

TOWN OF MADISON

CONNECTICUT

Budget Public Hearing

Board of Selectmen

March 3, 2021*

** Amended March 23, 2021*

Board of Selectmen (BOS)

Peggy Lyons, First Selectwoman

Erin Duques

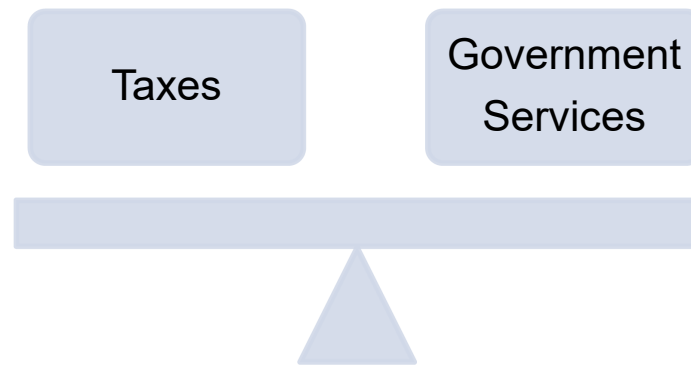
Al Goldberg

Scott Murphy

Bruce Wilson

Board of Selectmen Goals

- Develop a responsible budget that reflects community needs and priorities following on the public health crisis
- Position Town government to serve community in post-COVID environment
- Start planning today for known, future needs
- Implement organizational changes to improve operational efficiencies, enhance existing programs and services, and realize long-term cost savings
- Adequately fund projects through Capital Improvement Program (CIP) to support immediate needs while developing long-term plan
- Minimize mill rate impact on taxpayers



COVID Impact on Town Operations

- Town navigating through 100-year pandemic, volatile economy, changing climate and national civil unrest
- Governor's Executive Orders have fundamentally changed how government is operated. Some of these changes will be here to stay
- Town rapidly shifted to remote work while continuing to provide consistent access to services
- Public safety resources mobilized to serve health and safety needs of community
- Unprecedented demand for Madison's outdoor amenities
- Town required to implement difficult policies to maintain safe environment
- This year's Budget was approved by BOF in May 2020 during a period of high uncertainty around of what lay ahead
- Next year's Recommended Budget reflects lessons learned and a way to move forward

BOS Recommended Budget

	Approved 2020-2021	Recommended 2021-2022	Change	Percent
Total Operational	\$23,224,294	\$24,182,198	\$957,904	4.12%
Capital	3,540,104	3,700,485	160,381	4.53%
Debt Service	<u>1,317,434</u>	<u>1,402,734</u>	<u>85,300</u>	6.47%
Total Town	\$28,081,832	\$29,285,417	\$1,203,585	4.29%
Total Education	\$58,551,701	\$58,372,037	\$820,336	1.40%
Grand Total	\$86,633,533 ⁽¹⁾	\$88,657,454	\$2,023,921	2.34%
Potential Mill Rate Change	28.35 ⁽²⁾	28.96 ⁽³⁾	0.61	2.15%

1. Net of reductions taken by BOF of \$741K from Town Budget and \$127K from BOE Budget partly due to COVID uncertainty.

2. Includes BOF use of \$673K from Undesignated Fund Balance for Mill Rate reduction.

3. Assumes BOF applies comparable amount of Undesignated Fund Balance for Mill Rate reduction.

This Year v. Last Year

(YOY % Change)

	Approved 2020-2021	Recommended 2021-2022
Town Operating	5.12%	4.12%
Total Town	5.01%	4.29%
Total Education	.87%	1.40%
Total Recommended Budget	2.18% ⁽¹⁾	2.34%
Mill Rate Growth	0% ⁽²⁾	2.15% ⁽³⁾

**5 Year Average
Mill Rate Growth
of 1.94%
(2.4% prior to last
year)**

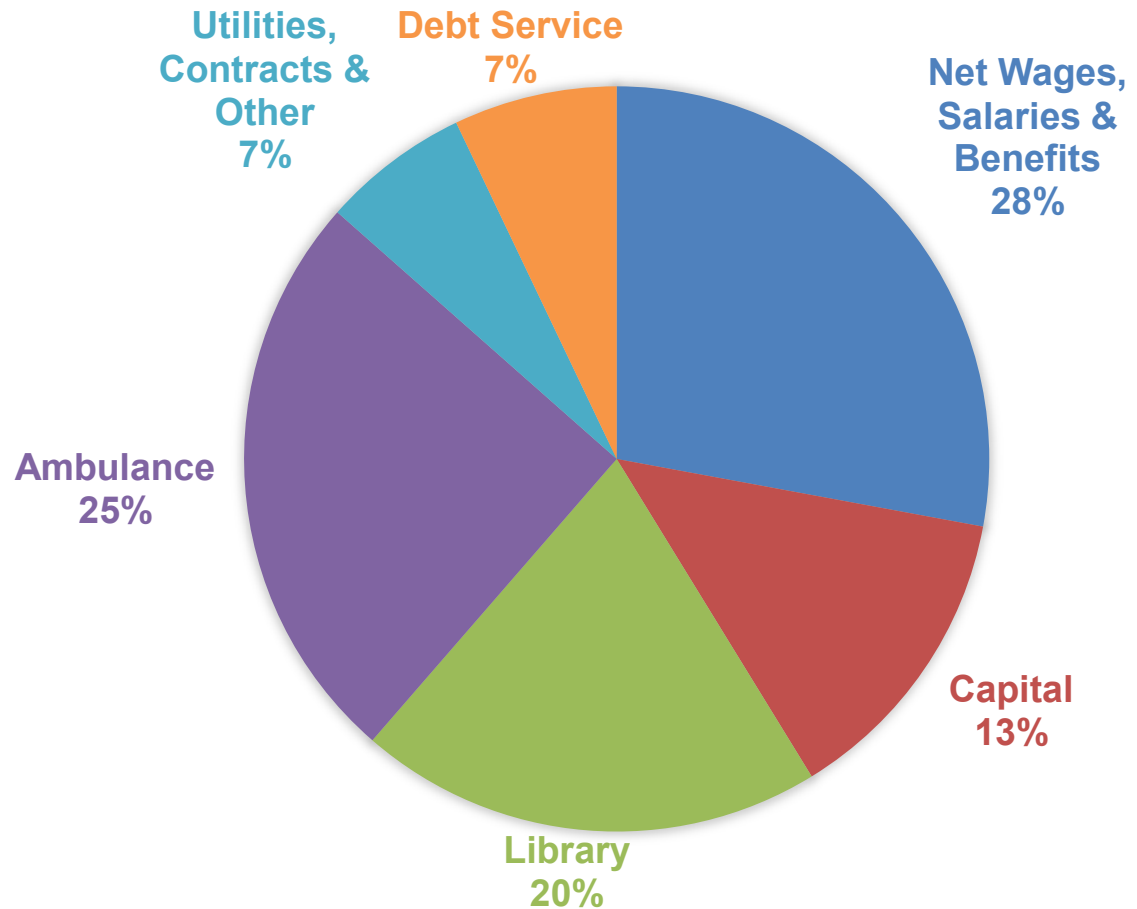


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What's Driving the \$1.2 million Town Budget Increase?

- Public Safety needs driving 39% of budget growth:
 - Police half of total wage increase, Ambulance 25%
- Scranton Library funding needed for full re-opening after previous budget reductions taken (due to limited operations during library construction and COVID restrictions)
- Capital needs and Debt Service increases also driving 20% of budget growth

Breakdown of Town Budget Increase



Walk-Thru of Operational Budget Increase

2020-2021 Approved Town Operational Budget		\$23,224,294
Wages, Salaries & Benefits: (1)		
Public Safety	\$160,293	
Other Employees Net of Re-organization	172,281	
Beach & Recreation Seasonal 7 Day	38,558	
Benefits Savings	<u>(35,246)</u>	
Total	\$335,886	
Ambulance Services	302,529	
New Scranton Library	242,480	
Contracts, Insurance, Utilities, Other	<u>77,008</u>	
<i>Total Operational Increase</i>	\$957,904	
2021-2022 Recommended Town Operational Budget		\$24,182,198

1. Includes contractual increases, STEP increases and COLA

FYE 21/22 Staffing Changes

- ERIP, merger of Beach & Recreation/Senior Services created opportunities for department re-organizations and staff reductions
- Reduced senior staff and some clerical positions while re-deploying others (Land Use, Health, B&R, Senior Services)
- Added new positions to right size departments (Land Use, Public Works)
- Added some additional hours due to service needs (Town Clerk, Fire Marshal)

Department	Net Change in FTE ⁽¹⁾
Beach & Recreation/Senior ⁽²⁾	-0.25
Health Department ⁽³⁾	-1.00
Land Use ⁽³⁾	+0.75
Public Works	-0.50
Town Clerk	<u>+0.25</u>
Total ⁽³⁾	-0.75

1. Net impact on FTEs as a result of retirements, additions/eliminations of selected positions, re-allocation of staff across departments, and change in hours. Some position changes subject to union negotiations.

2. Current B&R Director part-time in 2021/22 for transition. Director position eliminated in 2022/23 resulting in additional reduction of 0.5 FTE in 2022/23.

3. Amended 3/23/21 to adjust for re-allocations of selected clerical positions.

Capital Funding

Capital Project Fund	2020-2021	2021-2022
Ambulance Replacement	\$ 100,000	\$ 100,000
Capital Non-Recurring Expenditures	1,372,704	1,413,885
Communications	500,000	525,000
Fire Protection Water Tanks	75,000	75,000
Highway Equip & Town Vehicle	170,000	235,000
Madison Hose Co. No. 1 Apparatus/Truck Repl	290,000	250,000
Madison Hose Co. No. 1 Hose & Equip	25,400	25,000
Major Roads	580,000	640,000
NOMAD Apparatus/Truck Repl	130,000	130,000
NOMAD Hose & Equip	37,000	37,000
Open Space		
Police Vehicles	120,000	120,000
Technology	140,000	150,000
Total Capital Budget	\$3,540,104	\$ 3,700,885

- CIP program funding has increased by over \$1 million since its inception
- Overall 2021-2022 CIP funding basic maintenance of existing facilities and infrastructure, quality of services, and planning for future capital needs
- Targeted increases in Fleet Vehicle Replacement, Technology, Emergency Management, Communications

Status of Major Projects

- **Downtown Center Project** - Funding request to complete Phase 1 and plan future Phase 2.
- **Madison School Renewal Plan** - Most building improvements on-hold pending anticipated referendum
- **Academy School** - On-hold pending Facilities Master Planning Process
- **Surf Club** - Funding request for facility plan development
- **Island Avenue** – Lease renewed through 7/22, generating \$400K in revenue. Launching RFP process for future potential use/sale
- **Town Fleet** – Funding request to accelerate vehicle replacement
- **Madison Hose Building Expansion** – Selectmen to review and align with Facilities Master Plan
- **Other Projects** - Some delayed or combined pending results of Facilities Master Plan and bonding referendum

Recommended Special Appropriations

- Town has significant cash reserves, including an undesignated fund balance of \$16M (\$8M required under BOF policy)
- Board of Selectmen identified some non-recurring items to flag for fund balance use as a Special Appropriation rather than build into budget base
- Other areas to be considered for Special Appropriation include fortifying CIP, funding the pension, debt service reserve, Coastal Resiliency reserve, and/or additional mill rate reductions

Non-recurring	Amount
Fleet Vehicles	\$500,000
WPCA Study*	150,000
ERIP/Severance	106,568
Revaluation Reserve Expense	60,000
Emergency Message Boards	<u>42,000</u>
Total	\$858,568

** Does not reflect expected State reimbursement to Town of 55% of study cost, which would go into the general fund.*

Key Take Away

- BOS Recommended Budget of \$88.7 million reflects lessons learned and a way to move forward post-COVID
- Achieves goals to fund core services, support community priorities, and plan for future capital needs, while minimizing the impact on property taxes

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Questions?

THANK YOU !!!