

Town Manager's Proposed FY 20-21 Budget



Operating & Capital Budget Overview – April 13, 2020



Town Manager's Proposed Operating Budget



The FY21 Proposed General Fund Budget - \$117,614,532

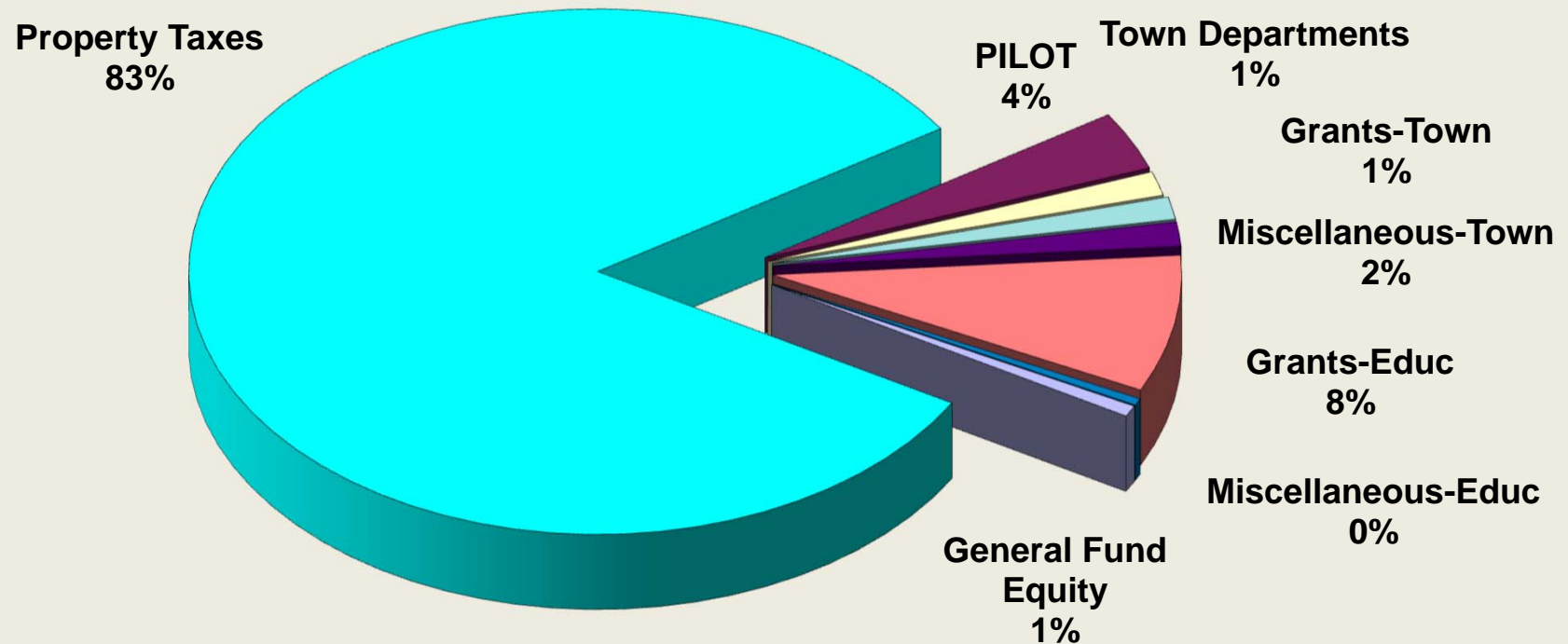
	<u>FY 20</u>	<u>FY 21</u>	<u>\$</u> <u>INCR.</u>	<u>%</u> <u>INCR.</u>
GENERAL GOVERNMENT	32,715,037	33,978,497	1,263,460	3.86%
EDUCATION	73,356,511	75,545,054	2,188,543	2.98%
DEBT	6,640,186	6,965,981	325,795	4.91%
CAPITAL NON-RECURRING	1,100,000	1,000,000	-100,000	-9.09%
CONTINGENCY	125,000	125,000	0	0.00%
STATE TEACHER PENSION ASSESSMENT	284,061	0	-284,061	-100.00%
TOTAL	114,220,795	\$117,614,532	\$3,393,737	2.97%

Budget Context



- **COVID-19 Pandemic**
 - Proposed budget was finalized first week of March
- **State Budget Proposal – Minimal Changes From Expectations**
 - Impact of the Governor’s proposed budget & misc. state grants:
 - Lower by \$13,494 in total
- **Expiring Union Contracts Under Negotiation**
- **School Modernization**
- **Bartlem Park South/Chapman Property Master Planning**

FY21 Proposed Revenues



FY21 Proposed Revenues



<u>Revenues</u>	<u>Budget</u>	<u>Percentage</u>
Property Taxes	\$ 97,042,290	82.51%
PILOT	4,240,043	3.61%
Town Departments	1,742,440	1.48%
Grants-Town	1,630,087	1.39%
Miscellaneous-Town	1,757,000	1.49%
Grants-Educ	9,888,231	8.41%
Miscellaneous-Educ	510,000	0.43%
General Fund Equity	800,000	0.68%
Total	\$ 117,610,091	100.00%

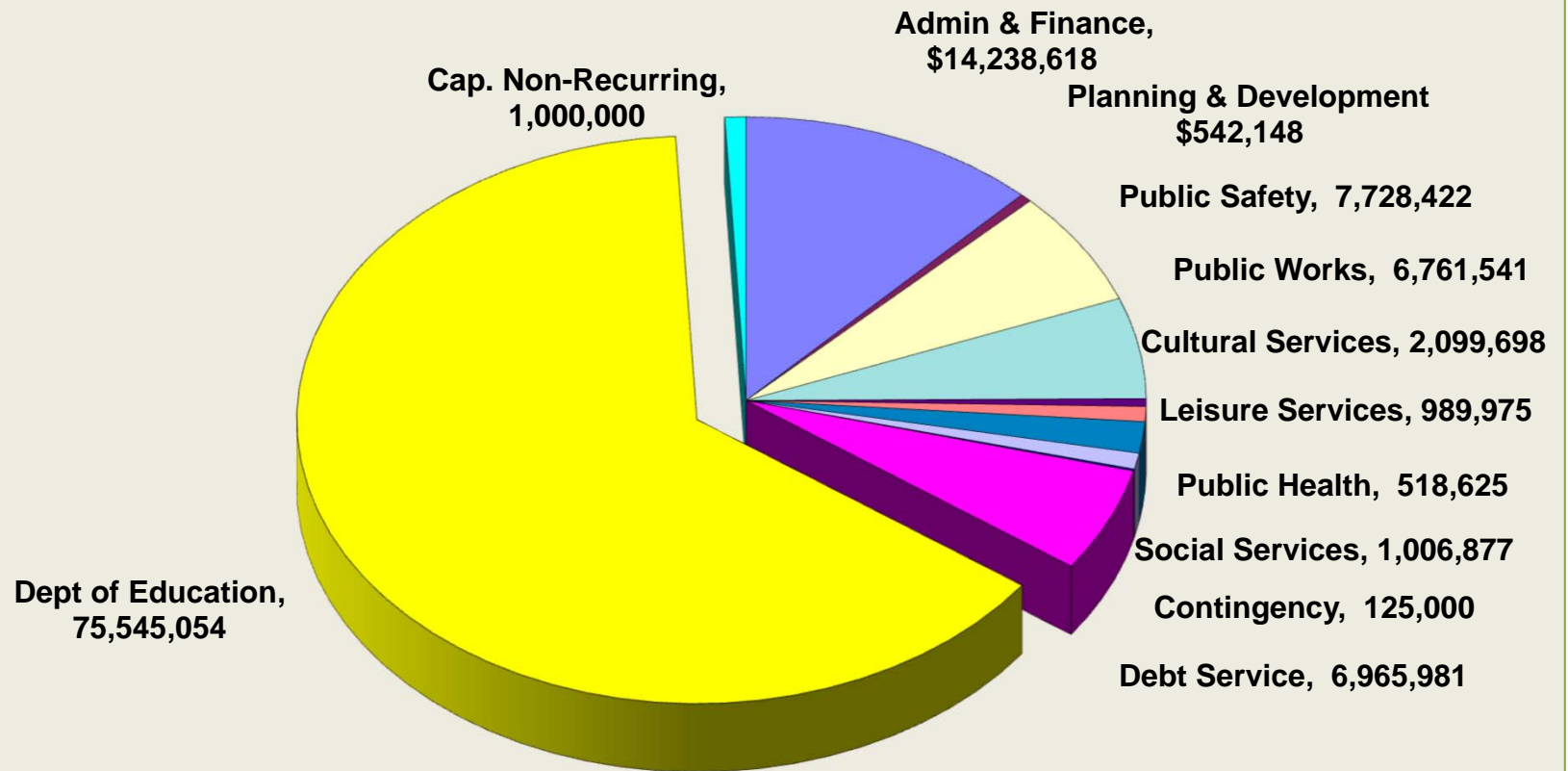
Detail begins on pg. 98 of budget book)

FY16 - FY21 Revenue Comparison



REVENUES	FY 16	PERCENT	FY 21	PERCENT
	ADOPTED BUDGET		PROPOSED BUDGET	
Property Taxes	\$ 83,405,162	78.97%	\$ 97,042,290	82.51%
PILOT	5,538,816	5.25%	4,240,043	3.61%
Town Departments	2,031,521	1.92%	1,742,440	1.48%
Grants - Town	1,226,581	1.16%	1,630,087	1.39%
Miscellaneous - Town	1,500,390	1.42%	1,757,000	1.49%
Grants – Education	10,728,029	10.16%	9,888,231	8.41%
Miscellaneous – Education	483,135	0.46%	510,000	0.43%
General Fund Equity	700,000	0.66%	800,000	0.68%
Total	\$ 105,613,634	100.00%	\$ 117,610,091	100.00%

FY21 Proposed Expenditures



FY21 Proposed Expenditures



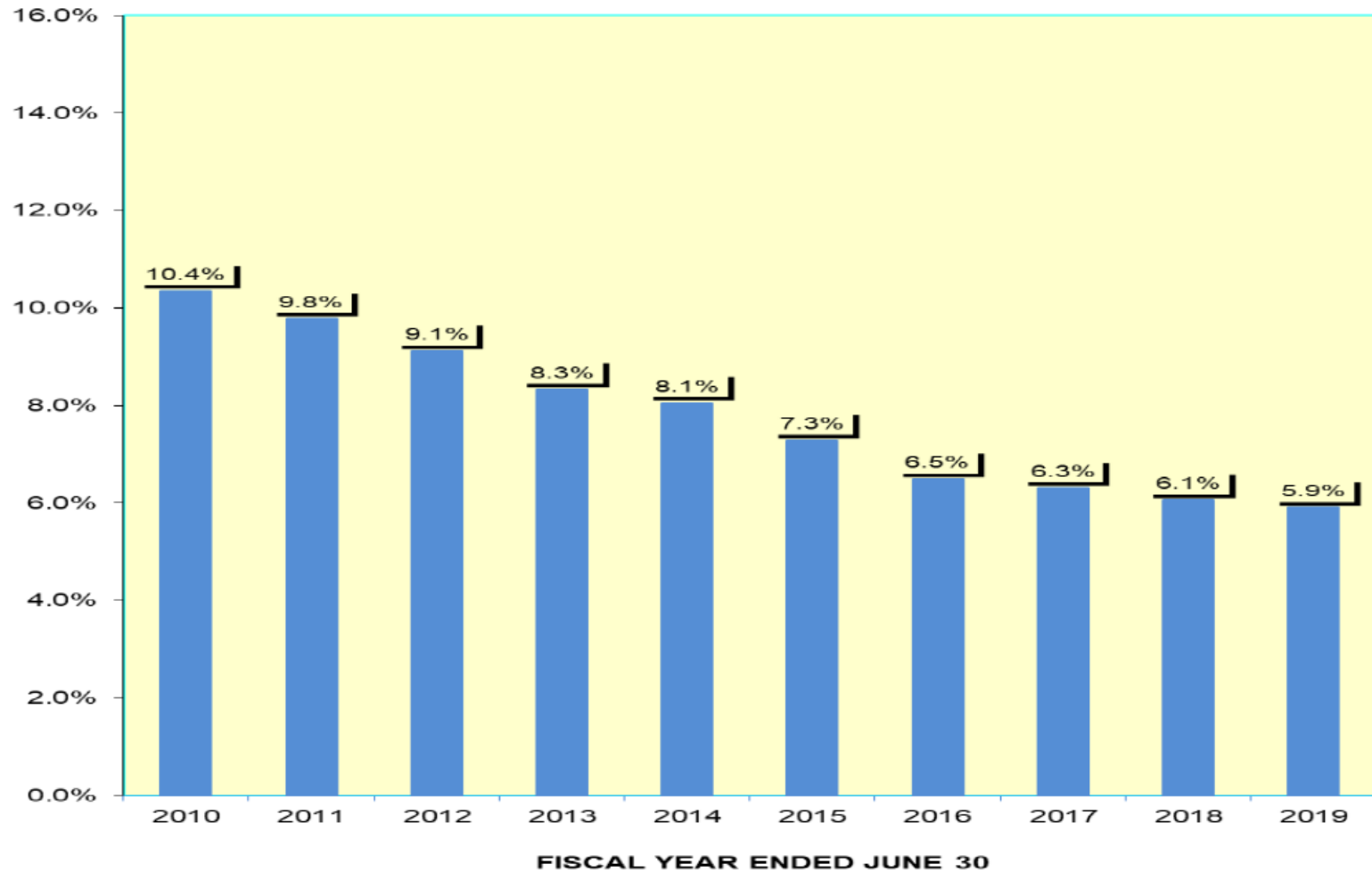
<u>Expenditures</u>	<u>Budget</u>	<u>Percentage</u>
General Government:		
Admin & Finance	\$ 14,238,618	12.11%
Planning & Development	548,578	0.47%
Public Safety	7,728,422	6.57%
Public Works	6,761,541	5.75%
Public Health	518,625	0.44%
Social Services	1,006,877	0.86%
Cultural Services	2,099,698	1.79%
Leisure Services	1,071,697	0.91%
Contingency	125,000	0.11%
Debt Service	6,965,981	5.92%
Dept of Education	75,545,054	64.23%
Cap. Non-Recurring	1,000,000	0.85%
Total	\$ 117,610,091	100.00%

Key Budget Drivers



<u>Major Budget Drivers</u>	<u>\$ Increase</u>	<u>%</u>
Board of Education Budget	\$2,188,543	1.92%
Net Debt Service Increases	\$325,795	0.29%
General Government Budget Drivers:		
Town Retirement/OPEB Expenses	\$359,713	0.31%
Medical Insurance	\$176,912	0.15%
Solid Waste/Recycling Tip Fee Increases	\$121,187	0.11%
Liability and Workers Comp Insurance & Social Security	\$101,971	0.09%
All Other Changes	\$115,175	0.10%
Total	\$3,389,296	2.97%

Debt Service (Net) As A Percentage of General Fund Expenditures



Debt Service Analysis



	GROSS GENERAL FUND DEBT	RESRV. FUND (2)	ENRGY REBT.	WPCD F.B.	C.N.R.	WPCD RATE RVS.	D.O.C. STTLMNT	TOTAL OFF- SETTING	REVISED NET DEBT(1)	INCREASE FROM PREVIOUS YEAR
FY 18	10,166,351	2,500,019	200,000	300,000	250,000	324,549		3,574,568	6,591,783	
FY 19	9,207,169	1,182,696	200,000	200,000	200,000	324,549	525,000	2,632,245	6,574,924	(16,859)
FY 20	8,905,071	1,265,336		100,000		324,549	575,000	2,264,885	6,640,186	65,262
FY 21	8,842,112	1,347,975				324,549	203,607	1,876,131	6,965,981	325,795
FY 22	9,328,813	1,130,614				324,549	150,000	1,605,163	7,723,650	757,669
FY 23	9,801,043	874,277				324,549		1,198,826	8,602,217	878,567
FY 24	9,842,511					324,549		324,549	9,517,962	915,745
TOTAL		<u>8,300,917</u>	<u>400,000</u>	<u>600,000</u>	<u>450,000</u>	<u>2,271,843</u>	<u>1,453,607</u>	<u>13,476,367</u>		

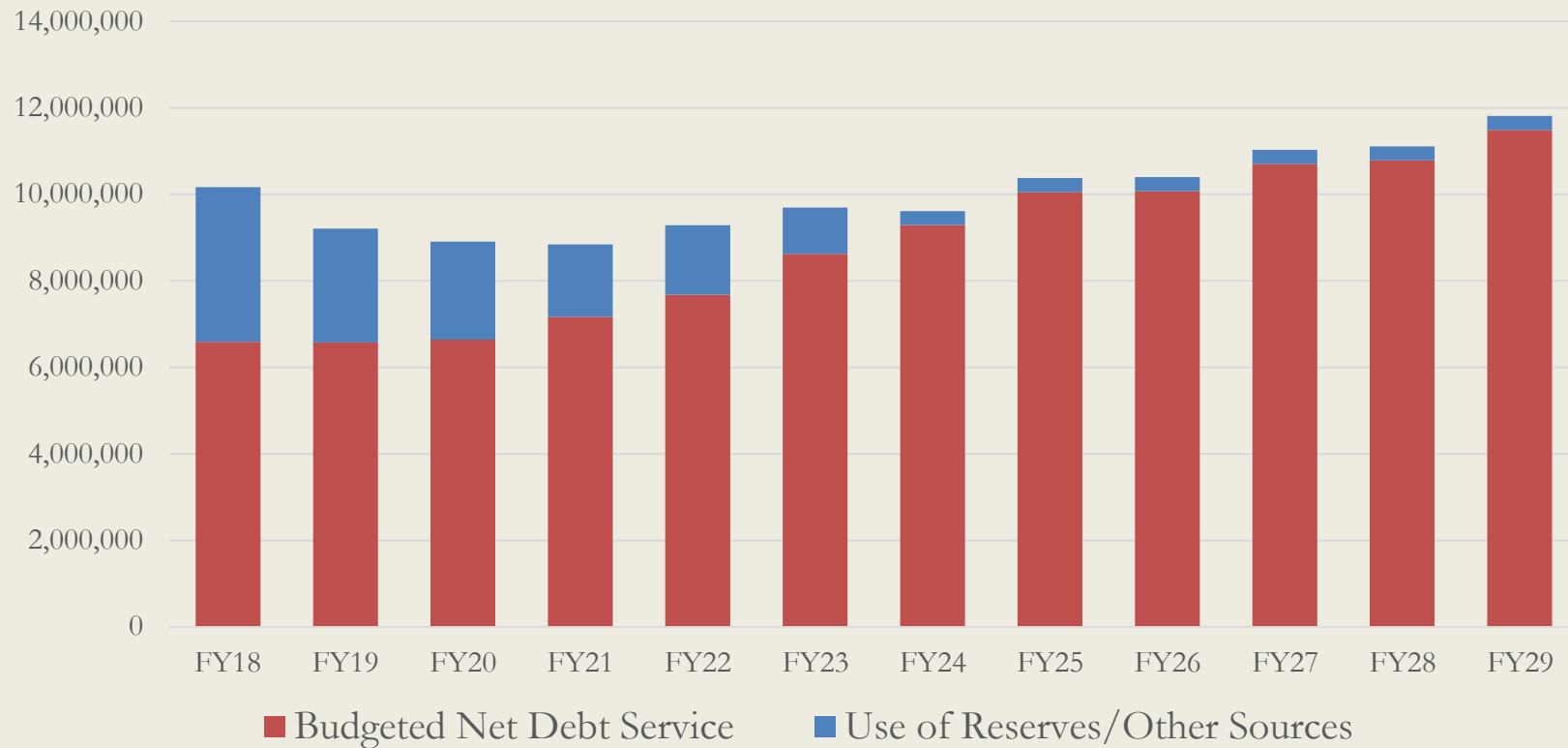
(1) Including Energy Rebate, WPCD Fund Balance, Capital Non-Recurring, WPCD Commercial Rate Revision, Dept. of Corr. Settlement -
Net debt after use of potential resources

(2) Updated to include \$58,541 FEMA grant transfer in FY20 & interest earned on reserve funds through FY21

Debt Service (Net)



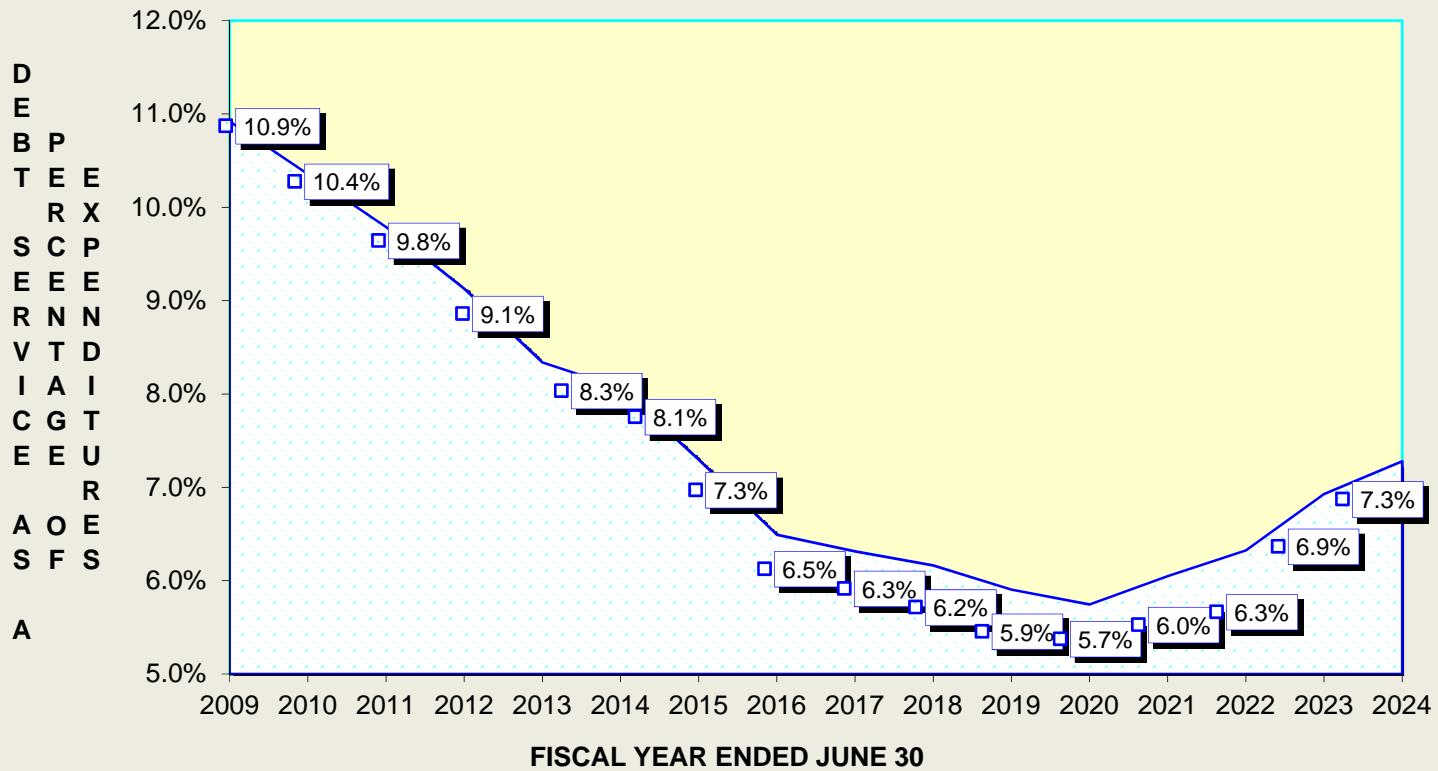
Recent & Projected Gross Debt Service vs. Net Debt Service
(Net Debt after reserve usage/one-time funding)



Debt Service (Net)



**GENERAL FUND LONG-TERM DEBT SERVICE
AS A PERCENTAGE OF
GENERAL FUND ACTUAL BUDGETARY EXPENDITURES
TEN YEAR HISTORY & 5 YEAR PROJECTED**



Mill Rate Analysis



Mill Rate Increase Impact on Average Taxpayer (Holding Values From Most Recent Revaluation)

	<u>Appraised Value</u>	<u>70% Assessed Value</u>
Avg. Residential Property	\$ 303,720	\$ 212,604
Avg. Vehicle 1	\$ 13,214	\$ 9,250
Avg. Vehicle 2	\$ 13,214	\$ 9,250
Total	\$ 330,148	\$ 231,104

Current Taxes at 33.22 mills: \$7,677
Proposed Taxes at 34.15 mills: \$7,892

Total Proposed Annual Tax Increase: \$215

Mill Rate Analysis



AVERAGE RESIDENTIAL TAXPAYER 34.15 MILLS

A.	AVERAGE ASSESSMENT	FY 20	FY 21	\$ VARIANCE	% VARIANCE
	REAL ESTATE	\$212,604	\$214,035	\$1,431	0.67%
	MOTOR VEHICLE	\$9,250	\$9,517	\$267	2.89%
B.	TAXES ON AVERAGE ASSESSMENT(HOUSE & 2 CARS)	FY 20 33.22 MILLS	FY 21 34.15 MILLS	\$ VARIANCE	% VARIANCE
	REAL ESTATE	\$7,063	\$7,309	\$246	3.48%
	TWO MOTOR VEHICLES	\$615	\$650	\$35	5.69%
	TOTAL	\$7,678	\$7,959	\$281	3.66%

Mill Rate Analysis – 10 Year History



TEN YEAR HISTORY – ANNUAL TAX INCREASE

FISCAL YEAR	AVERAGE ASSESSMENT (HOUSE & 2 CARS)	Mill Rate	Taxes	\$ Increase	% Increase
FY 21 (Proposed)	\$233,069	34.15	\$7,959	\$281	3.66%
FY 20	\$231,104	33.22	\$7,678	\$75	0.98%
FY 19	\$233,074	32.62	\$7,603	\$179	2.40%
FY 18	\$232,450	31.94	\$7,424	\$245	3.42%
FY 17	\$230,170	31.19	\$7,179	\$133	1.88%
FY 16	\$229,600	30.69	\$7,046	\$133	1.92%
FY 15	\$228,550	30.25	\$6,914	\$133	1.96%
FY 14	\$245,670	27.60	\$6,780	\$84	1.25%
FY 13	\$245,930	27.23	\$6,697	\$137	2.09%
FY 12	\$244,305	26.85	\$6,560	\$123	1.91%
FY 11	\$242,900	26.50	\$6,437	\$139	2.21%
10-Year Average	\$236,375	29.81	\$7,032	\$138	2.00%

Five-Year Capital Budget Plan



- Historically Reviewed in Summer and Approved by August 30th / November Referendum
- Includes Five-Year Plan for Capital Expenditures
- Year 1 is only year appropriated

Capital Project Prioritization



- Projects included on the previously adopted Five-Year Capital Expenditure Plan
- New projects that will lead to future cost savings and returns on investment.
- Recommended projects that will not conflict with future School Modernization Plan

Recommended Five-Year CEP



- \$74,639,000 requested by departments/BOE
- Reduced by \$6,780,000
- \$67,859,000 Recommended
- Increase of \$9,218,000 over last year's adopted five-year capital plan

Net Capital Costs



- \$7,728,000 in offsetting grants or available cash funding
- Reduces the net capital total cost to \$60,131,000
- Adopted Five-Year CEPs have averaged \$53.64 M (gross) and \$44.39M (net) over the past five adopted budgets.

History of Five-Year Capital Plans

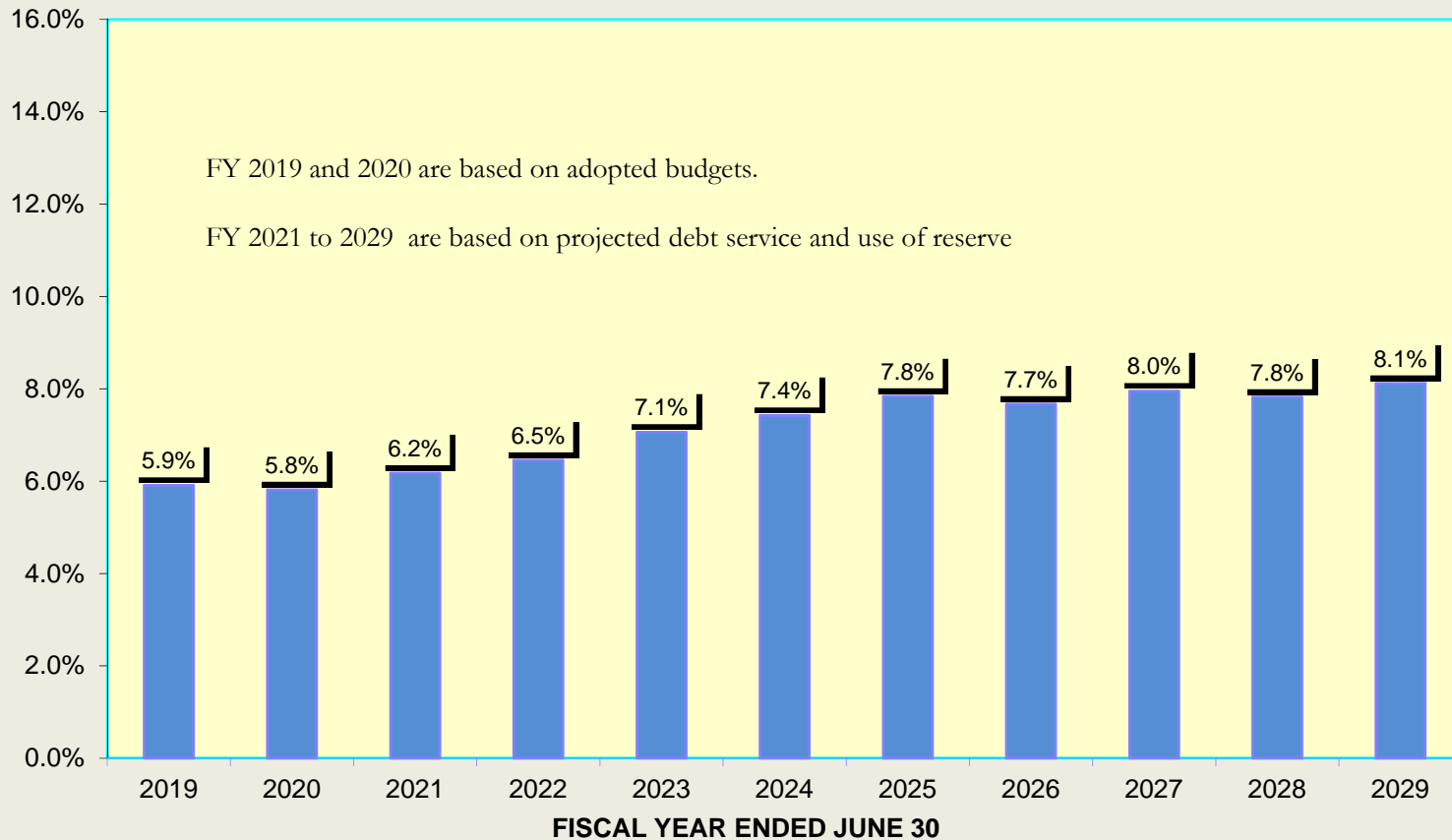


FISCAL YEAR	TOTAL GROSS 5 YEAR PLAN	TOTAL NET 5 YEAR PLAN	YEAR ONE GROSS BUDGET	YEAR ONE NET BUDGET
10-11	74,570	35,333 ¹	6,804	4,601
11-12	46,034	36,345	5,400	4,581
12-13	79,567	36,900 ²	39,310	4,198
13-14	51,216	39,021	11,900	9,206
14-15	55,741	42,243	9,664	6,578
15-16	54,257	41,672	10,606	6,382
16-17	56,809	46,414	14,868	11,449
17-18	47,821	41,080	6,465	5,872
18-19	50,682	42,625	7,999	6,622
19-20	58,641	50,170	11,512	9,380
10 YEAR AVG.	\$57,534	\$41,180	\$12,453	\$6,887
5 YEAR AVG.	\$53,642	\$44,392	\$10,290	\$7,941

¹ Plant defeated at referendum (30.00M)

² Plant approved at referendum (32.15M)

Long-Term Debt Service as % of Expenditures (10 Year Projections)



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Recommended FY21 Annual Capital Budget



- FY21 Recommended “First Year” Project Appropriations total \$12,110,000
- Increase of \$598,000 over FY20 adopted capital budget

Five-Year Capital Budget Highlights



• Administration/Finance/Technology	
○ Revaluation	\$610,000
○ Technology Replacement	\$1,150,000
○ Vehicle Replacements	\$1,493,000
○ <u>Capital Planning</u>	<u>\$415,000</u>
Total	\$3,668,000

Five-Year Capital Budget Highlights



• Admin/Finance - Public Property	
○ Boiler Replacements	\$260,000
○ Building Improvements	\$400,000
○ Parking Lot Repavings	\$495,000
○ Roof Replacements	\$335,000
○ Youth Center Improvements	\$200,000
○ Lower Level PD Improvements	\$1,400,000
○ DPW Storage Building	\$250,000
○ <u>DPW Salt Shed</u>	<u>\$550,000</u>
Total	\$3,890,000

Five-Year Capital Budget Highlights



● Planning	
○ Land Acquisition	\$110,000
● Public Safety - Fire	
○ Equipment/Protective Clothing	\$295,000
○ <u>Engine/Pumper Replacements</u>	<u>\$2,900,000</u>
Total	\$3,195,000

Five-Year Capital Budget Highlights



- **Public Works**

○ Bridges/Drainage/Stormwater/Dams	\$1,380,000
○ Plow Truck Replacements	\$1,197,000
○ Heavy Equipment/Non Dump Trucks	\$856,000
○ Road Paving Program	\$10,300,000
○ Road Reconstruction Projects	\$3,065,000
○ Sidewalk Improvements	\$1,100,000
○ Paving Parking Lots, Access Drives	\$200,000
○ Trail Parking at 55 Railroad Ave.	\$135,000
○ Various Park Improvements	\$300,000
○ <u>Tree Removals and Light Pole Maint.</u>	<u>\$630,000</u>
Total	\$19,163,000

Five-Year Capital Budget Highlights



• Water Pollution Control	
○ Elmwood Pump Station	\$3,800,000
○ Inflow & Infiltration Remediation	\$600,000
○ Heavy Duty Vehicles & Equip.	\$590,000
○ <u>Moss Farms Pump Station</u>	<u>\$1,150,000</u>
• Total	\$6,140,000

Five-Year Capital Budget Highlights



• Leisure Services - Recreation	
○ Mixville Pavilion/Park Upgrades	\$225,000
○ Chapman Property Development	\$5,600,000
○ Quinnipiac Park Multi-Purpose Court	\$145,000
○ <u>Cheshire Park Tennis/Pickleball Lights</u>	<u>\$145,000</u>
○ Total	\$6,115,000

Five-Year Capital Budget Highlights



- Board of Education

○ Code Compliance/ADA Projects	\$2,438,000
○ Roof Repairs (Multiple Locations)	\$5,275,000
○ Cafeteria Renovations	\$5,220,000
○ CHS Loading Dock, Drainage, etc	\$650,000
○ Window Replacements (5 schools)	\$4,000,000
○ Window Replacements (CHS)	\$1,000,000
○ Window Replacements (Humiston)	\$450,000
○ Interior Lighting Improvements	\$175,000

Five-Year Capital Budget Highlights



- Board of Education (continued)
 - Lavatory Improvements \$1,000,000
 - Driveway/Parking Repavings \$250,000
 - Sidewalk/Masonry Repairs \$250,000
 - Dodd Stage HVAC Improvements \$250,000
 - HVAC Improvements - Dodd \$550,000
 - HVAC Improvements - CHS \$800,000

Five-Year Capital Budget Highlights



• Board of Education (continued)	
○ Unit Ventilator Replacements	\$1,300,000
○ Highland Bldg. Improvements	\$750,000
○ Acoustic Ceiling Tile Replacements	\$400,000
○ Flooring Replacements	\$400,000
○ CHS School Office Reconfiguration	\$120,000
○ <u>Athletic Complex Improvements</u>	<u>\$300,000</u>
Total	\$25,578,000

Town Manager's Proposed Budget

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Budget Documents
Available Online at:

www.cheshirect.org