To: Selectman John Ziobro and Selectman Joe Doering  
BOF Chair, Mark Porter, Members of the BOF

From: Jim Hayden, First Selectman

Re: General Government Financials – February 2020

Date: March 31, 2020

1. **FY2019/2020** – The General Government Budget is trending slightly favorable to budget for the year to date (July 1, 2019 – February 29, 2020). Through February, the average budget rate of “expense spend” should be trending around 66% of the annual budget

The following narrative identifies departments which are:

   i. *trending unfavorable to budget*
   ii. trending on budget but appear to be unfavorable due to certain annualized costs which are usually paid for in the beginning of the fiscal year.
   iii. trending on budget but appear to be overly favorable since the vendor/government entity submit a bill at the end of the quarter, end of six-month period or end of the fiscal year.

a. **Probate – line 0200** is expensed at 48% of its annual budget since it reflects six months (July thru December) of actual operating costs. We receive quarterly bills and will receive the third quarter bill from the Tobacco Valley Probate Court in April of 2020.

b. **Registrars – line 0300** is expensed at 50% of its annual budget and reflects that the Presidential Primary and Referendum which will be held in June (date change from April 28th as a result of COVID-19). Year to date, this line is on budget.

c. **Board of Finance – line 0400** is expensed at 21% of its annual budget and reflects the board clerk’s stipend for the completion of meeting minutes. There have been five meetings to date this fiscal year. This line’s budget also includes funding for the Annual Report which will be completed and paid for in the third quarter of FY2020.

d. **Auditing – line 0500** is expensed at 59% of its annual budget. Now that Mahoney Sabol has completed their work, we will receive a payable for the balance of their contract. Year to date, this line is on budget.

e. **Assessors – line 0600** is expensed at 66% of its annual budget. Once the July 2019 prepayment for proprietary software is taken into consideration, this line is on budget.

f. **Town Counsel – line 1000** is expensed at 27% of its annual budget. This line represents legal counsel that we use on an “as needed” basis and fluctuates throughout the year.
g. **Data – line 1300** is $2,500 unfavorable to budget. This is driven by annual software licensing renewals paid in the first quarter. As the year evolves, this number will be reduced (i.e. the January Financials were trending $3,800 unfavorable to budget).

h. **Engineering – line 1600** shows an expenditure of $187 at the present time since our Consultant Engineer bills the Town the agreed upon retainer for professional services on an annual basis.

i. **Police – line 1800** is expended at 55% of its annual budget. This “paper” under-expenditure reflects that the Connecticut State Police bills the Town for the Resident Trooper Program at the end of the fiscal year. An unfavorable impact on the expense side are two lump sum payments made in January 2020 as a result of the December 2019 ratification of a new police contract. The lump sum payments were for the annual individual uniform allowance ($5,700 total) and a $1,000 adjustment to each officers’ base pay ($6,000 total). When taking this into consideration plus anticipated trooper overtime billed at the end of each quarter minus payments from vendors requiring police traffic control for construction jobs, the line is trending $10,000 unfavorable to budget.

j. **Emergency Management – line 1900** is expended at 39% of its annual budget due to the resignation of the part-time assistant director of emergency services. This position will be filled in July 2020.

k. **Fire Marshal – line 2000** is $300 unfavorable to budget due to extra hours needed for increased plan review and inspections by the Fire Marshal.

l. **Public Works – line 2100** is trending $21,000 unfavorable to budget primarily due to winter storm overtime.

m. **Health Services – line 2200** is expended at 100% of the annual budget which reflects a December payment to the Farmington Valley Health District for the last half of the fiscal year. Year to date, this line is on budget.

n. **Town Library – line 2400** is expended at 100% of its annual budget which reflects a December payment for the last half of the fiscal year. Year to date, this line is on budget.

o. **Parks & Recreation – line 2500** is expended at 53% of the annual budget and reflects anticipated expenditures for field maintenance and outdoor sports programs will take place in the spring. Year to date, this line is on budget.

p. **Cemeteries – line 2600** is 100% expended since it requested its annual $1300 payment in January.

q. **Insurance – line 2700** is expended at 69% of its annual budget or what appears to be $30,000 unfavorable to budget. When the July pre-payment of the annual property, casualty and workmen’s compensation insurance bill is taken into consideration, the line is trending under budget.

r. **Economic Development Officer – line 2900** we are awaiting a bill from the shared services provider.
s. **Dog Fund – line 3000** is expensed at 50% of its annual budget. We share services with Suffield who bills us on a semi-annual basis. Year to date, this line is on budget.

t. **Social Security – line 3100** is trending $4,300 unfavorable to budget. The budget estimate for Social Security costs on Police and DPW over-time is lower than the current trend.

u. **Street Lighting – line 3300** is expensed at 51% of its annual budget. The billing cycle is always one month behind the fiscal year. Year to date, this line is trending on budget.

v. **Refuse Collection & Disposal – line 3400** is trending $5,000 unfavorable to budget even though the attached report indicates expenses at 57% or 10% under budget. The 57% number reflects the crediting of $38,000 of permit fees to offset expenses. Over the course of the year the permit fees will probably be $10,000 unfavorable to budget. That coupled with previously stated concerns about the steep increase of tipping fees and hauling costs indicates that this line will more than likely be over budget at year end.

w. **Membership – line 3500** is expensed at 98% of its annual budget. This line is for professional associations that the Town belongs to (i.e. Connecticut Council of Municipalities, Connecticut Council of Small Towns, Capitol Region Council of Government etc.). Fees are paid to these organizations at the beginning of the year.

x. **Commission on Aging – line 3700** is expensed at 52% of its annual budget. We anticipated that this line would catch up to trend with more planned programs in the Winter/Spring and increased Mini-Bus service hours. Due to COVID-19 we are only making essential runs and March and April will be even more favorable to budget.

y. **Commission on Youth Services – line 3800** is expensed at 40% of its annual budget. We share this service with the Town of Granby who bills us on a quarterly basis. To date, we have paid for two quarters

z. **Ambulance Service – line 4000** is expensed at 62% of its annual budget. The Granby Ambulance Association provides service to our town and bills on a semi-annual basis and we prepay dispatch bills to CMED in August. The line is trending on budget.

aa. **Contingency Fund – line 4100** shows no expenditure at this time since this is strictly for emergency use and can be accessed by the Board of Selectmen only with approval of the Board of Finance. We have not had a need to use this fund for many years and anticipate that the BOS will return the entire amount of $54,000 to the taxpayers at the end of the year.

bb. **Facilities Maintenance – line 4200** is expensed at 35% of its annual budget. The supervisor position vacancy was not filled until October 2019.

To summarize, overall expenses are favorable to budget. The Data Service, Police, Fire Marshal, Public Works, Social Security and RCC lines are trending unfavorable to budget.