	25,801,748	26,002,994	27,653,395	1,650,401	6.3%
Intergovernmental Agencies	3,837,932	4,202,140	4,058,685	(143,455)	-3.4%
Interest Income	55,846	24,500	27,575	3,075	12.6%
Local Revenue	771,819	677,644	693,443	15,799	2.3%
Transfers and Other Funding Sources	565,993	655,239	1,573,393	918,154	140.1%
Grand Total	31,033,338	31,562,517	34,006,491	2,443,973	7.7%

- Intergovernmental Agencies—Aid to Municipalities: Budget is prepared on the Governor’s Proposed Budget.
- Transfers and Other Funding Sources—There is no reliance on fund balance. Transfer in of \$981,677 for Debt Service offset.
- Mill Rate Increase of 1.61.

We look forward to working with the Board of Finance as we move forward with the budget process.

