

Weston First Selectman's Proposed Budget

**Fiscal Year
2019 - 2020**

Presented to the Board of Finance on March 4, 2019

Disclaimer:

*At this time, neither
teach pension costs
nor ECS funding are
included in the budget*

Budget Goals

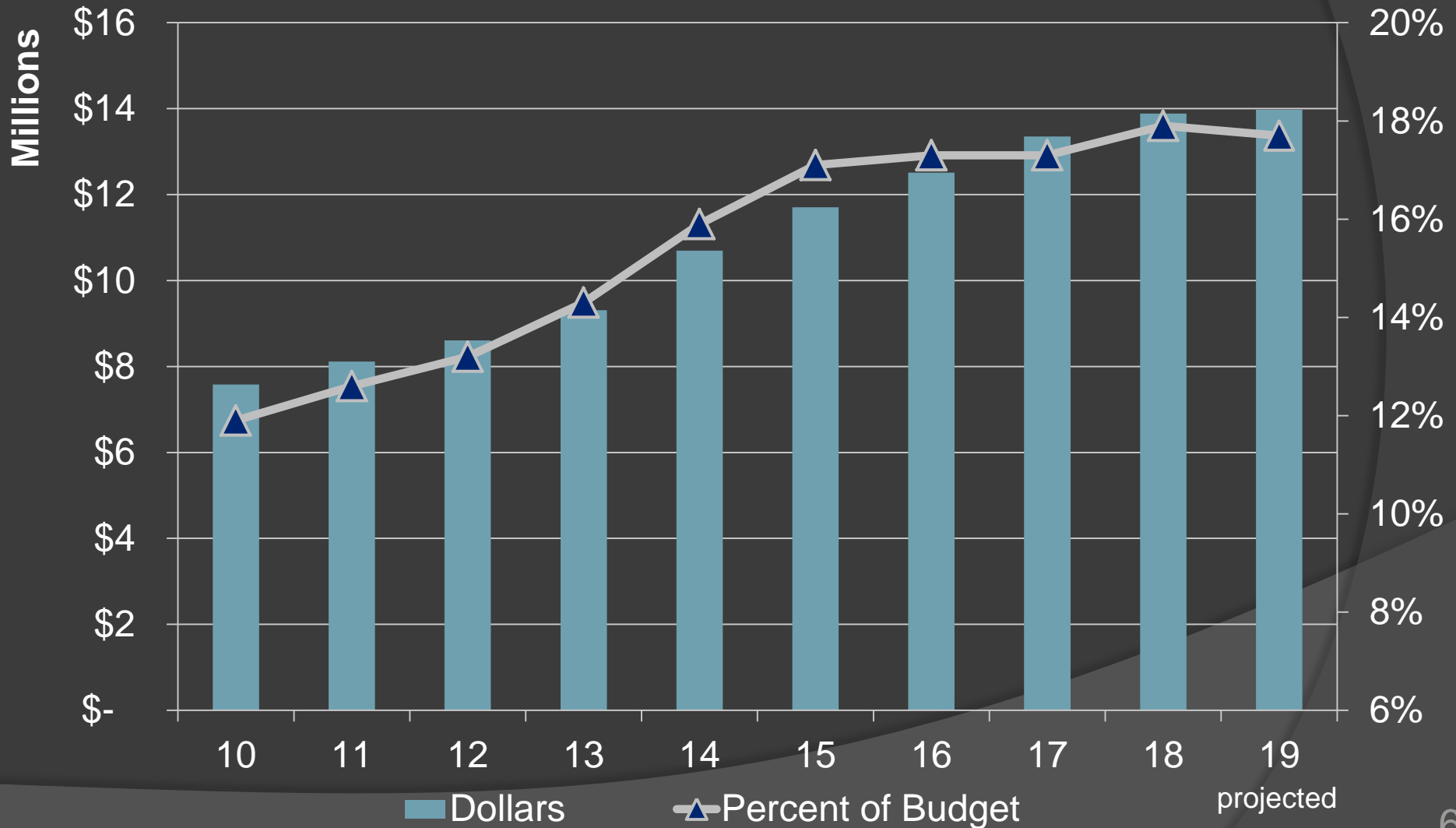
- Try to maintain town services
- Address infrastructure needs now (or pay more later)
- Minimize mill rate increase, especially in light of reval
- Budget both expenditures and revenues realistically

Current FY Forecast

	ORIGINAL BUDGET	PROJECTED ACTUAL	SURPLUS/ DEFICIT
REVENUES	71,246,039	72,216,791	970,752
LESS:			
TOWN EXPENDITURES	13,047,298	13,141,918	(94,620)
BOE EXPENDITURES	51,444,906	51,592,345	(147,439)
DEBT SERVICE	6,078,588	6,076,906	1,682
CAPITAL BUDGET	<u>675,247</u>	<u>891,247</u>	(216,000)
TOTAL EXPENDITURES	71,246,039	71,702,416	(456,377)
REVENUES MINUS EXPENDITURES	-	514,375	514,375
UNASSIGNED FUND BALANCE AS OF 6/30/18			13,883,633
Projected Fund Balance Prior to Supp Approp.			14,398,008
Less: Allowance for Suppl. Approp.			(425,000)
FUND BALANCE FORECAST FOR 6/30/19			13,973,008
% of 2018-19 total est. GAAP revenue			17.7% ⁵

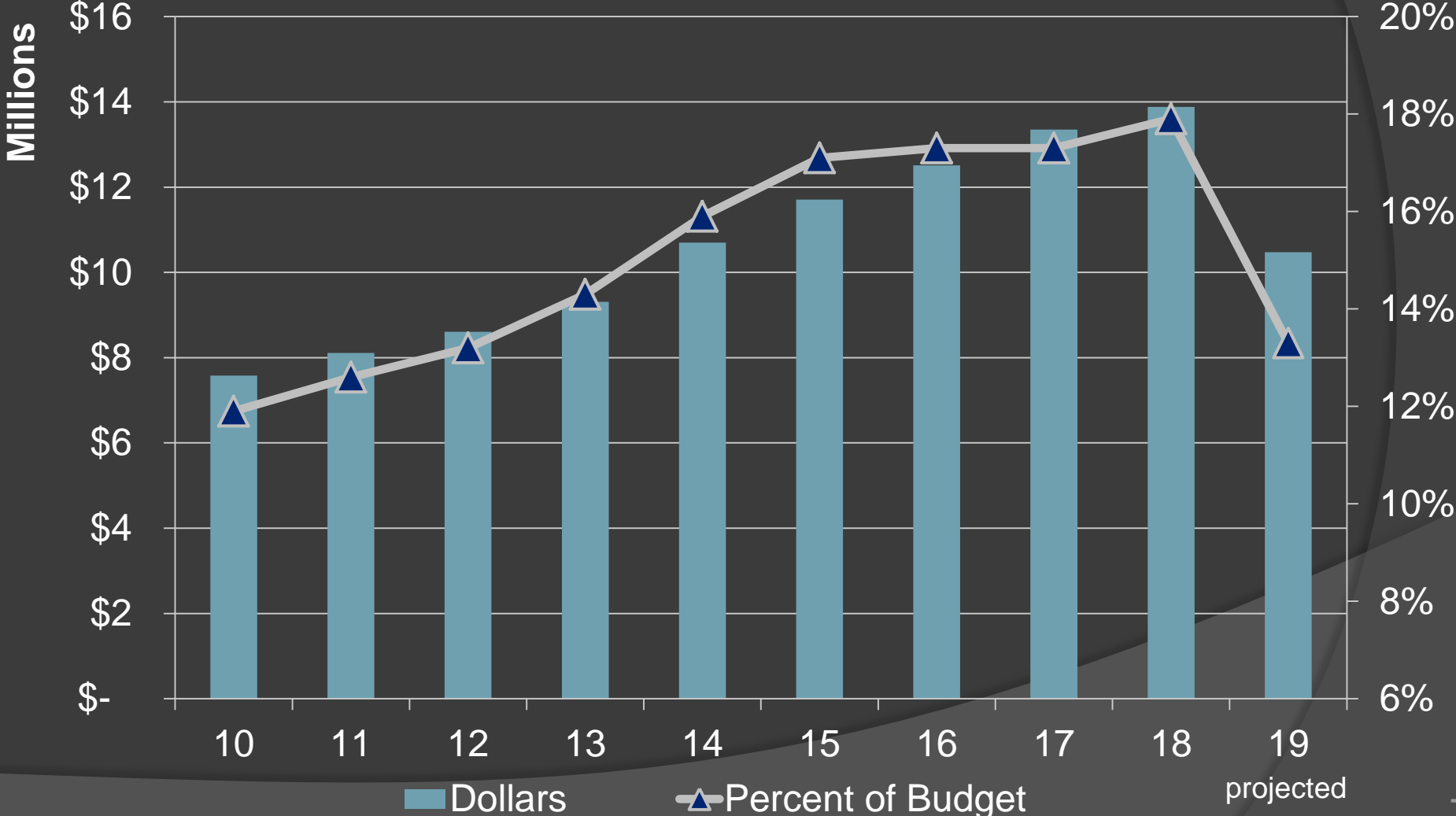
Fund Balance History

(Fund balance at end of fiscal Year)



Fund Balance history

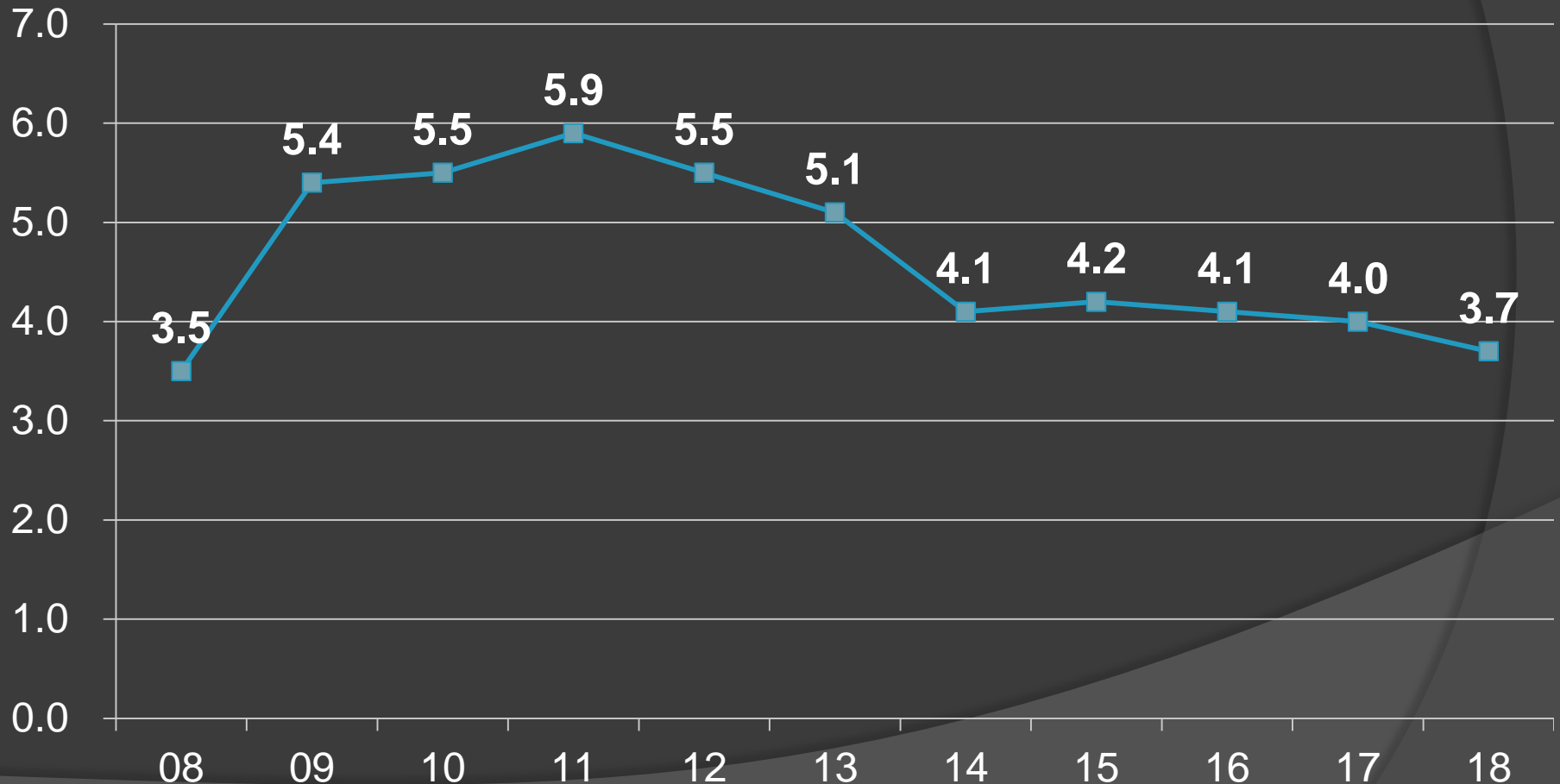
(Fund balance at end of fiscal Year factoring an assignment of \$3,500,000)



Economic & Fiscal Data

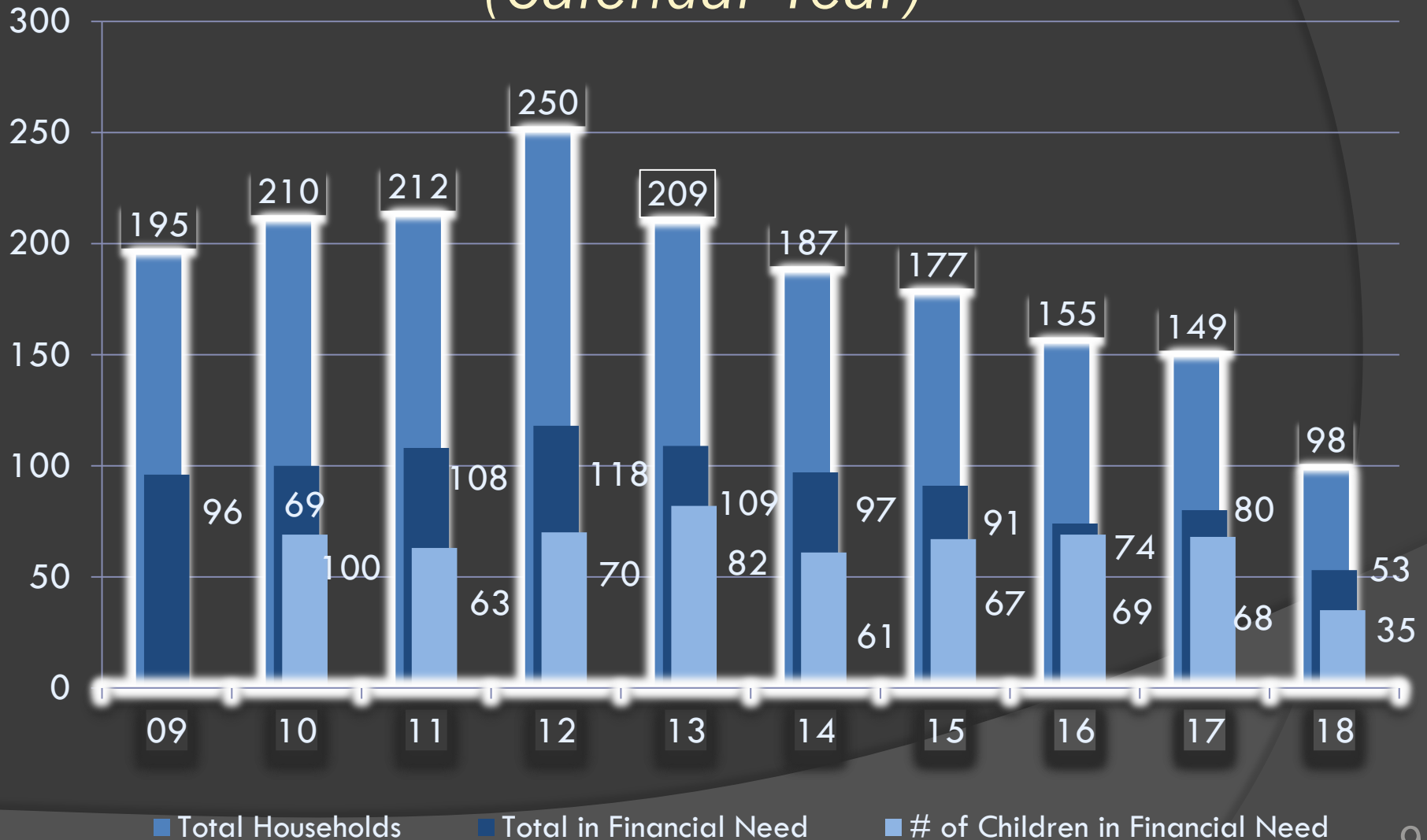
Weston Unemployment %

(Calendar Year)



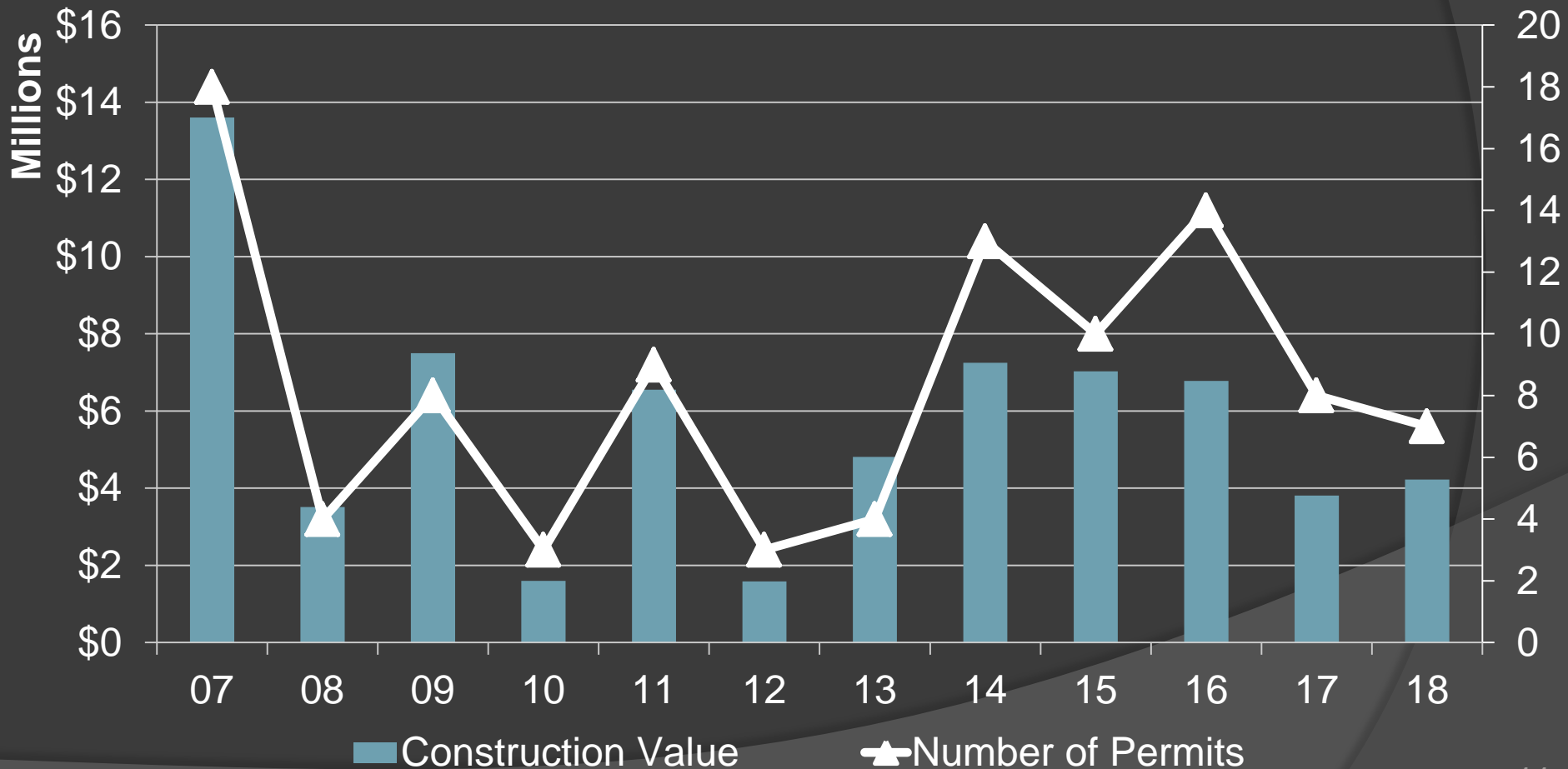
Social Services CLIENTS

(Calendar Year)



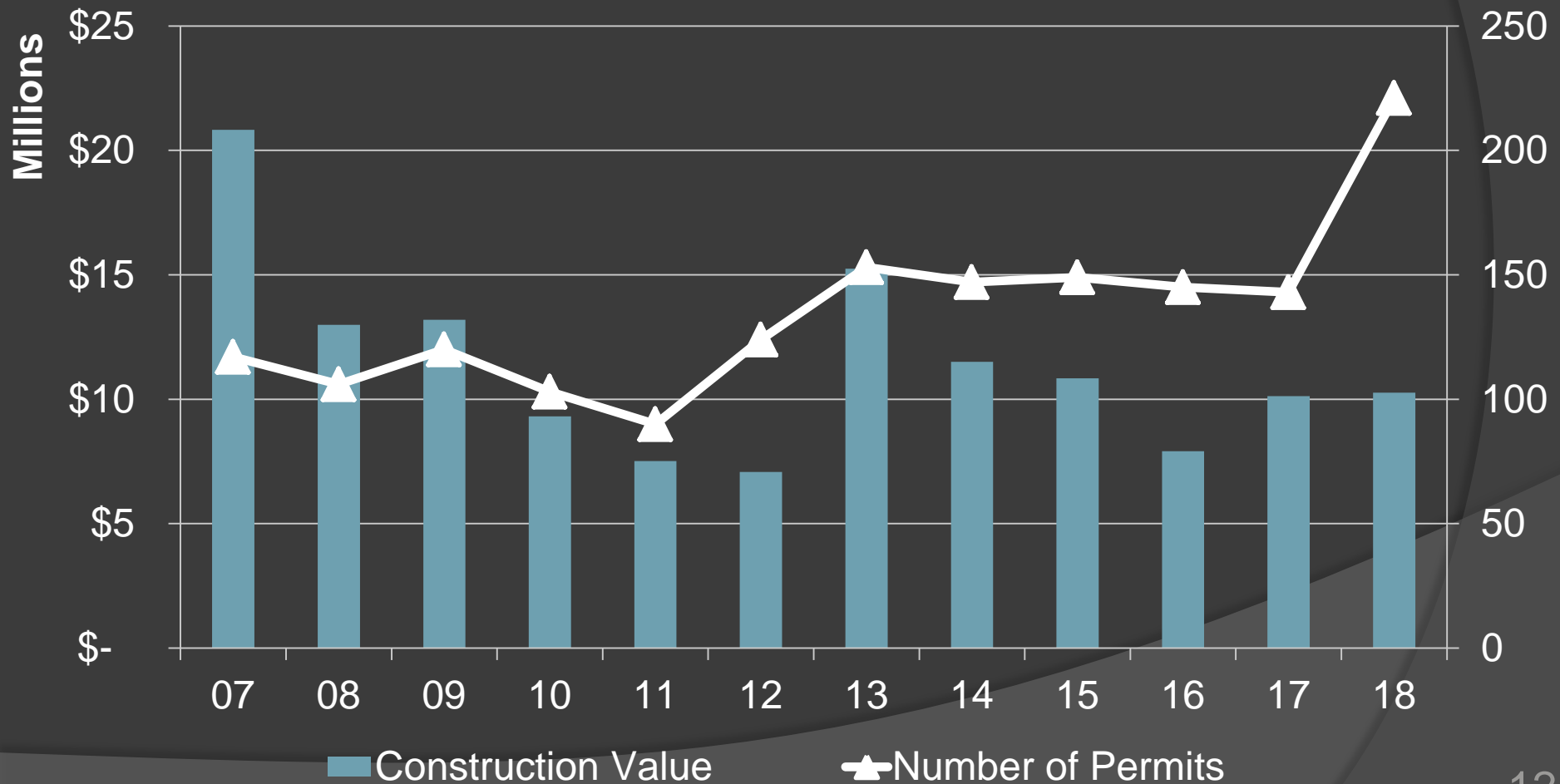
New Home Construction

(Calendar Year)

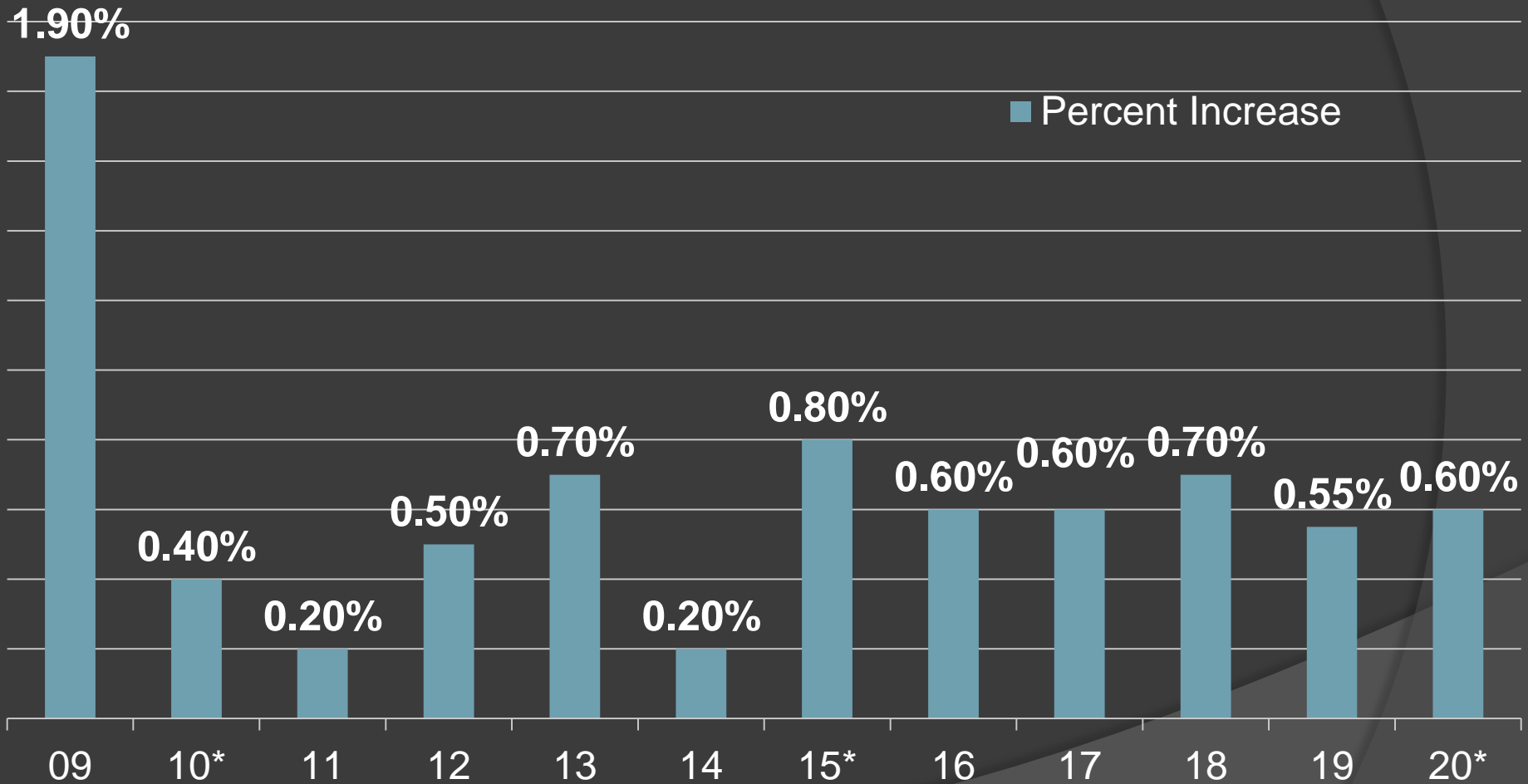


Additions & Remodeling

(Calendar Year)



Grand List Growth



* Denotes Reval Year. Percentage has been equalized to prior year.

Concerns at State Level

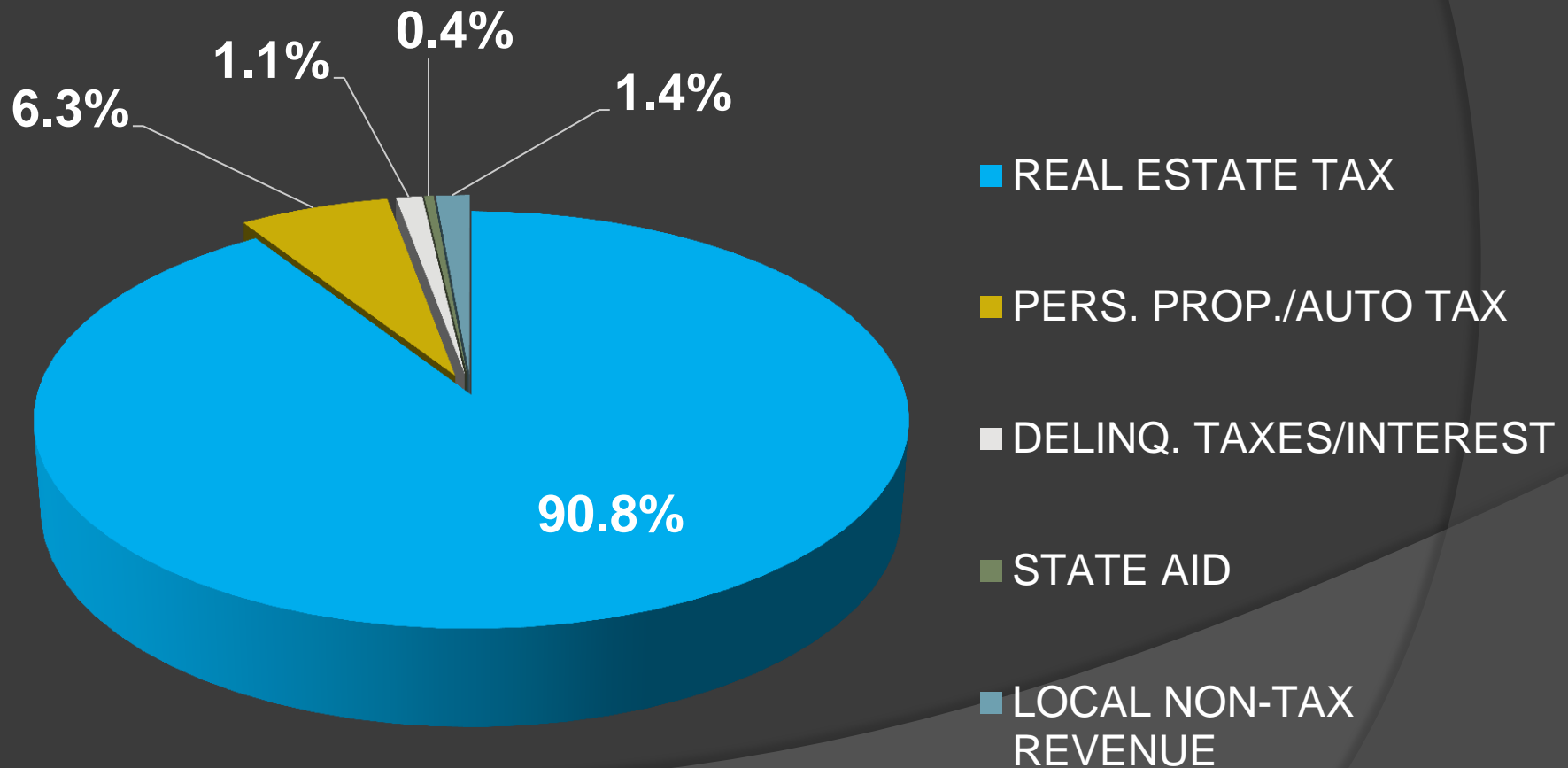
- **Current Fiscal Year: \$245 Million surplus (est)**
- **FY 2019 - 20: \$1.7 Billion deficit projected**
- **FY 2020 - 21: \$2.3 Billion deficit projected**

***Highlights
of the
Proposed Budget***

Town Revenue Outlook

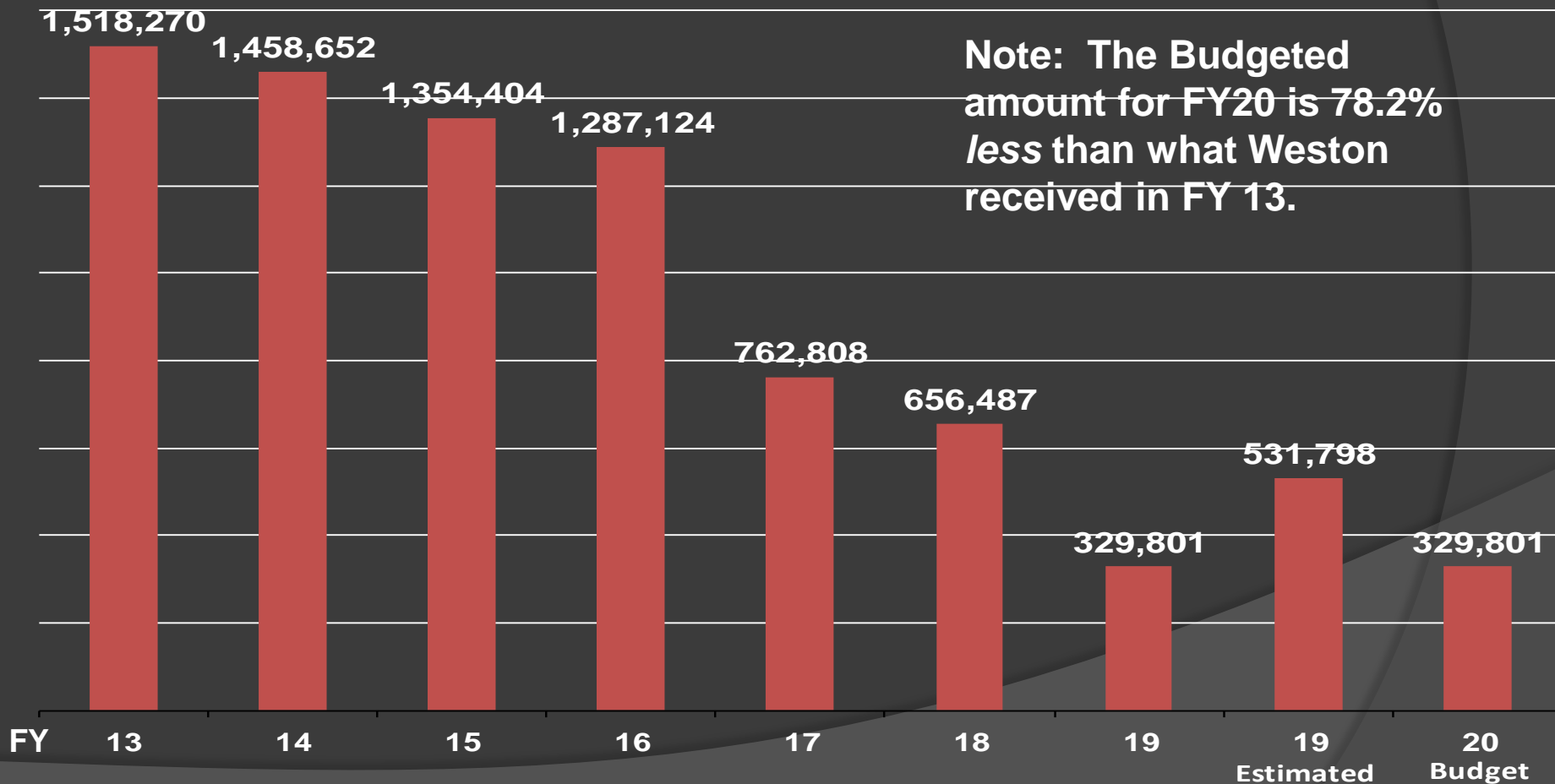
- ⦿ **Estimated 0.6% growth in Grand List excluding impact of reval (\$420k of new revenue to help offset mill rate)**
- ⦿ **Maintains tax collection rate at 98%**
- ⦿ **\$50k increase in delinquent tax revenue**
- ⦿ **\$50k increase in supplemental auto tax**
- ⦿ **\$18k reduction in budgeted Sr. Tax Abatement & freeze (per trend)**

Proposed Revenue as a % of the total budget



History of state aid to Weston

(does not include BOE)



BOS OPERATING BUDGET of \$13,480,745

An increase of \$433,447 or 3.3%

\$462,623 alone is attributable to:

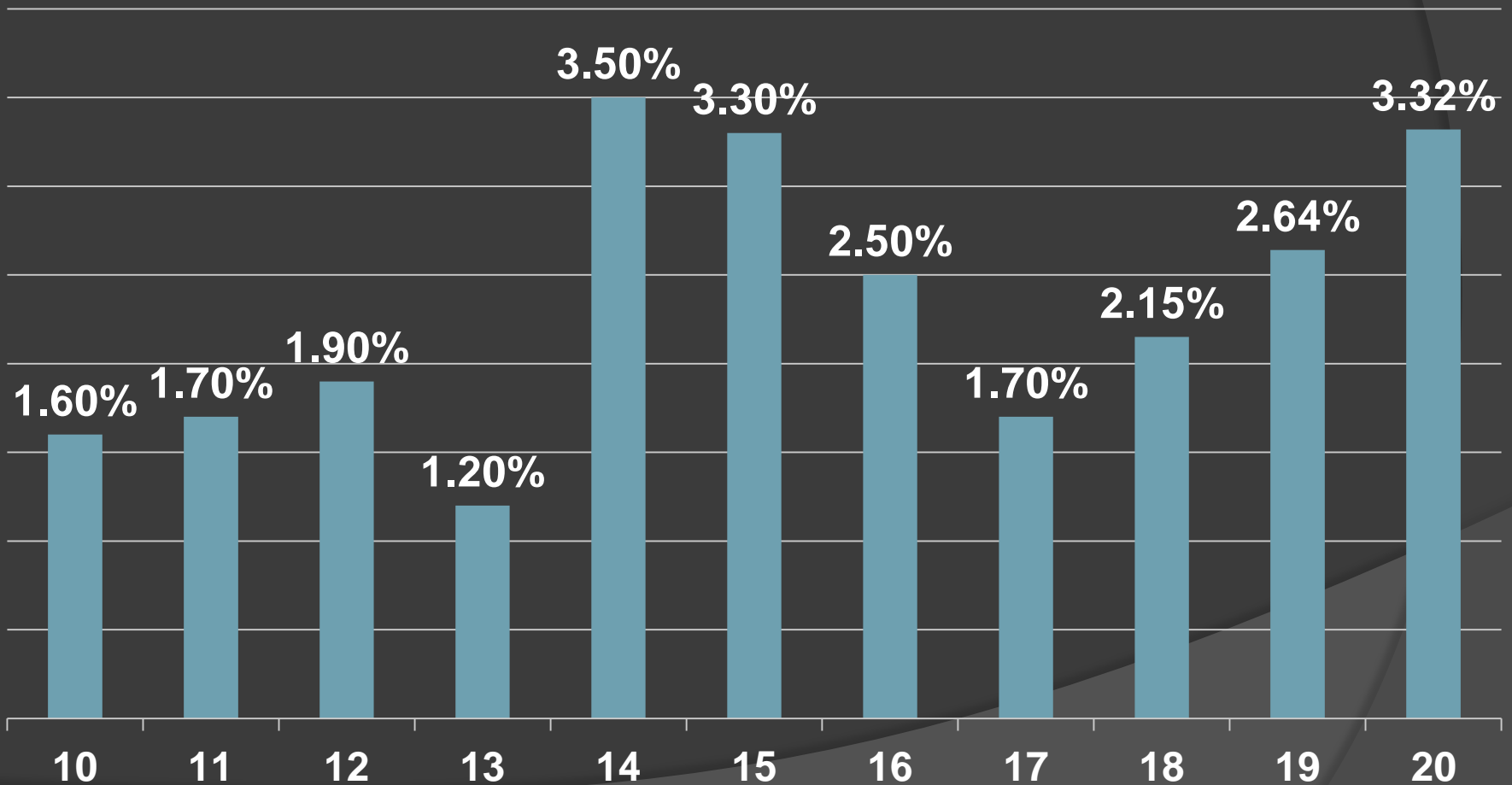
- Salary Increases - \$177,692
- State mandated pension costs - \$177,100
- New Police SRO - \$65,406
- Medical insurance increase - \$42,425

Future pension contribution costs

Fiscal Year	Contribution for <u>Police</u> (% of earnings)	Contribution for <u>non- Police</u> (% of earnings)
18-19	16.93	11.74
19-20	20.74	14.22
20-21	22.84	16.22
21-22	24.94	18.22
22-23	27.04	20.22
24-25	28.84	21.79

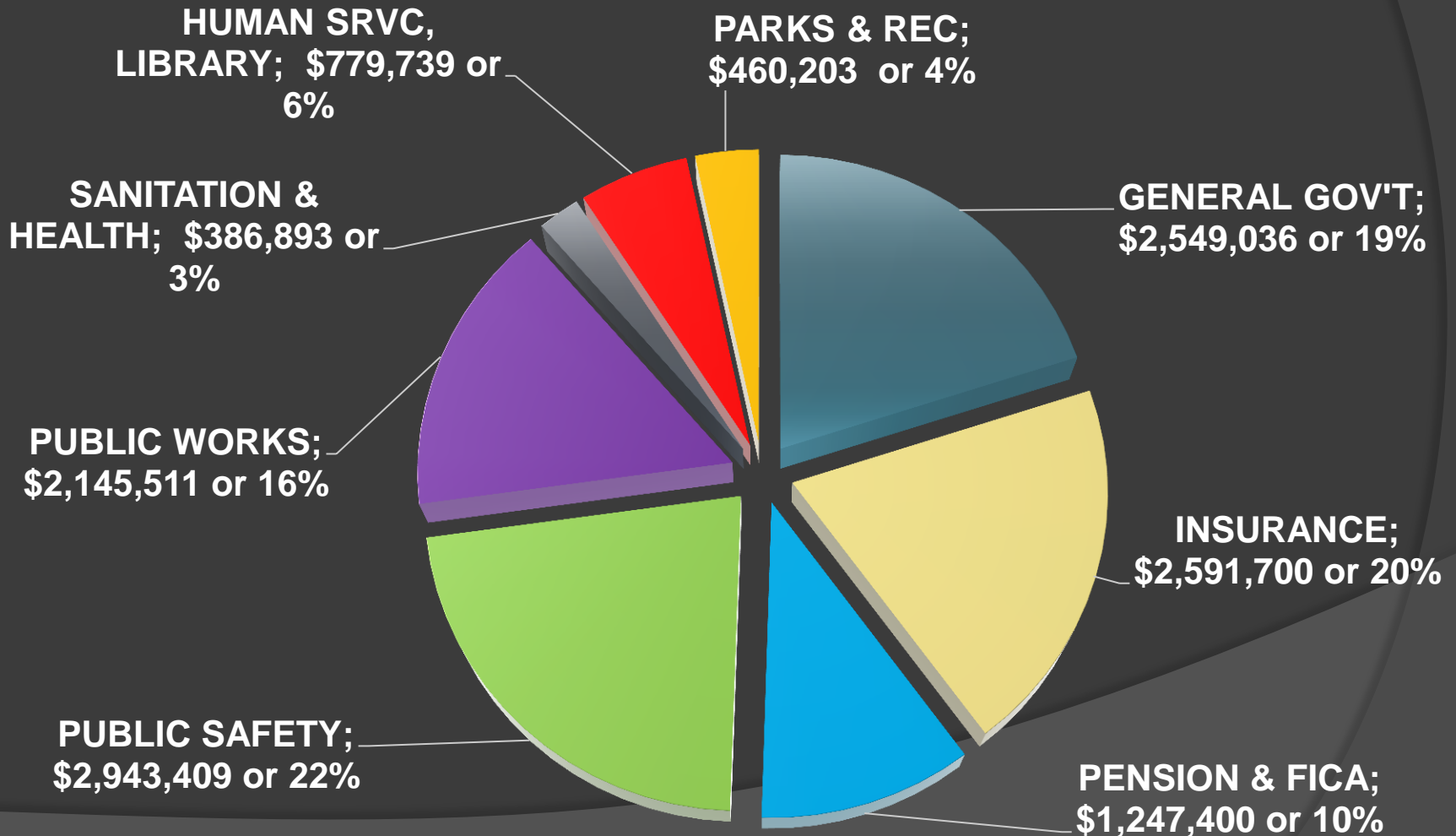
Employee contributions are generally 2.25%

Recent Increases of the BOS Operating budget

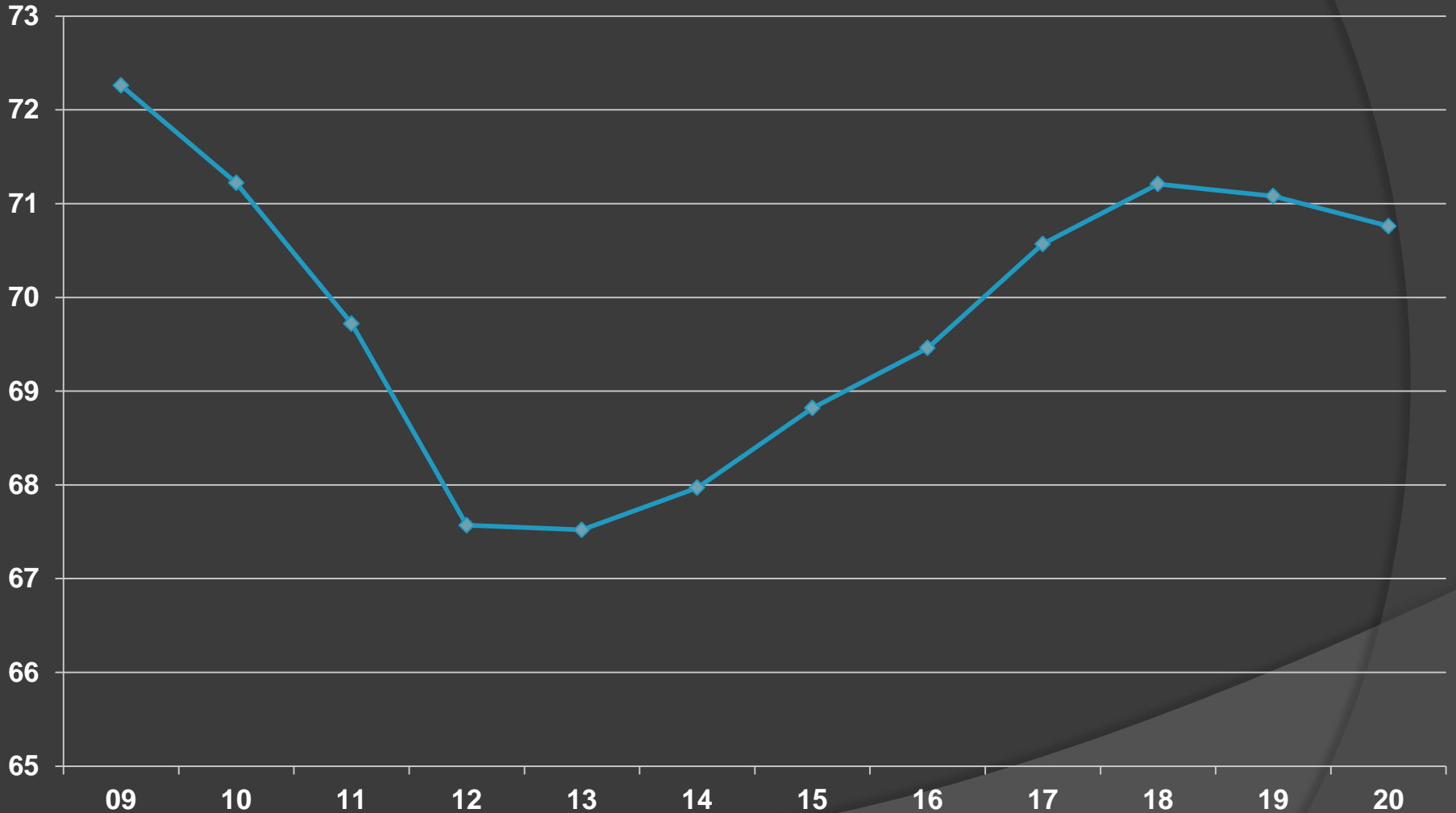


Breakdown of Expenditures

(\$ amounts & percent of budget)



BOS Full-Time Equivalents (FTE's)



Capital Budget

Capital Budgets for BOS & BOE

Funding request of \$2,041,929

- ❖ \$657,800 BOS + \$1,384,129 BOE
- ❖ Combined, a gross expenditure increase of \$177,906 or 9.5% over current FY
- ❖ \$70,438 *decrease* in BOS gross expenditures
- ❖ \$248,344 *increase* in gross BOE expenditures

Note: the above figures are offset by \$540K of recently received school construction grants

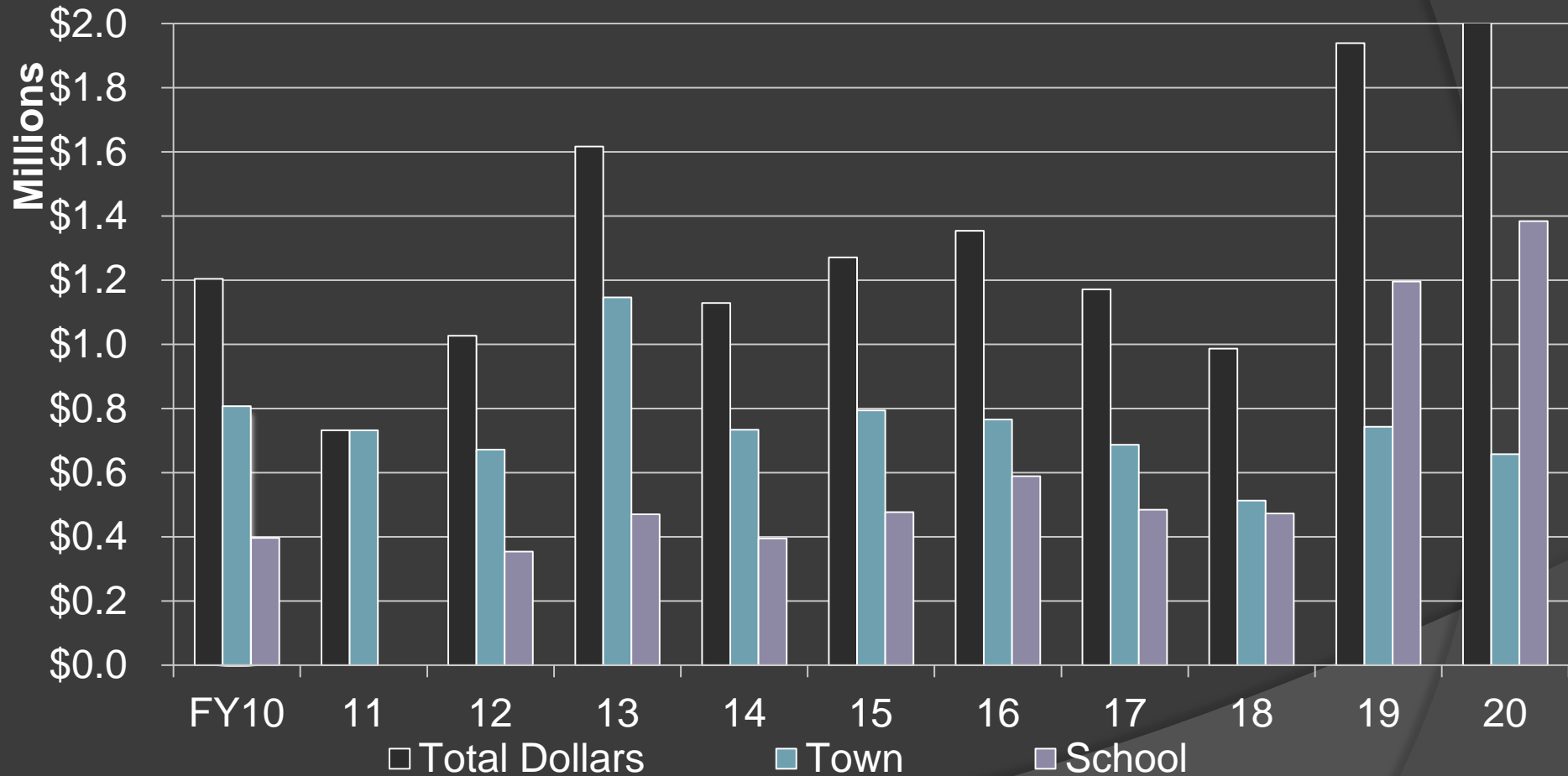
BOS Capital Items of Note

- Vehicle Sinking fund - \$388,500
 - Includes \$250k for a 10 wheel dump truck
 - Includes \$55k for 2nd installment for a snow removal truck
 - Includes \$43.5k for 2nd installment of a new road grader
- 1st installment of a new tractor mower - \$70,000
- Town Building repairs - \$60,000
- Transfer Station Scale - \$33,000 (final installment)
- Asphalt Box DPW - \$35,000

BOE capital Items of note

- Security Initiatives - \$321,629
- Oil Tank Sinking fund - \$100,000
- Zenon Plant Control System Repairs - \$100,000
- Replace Chiller & Vent System Hurlbutt - \$180,000
- Replace Water Heaters Hurlbutt & WHS - \$115,000
- Replace South Boiler and Piping - \$350,000

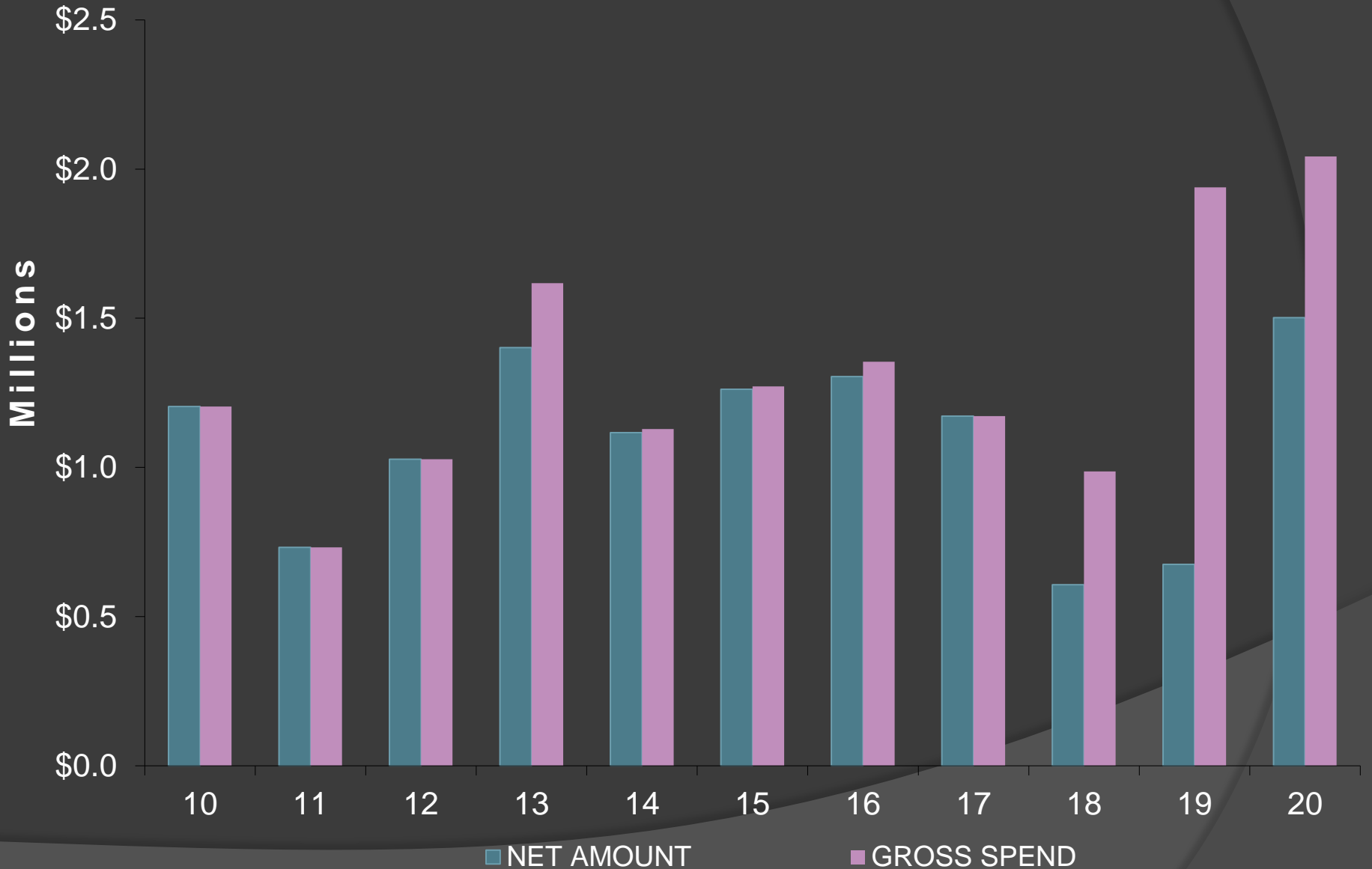
BOS and BOE Capital History



Note: Amounts show gross capital budgets and do not reflect offsets from special funds.

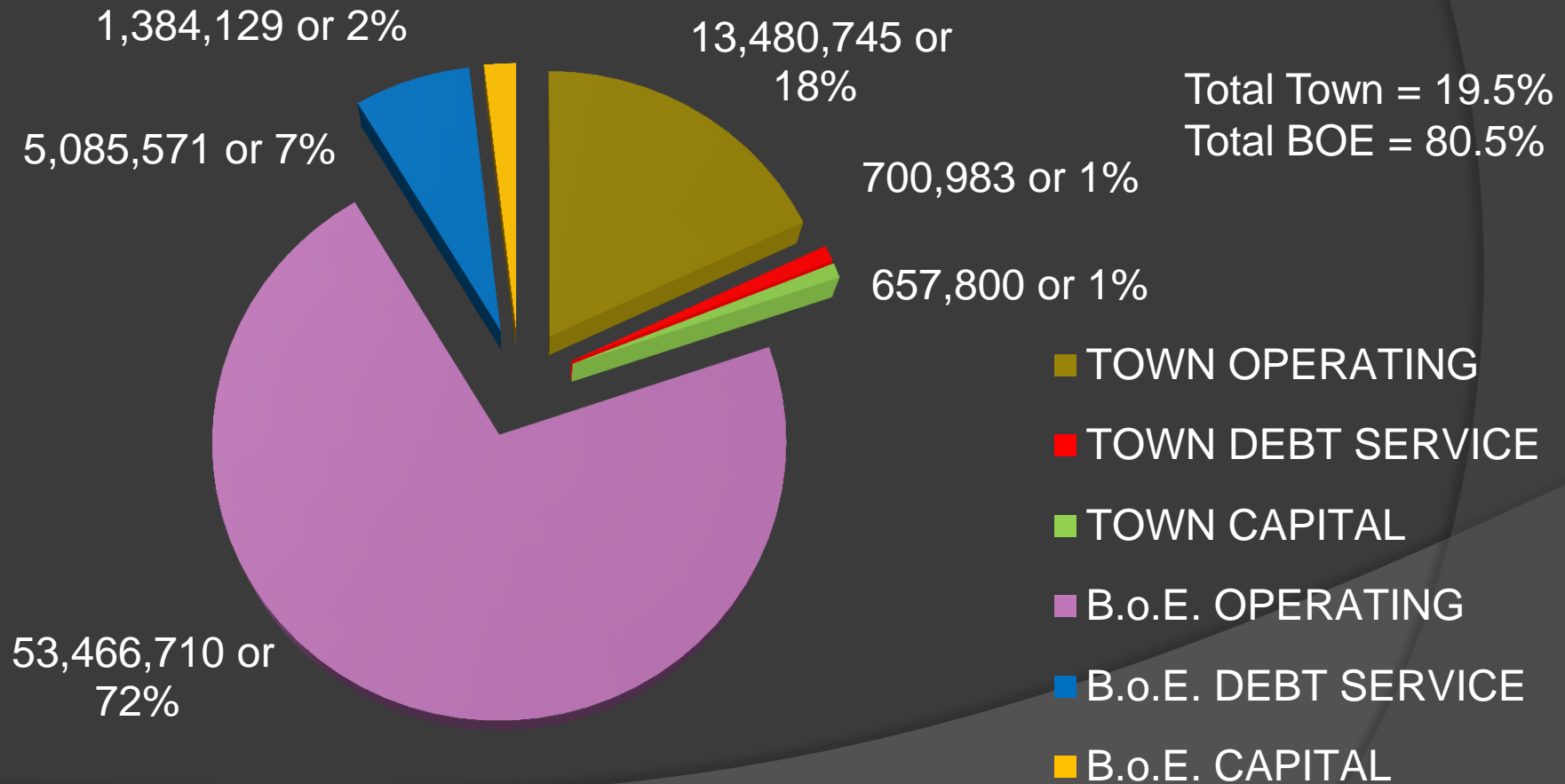
HISTORY OF CAPITAL BUDGETS

GROSS AND NET FUNDING AFTER SPECIAL FUND OFFSETS by FY



***Total Budget
(Including BOE)***

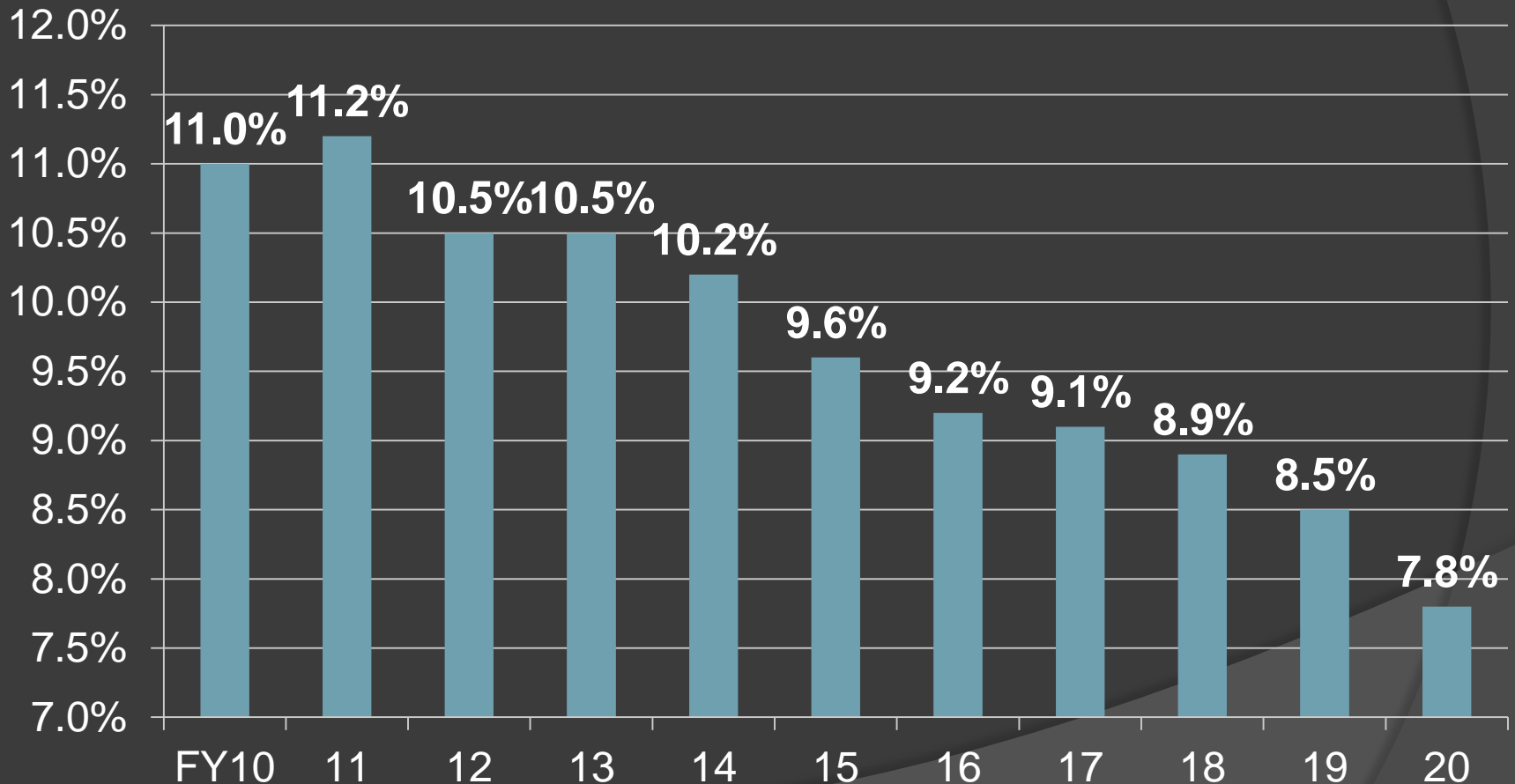
Breakdown of total proposed Town and BOE expenditures (in '000's)



Note: Capital amounts do not reflect proposed offset from school const. proceeds

Debt (Town and BOE)

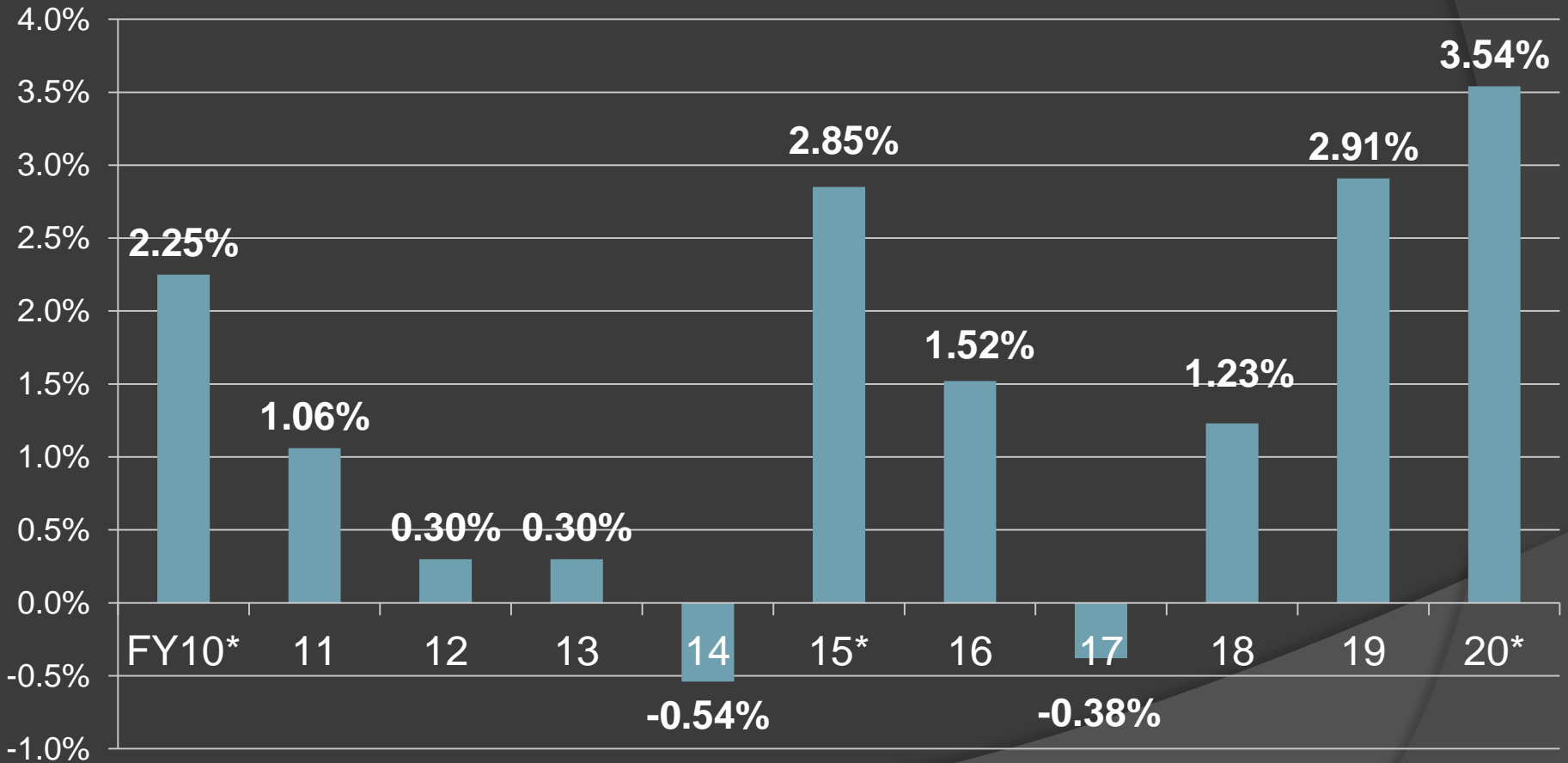
as a percent of total gross budget



Note: Weston bonded debt per capita at \$3,375 as of June 30, 2017 is 20th highest in the state.

Mill Rate History

(percent increase)



* Denotes Reval Year. Data does not include revaluation impact to the Mill Rate

Budgets & Mill Rate

	<u>FY 18</u>	<u>FY 19</u>	<u>FY 19</u> <u>forecast</u>	<u>FY 20</u>	<u>Change</u> <u>FY19 to FY20</u>	<u>Change</u> <u>FY19 to</u> <u>FY20</u>
TOWN OPERATING BUDGET	12,766,865	13,047,298	13,141,918	13,480,745	433,447	3.32%
BOE OPERATING BUDGET	49,907,522	51,444,906	51,592,345	53,466,710	2,021,804	3.93%
TOTAL OPERATING BUDGET	62,674,387	64,492,204	64,734,263	66,947,455	2,455,251	3.81%
TOWN CAPITAL BUDGET	513,500	728,238	728,238	657,800	(70,438)	-9.67%
BOE CAPITAL BUDGET	473,187	1,135,785	1,135,785	1,384,129	248,344	21.87%
LESS: Special Funds Offset	(28,287)	(559,444)	(559,444)	0	559,444	N/A
Capital Reserve Offset	(351,713)	(629,332)	(629,332)	(540,000)	89,332	N/A
TOTAL CAPITAL BUDGET	606,687	675,247	675,247	1,501,929	826,682	122.43%
DEBT SERVICE - TOWN	756,010	733,295	738,087	700,983	(32,312)	-4.41%
DEBT SERVICE - BOE	5,481,203	5,345,293	5,338,819	5,085,571	(259,722)	-4.86%
TOTAL DEBT SERVICE	6,237,213	6,078,588	6,076,906	5,786,554	(292,034)	-4.80%
TOTAL GROSS BUDGET	69,518,287	71,246,039	71,486,416	74,235,938	2,989,899	4.20%
LESS: REVENUES	2,379,081	2,505,301	3,090,146	2,628,901	123,600	4.93%
TOTAL NET BUDGET	67,139,206	68,740,738	68,396,270	71,607,037	2,866,299	4.17%
GRAND LIST	2,372,542,054	2,386,710,996	2,386,710,996	2,236,921,248	(149,789,748)	-6.28%
BUDGETED MILL RATE	28.91	29.39	n/a	32.66	3.27	11.13%
ESTIMATED GRAND LIST WITH NO REVAL	2,372,542,054	2,386,710,996	n/a	2,401,031,262	14,320,266	0.60%
ESTIMATED MILL RATE WITH NO REVAL	28.91	29.39	n/a	30.43	1.04	3.54%
Mill rate collection budgeted at 98.0% for 2018-19; 97.9% for FY18						
Town Capital budget includes projects that are shared Town and BOE initiatives						

To be discussed

Governor's Budget

	FY 19-20	FY 20-21	FY 21-22
Teach Pension Costs *	275,925	569,811	827,774
Education Cost Share (ECS) funding	264,151	264,670	?

* Denotes that we are awaiting word from the State as to whether or not Costs include the median price escalator.

- Updates -

- *Impact of CMERS cost increase on BOE Operating budget*
- *Potential health insurance cost reduction in BOS Operating Budget*
- *Potential use of undesignated fund balance for BOE security project*

QUESTIONS

