

To: Selectman Joe Doering, Selectman John Ziobro,
Dave Kilbon, Chair of the Board of Finance (BOF), Mark Porter, Vice-Chair
Members of the Board of Finance

From: Jim Hayden, First Selectman

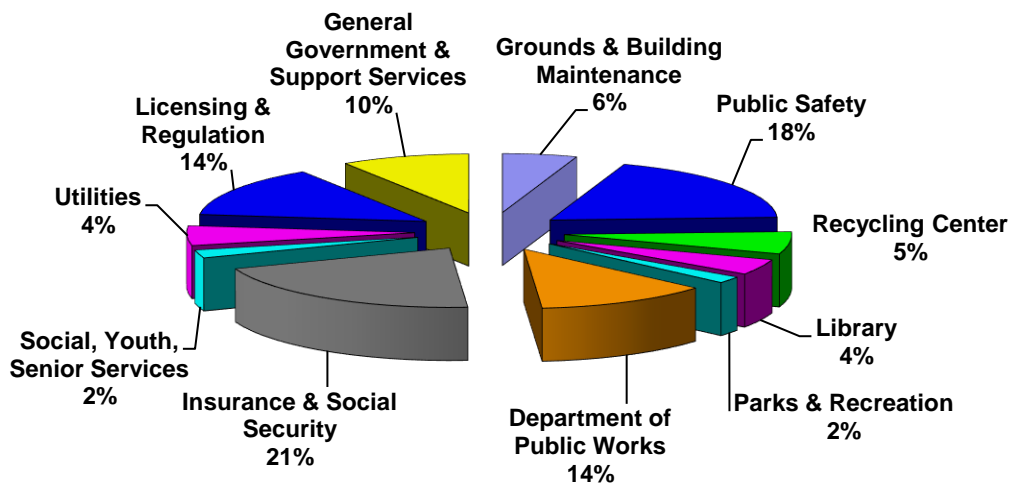
Re: Proposed FY20 General Government Budget

Date: March 13, 2019

The attached Board of Selectmen (BOS) FY20 budget reflects the February 19, 2019 direction from the Board of Finance (BOF) which was to present a 1.0% budget increase over FY19. While the State Budget is not as unsettled as it was last year at this time, there is still uncertainty regarding what level of state grant funding the town will receive. Additionally, there is the unknown regarding several pieces of legislation aimed at school regionalization and towns sharing teacher pension costs. I have not heard of any proposals this year for towns to shoulder 100% of the cost of the Resident Trooper program.

Please note that 49% of all town departments are at a 0% increase or less when compared to the current FY19 budget. The Town continues to work with surrounding communities for shared services which results in efficiencies that help us keep costs down. Currently we are members of the Farmington Valley Health District and the Tobacco Valley Probate Court. We also share Youth Services programming/counseling and Fire Dispatch services with Granby. We share our Animal Control Officer and an Economic Development Specialist with Suffield and the Connecticut Economic Resources Center. Emergency Services are provided by the Granby Ambulance Association.

GENERAL GOVERNMENT FY20 BUDGET ASSET ALLOCATION



		Budget Summary			
		FY19	FY20	% Chg	\$ Change
March 13 2019					
0100	Selectmen Office	186,684	187,073	0.2%	389
0200	Probate	2,000	2,000	0.0%	0
0300	Registrars	49,795	48,975	-1.6%	(820)
0400	Board of Finance	1,700	1,700	0.0%	0
0500	Audit	23,000	23,500	2.2%	500
0600	Assessor	143,411	147,078	2.6%	3,667
0700	Board of Assessment Appeals	150	150	0.0%	0
0800	Tax Collector	101,617	104,546	2.9%	2,929
0900	Treasurer	28,650	24,050	-16.1%	(4,600)
1000	Town Counsel	20,000	20,000	0.0%	0
1100	Town Clerk	119,300	117,900	-1.2%	(1,400)
1200	Planning & Zoning Commission	102,749	106,779	3.9%	4,030
1300	Data Services	109,140	111,120	1.8%	1,980
1400	Public Buildings	184,906	189,938	2.7%	5,032
1500	Land Use/Building	130,625	131,267	0.5%	642
1600	Engineering	14,000	14,000	0.0%	0
1700	Fire Department	149,873	156,198	4.2%	6,325
1800	Police Department	629,229	642,440	2.1%	13,211
1900	Emergency Management	14,375	15,900	10.6%	1,525
2000	Fire Marshal	43,047	48,295	12.2%	5,248
2100	Public Works Department	639,075	709,708	11.1%	70,633
2150	TAR Replacement	50,000	0	0.0%	(50,000)
2210	Visiting Nurse	2,500	2,500	0.0%	0
2220	Vital Statistics	0	0	0.0%	0
2240	Health District	28,435	31,254	9.9%	2,819
2300	Social Services	23,780	23,630	-0.6%	(150)
2400	Library	205,500	207,844	1.1%	2,344
2500	Parks & Recreation Commission	97,642	98,900	1.3%	1,258
2550	Field Maintenance	22,500	25,500	13.3%	3,000
2600	Cemeteries	1,300	1,300	0.0%	0
2700	Insurance	748,000	715,000	-4.4%	(33,000)
2800	Surety Bonds	0	0	0.0%	0
2900	Economic Development	30,000	30,000	0.0%	0
3000	Animal Control	16,000	26,000	62.5%	10,000
3100	Social Security/Medicare	155,000	158,000	1.9%	3,000
3300	Street Lighting	40,000	40,000	0.0%	0
3400	RCC	208,088	223,852	7.6%	15,764
3500	Memberships	19,700	20,700	5.1%	1,000
3700	Senior Services	35,635	36,290	1.8%	655
3750	Mini Bus	31,275	29,714	-5.0%	(1,561)
3800	Youth Services Commission	20,000	20,000	0.0%	0
3900	Utilities	159,500	162,175	1.7%	2,675
4000	Ambulance	61,727	61,724	0.0%	(3)
4100	Contingency	54,000	54,000	0.0%	0
4200	Facilities Maintenance Mgt	74,092	55,000	-25.8%	(19,092)
	Total Operating Budget	4,778,000	4,826,000	1.000%	48,000

This draft budget narrative will note “Budget Saving Considerations”, “Budget Neutral Inter-Department Reallocation of Funding”, “BOS Recommended Requests” and “Areas of Risk”. I will also note major budget drivers (or significant areas of reduction) by department. Please note that the Police Contract expires on June 30, 2019 and negotiations will begin shortly.

Budget Savings Considerations: We will continue to look for shared services opportunities with surrounding towns. This past year we added an Economic Development specialist which we share with Suffield.

The Shared Services Sub-Committee continues to work on maximizing school/town opportunities to work together in a “condo” approach with the town doing more exterior maintenance with the BOE responsible for interior maintenance. The town provides about \$275,000 of services to the schools (Maintenance Supervisor, field and ground maintenance, salt, office support etc.). In the upcoming year, we will cross train selected Town Hall employees for more flexibility in the work-force.

Reallocation of Funding While Remaining Budget Neutral – \$123,000 reallocated by shifting priorities. \$33,000 of which came out of the insurance line as one budgeted open enrollment and a workmen’s comp assessment did not occur; \$50,000 reallocated from the Town Aid Road Replacement fund to DPW, \$5,000 from the Treasurer for the one-time fraud analysis review and \$18,000 from Facility Maintenance as the job description was reclassified. The following departments received increased funding due to the reallocation of funds within departments, capitalizing on offsets and one-time events.

- Assessor - \$3,500 for a software upgrade to replace outdated Vision component
- Public Buildings - \$5,000 for increased building maintenance such as town hall vent cleaning.
- Fire Department - \$4,000 for increased training and retention programs.
- Emergency Management - \$1,000 for increasing hours allocated for the two part-time stipend employees
- Fire Marshal - \$5,500 for 104 additional hours annually for the Fire Marshal (FM), maintaining the hours of the current Deputy FM and filling a vacant 4-hour weekly Deputy FM position due to increased activity (inspections, plan review, building permits)
- Department of Public Works – \$68,000 to implement a Buildings/DPW management and staffing strategy that will allow the town to do more internally and less with external vendors. \$50,000 of this came from the new Town Aid Road fund and \$18,000 was reallocated from Facility Management. This will provide unified leadership for buildings and public works as we do more in building & grounds and provide opportunities for increased services to the schools.
- Animal Control - \$10,000 to upgrade hours needed based on increased utilization and service from Suffield
- RCC - \$15,000 increase due to increased Tipping Fees being charged by MIRA as a result of their catastrophic failure of the Trash to Energy Plant.

BOS Recommended Requests – (\$30,000 not funded in the FY20 draft budget)

- Selectmen – \$2500 for a grant writer to seek out and apply for grants
- Data Services – \$2000 to replace two antiquated desktop units.
- Public Buildings – \$10,000 to address ongoing maintenance concerns such as fascia replacement, exterior signs and sign posts, interior painting etc.
- Fire Department – \$5,000 more for a grant writer specializing in apparatus grants
- Police – \$2,500 to replace a vehicle laptop.
- Recreation Field Maintenance - \$8,000 to improve the quality of the MS/HS softball and baseball diamonds and to reseed/rejuvenate the main HS soccer field.

Areas of Risk – (\$65,000)

- Police – \$30,000 if the Resident Trooper Program town share increases from 85% to 100%. Not likely at this point, I haven't heard anything from the Connecticut State Police regarding this.
- Social Services - \$25,000 potential liability if the State does not fund the Renters Rebate Program. Funding has been erratic for the past couple of years.
- Insurance – \$10,000 to the line (this budget actually is a reduction \$33,000 over the current budget) due to volatility of rates. This our “best” estimate since we won't know health insurance rates until April and Property Casualty/ Workmen Comp rates until June
- Additional concerns:
 - Gas and diesel fuel costs
 - Library contribution was reduced from their “ask”
 - Ambulance contribution is flat
 - Effect of LED streetlight conversion on our projected streetlight budget
 - Snow removal labor costs on public works payroll may need to be increased.

Department Commentary on Proposed Budget: identifying significant +/- department and line items when compared to FY19.

1. Audit (line 0500) – increase of \$500 or +2.2% per contract. Year four of a five-year contract.
2. Assessor (line 0600) – increase of \$3,667 or + 2.6% primarily due to a software upgrade needed for the Vision Property Database. The current software is built on a platform no longer supported by Oracle. We are estimating \$3500 for the upgrade. We are also shopping other vendors.
3. Tax Collector (line 0800) – increase of \$2,929 or + 2.9% primarily driven by \$3000 inadvertently being in the Assessor Budget in FY19 for data services when it rightfully belonged to the Tax Collector.
4. Treasurer (line 0900) – decrease of \$4,600 or -16.1% due to a one-time expense for fraud analysis to be completed in the current fiscal year.
5. Town Clerk (line 1100) – decrease of \$1,400 since the new Assistant Town Clerk is working on certification and this year's budget was for a certified position.
6. Planning & Zoning (line 1200) – increase of \$4,030 or 3.9% primarily due to an error in the current year where training was understated by \$2,000
7. Data Services (line 1300) – increase of \$1,980 or 1.8% due to the postage meter being transferred to this line (\$720) and an anticipated server replacement.
8. Public Buildings (line 1400) – increase of \$5,032 or 2.7%. Snow budget was increased \$1,000, there was a \$4,000 increase for DPW/Fire bay door replacement panels and increased repairs as buildings age.
9. Fire Department (line 1700) – increase of \$6,325 or 4.2% due to \$1,000 increase in officer stipends, \$3,000 increase in training (\$1,000 each for rental of the Bloomfield fire tower, rope rescue training class and water rescue training class) and an increase of \$1,000 for gas reimbursement. Requests of \$7,650 for mobile data terminals and \$26,000 for hose replacement will be dealt with capital requests.
10. Police Department (line 1800) – increase of \$13,211 or 2.1% primarily driven by a \$10,487 increase in the cost of the Resident Trooper Program (salary and overhead). We anticipate that the town share of program costs will remain at 85%.
11. Emergency Management (line 1900) – increase of \$1525 or 10.6% primarily due to increasing the stipends (2 x \$500) to reflect more activity and hours needed for the task.
12. Fire Marshal (line 2000) – increase of \$5,248 or 12.2%. Fire Marshal (FM) hours currently at 12 hours weekly to be increased to 14 hours weekly reflecting greater activity and regulatory reporting. Deputy FM will stay at 8 hours and a second deputy will be brought in at 4 hours weekly bringing the office back to 2016 staffing levels. In 2018 the FM's Office completed 563 inspections, 14 fire investigations.

13. Public Works (line 2100) – increase of \$70,633 or 11.1%. Primarily driven by the restructuring of management and staffing to combine public works and the building departments. \$50,000 of the funding for this restructuring came from the reallocation of this year’s Town Aid Road fund and \$18,000 was reallocated from Facility Management (line 4200). With unified leadership for building and public works we will be able to improve building/grounds maintenance, reduce the cost of outside vendors and increase the shared services provided to the schools.

Current public works staffing is a Supervisor, 6 full timers, one three-month seasonal mower, and a nine-month seasonal. The proposed staffing would be a Director, 7 full timers, two three-month seasonal employees for lawns and a twenty-hour position for administrative support for a net addition of one and a half employees. This will allow the town building approach to be more hands on and utilize the skill sets of the DPW employees on a broader scale. The additional laborer will also assist with road preparation for the road bonding projects saving money as we do more of the prep work ourselves. We will also reduce our seasonal snow plow crew by one employee.

The Buildings/ Public Works Director position will also supervise a revamped building maintainer/technician (previously the Building Supervisor position) and one full-time and one part-time building employee. The town will continue to take over more exterior responsibilities in the upcoming year with a “condo” arrangement with the schools.

14. Health District (line 2240) – increase of \$2,819 or 9.9% based on per capita increase of \$0.55 on a Department of Public Health population projection of 5166. The increased budget by FVHD will address service opportunities they highlighted in their five-year plan.
15. Library (line 2400) – increase of \$2,344 or 1.1%. This is a reduction of \$1156 to their original “ask”. The Library would use the additional funds to address maintenance as the building ages.
16. Recreation Field Maintenance (line 2550) – increase of \$3,000 for increased fertilization of the ball fields. More funds needed for soccer field over-seeding and reseeded of worn areas and baseball diamond cultivation.
17. Insurance (2700) – net decrease of \$33,000 or -4.4%. In FY19, two open enrollments were budgeted for \$44,000 and \$10,000 was budgeted for a Workmen’s Comp Assessment, neither of which occurred. We are estimating the following increases P&C (4%), Workmen’s Comp (4%) increases and an 8% increase for health insurance. We purchase health insurance from the CT Partnership 2.0 Plan. There is some rate risk since we won’t receive health insurance rates until April and P&C/Workmen Comp rates until June.
18. Economic Development Commission (line 2900) – stays the same but I mention it because the \$30,000 investment has been a success story. Services are provided by Connecticut Economic Resource Center through a shared services arrangement with Suffield. We have visited 15 East Granby manufacturers and businesses, had three

seminars and developed relationships with commercial realtors, site locators and land owners.

19. Animal Control (line 3000) – increased \$10,000 of 62.5%. We purchase our ACO services from Suffield which has worked extremely well. The additional funding is a result of increased staffing by Suffield based on greater utilization of the services by both towns.
20. RCC (line 3400) – increase of \$15,764 or 7.6% due to increased tipping fees charged by MIRA after they had a catastrophic failure of turbines and boilers at their facility. The new tipping fee will increase \$9 per ton (\$72 versus \$81)
21. Membership (line 3500) – increase of \$1,000 to budget or 5.1%. The budgeted GCTV contribution increases from \$7,000 to \$8,000.
22. Utilities (line 3900) – increase of \$2675 or 1.7% due to increased natural gas and electricity rate increases.
23. Facilities Maintenance Management – decreased by \$19,092 or 25.8%. The job description for this position has been restructured with less administrative responsibilities and more tool belt/technician responsibilities. Car expenses were also eliminated from this line.

Current and Future Areas of Concern:

- Fire Apparatus – the BOS and Volunteer Fire Department are working on a plan to address future apparatus needs of the town.
- Software – new software for payroll and accounts payable are needed. We are discussing with the schools any potential shared software service opportunities.
- Technology – General Government needs to develop a comprehensive, actionable 5-10-year strategy to upgrade our IT infrastructure.
- Greenway - The BOS has started to address long-term Greenway maintenance in the 5-Year Capital Plan.
- Stability of State Aid and the shifting of expenses to the towns is a continuing concern.
- Capital – as the BOE and BOS do more shared services we may want a third category of capital for town projects on school property and buildings.