

FY2024 Budget Questions-Board of Finance

Chris Stroup:

(questions edited to reflect requested further clarification)

from your Feb 28 update:

I advised the Board of Selectmen members to expect a reduction to our proposed budget as I do not believe that rate of property tax increase is acceptable to the majority of the Board of Finance, the taxpayers or our board.

My questions for the BoS and you:

1-what reduction would you recommend? Where you you reduce spending ? what would be the impact? (Assume for question 1 that the BoS budget is 33% of the total-- so if you have a view of an acceptable mil rate, assume the BoS budget has to "contribute" 33% of the spending reductions to achieve the goal.)

2-and assuming a further reduction (from 1. Above-your recommended budget following a reduction of 33% of the expenses to an achieve an acceptable level) of 2%, where would the BoS cut? and what would be the implications?

Answer to #1

The BOS couldn't meet prior to March 15th, this is my response.

The required mill rate is 29.8338, an increase of 1.60 or 5.69%. A good share of the increase is due to the \$2.3 million decline in excess funds (prior year excess revenues) available to fund FY2024 expenses and thus reduce the required mill rate. With continued tight budgeting, I believe excess funds will continue to remain under \$2 million over the next several years versus the \$3+ million to \$7+ million available in FY2021, 2022 and 2023 budgets.

Regardless of the merits of the acceptable increase and based on my sense of the community, I believe a mill rate increase acceptable to voters, once adequately explained, is in the range of +/-3.5%. A 3.5% increases requires a reduction of \$2,710,000 in expenses.

The BOS requested increase equals 15.4% of the combined BOS/BOE requested increase or a proportional share of the decrease of \$427,039.

Although of course under the Charter it is the responsibility of the BOF to review the budgets and determine where the BOF thinks there is an opportunity to reduce the budget, I do not agree with your concept of requiring the BOS to assume reductions equal to twice their proportional share of the requested increase. It sends two bad messages: 1-In the future, Board of Selectmen should play the game of overstating our budget request to be at least as high as the BOE's so as not to be disproportionately impacted by reductions. 2-More

importantly, the work of the police officers, fire fighters, highway drivers and other BOS employees and the services they provide are not valued as much as the work/services of the BOE employees.

	FY2023 approved	% share	FY2024 Requested	FY2024 Req Increase	% share Incr	Stroup Alloc of Reduction	Alloc Reduction	Alloc FY2024 Inc(Dec)
Board of Selectmen	\$ 33,943,364	28.1%	\$ 34,673,595	\$ 730,231	15.8%	33.0%	\$ 894,300	\$ (164,069)
Board of Education	\$ 86,677,862	71.9%	\$ 90,581,692	\$ 3,903,830	84.2%	67.0%	\$ 1,815,700	\$ 2,088,130
Total	\$ 120,621,226			\$ 4,634,061			\$ 2,710,000	\$ 1,924,061

The following are adjustments to achieve a \$894,300 decrease in the requested budget and a .49% decrease in the FY2024 budget vs FY2023. Deferred items will likely be included in the FY2025 budget.

Adjustment	Amount	Impact
TO FUND INITIAL \$894,300 REDUCTION IN THE BOS BUDGET		
Eliminate Funds for the Cider Mill Pond Dredging	\$ (80,000)	Defer for a year.
Increase User Fees:		
Allocate add'l programming expenses to self-sustaining-increase program fees	\$ (100,000)	Increased program fees.
Larger Increase in Transfer Station Disposal Fees than currently budgeted. Reduce subsidy	\$ (50,000)	Increased resident fees.
Eliminate professional paid to water the Wilton Center flower baskets	\$ (27,000)	"Make Wilton Beautiful will need to privately fundraise. Currently only fundraise the cost of the flowers.
Flat Fund Library Grant	\$ (82,710)	WLA will need to fundraise or reduce expenses.
Eliminate misc community building programs introduced over the last 7+ years	\$ (3,000)	Initial complaints by residents. Likely to be forgotten after a few years.
Reduce WVAC grant	\$ (15,000)	WVAC will need to fundraise more.
Reduce budgeted GWI for open contract and non union, plus associated social security and defined contribution	\$ (23,000)	Morale. Possible loss of one or two employees. Risk to budget.
Reduce first selectman salary, plus social security reduction	\$ (10,000)	None. Won't impact residents considering running.
Reduce salt budget, assume larger carryover inventory from FY2023	\$ (30,000)	Risk to budget.
Reduce estimate for election works. Includes assuming risk of a needed primary	\$ (6,400)	Risk to budget.
Subtotal	\$ (427,110)	
Rescind Offer to Fund School Security Cameras. Use Funds for BOS expense	\$ (233,000)	BOE will need to add back into their budget.
Change electric accounts receiving VNM credits. BOS sponsored program. We awarded 87% to BOE accounts. Change to 75%	\$ (26,000)	BOE will need to increase their budget
Reduce BOS funding of School Nurses	\$ (208,190)	BOE to decide. Choices-reduce staffing, allow parents to administer Rx and/or fund in their budget
Total	\$ (894,300)	

Answer to #2

The following are recommendations for additional requested reductions to allow for a further reduction equal to the 2% of the FY2023 budget. This results in further reductions of \$678,565 and a FY2024 budget of \$33,100,130, a 2.48% decrease versus FY2023 and a 1.2% decrease versus the budget five years ago. These reductions are directed towards elected officials, the Library, changes in the use of grants, a change in recognition of grants and deferrals.

Use of ARPA funds for police vehicles and the deferral increase FY2025 % of change.

TO FUND AN ADDITIONAL REDUCTION EQUAL TO 2% OF THE FY2023 BUDGET		
Eliminate medical benefits for first selectperson	\$ (14,250)	None. Won't impact residents considering running.
Reduce First Selectperson salary, plus associated social security	\$ (20,000)	Likely won't impact residents considering running.
Limit elected registrars medical benefit to a single person	\$ (36,315)	Could cause resignations.
Reduce memberships in associations	\$ (3,000)	Loss of access to meaningful information.
Reduce Library Grant	\$ (100,000)	WLA will need to fundraise the loss.
Change accounting to recognize state grant for 100% of tree removal within DPW budget	\$ (150,000)	Reduction in state grant to offset road bonding. Bad long-term financial decision as interest paid on bonding.
Change accounting to recognize state grant for more road supplies within DPW budget	\$ (50,000)	Reduction in state grant to offset road bonding. Bad long-term financial decision as interest paid on bonding.
Fund FY2024 purchase of police vehicles with ARPA funds, not operating capital	\$ (120,000)	Unsuited ARPA fund serve as a contingency for actual cost of \$5 million in approved projected funded with ARPA monies. Means possible higher costs in future budgets or loss of project funding.
Defer or eliminate Cannondale Masterplanning	\$ (75,000)	Developers decide the planning.
Fund FY2024 purchase of election tabulators with ARPA funds, not oper cap.	\$ (90,000)	As above for police vehicles.
Reduce legal notice budget.	\$ (10,000)	Risk Legislature doesn't pass bill to allow online legal notices.
Defer purchase of Town Clerk's furniture	\$ (10,000)	Defer to next year.
Total	\$ (678,565)	