

BOARD OF FINANCE
FY 20 BUDGET - PUBLIC HEARING
MARCH 26, 2019

AGENDA

- Introduction
- Overview and Preliminary Mill Rate Projection
- Budget Presentation - Board of Selectmen
- Public Comment

FY 20 BUDGET HIGHLIGHTS

- BOE budget request is up \$1.1 million (1.35%)
- BOS budget request is up \$0.3 million (0.92%)
- Debt Service is down \$768,000 (-7.0%)
- Tax Relief for Elderly/Disabled increased to \$1.23 Million
- Total Funds Required is up \$0.52 million (0.43%)
- Net Taxable Grand List dropped 2.08% due to Revaluation
- Mill Rate would rise 2.56% if Shortfall closed by taxes

FY 20 BUDGET HIGHLIGHTS

(CONTINUED)

- FY20 General Fund balance (reserves) is set at 10.4%
- Other Revenues are up \$493,000, mainly from higher interest revenue (\$280,000) and Town Grants (\$243,000)
- Pension is funded at 98.7% of liabilities, leaving a \$1.6 million net liability as of June 30, 2017
- Moody's reaffirmed Wilton's Aaa bond rating – Feb 2018

THE ROLE OF THE BOARD OF FINANCE IN THE TOWN BUDGET

The Town Charter governs the Board of Finance's actions

- The BOF is required to hold hearings on both the BOE and BOS budget requests
- The BOF considers the following when developing the Mill Rate:
 1. The views of the voters expressed at the Town hearings and in direct communication (*boardoffinance@wiltonCT.org*)
 2. The financial resources of the Town
 3. Whether the BOE and the BOS can find savings in their respective budget requests
 4. The appropriateness of revenue, debt service and General Fund balance amounts

HOW THE BOARD OF FINANCE ASSESSES RESOURCES AND FINANCIAL CONDITION

Debt, General Fund Balance and Pension Fund Levels

- Bonds Outstanding are \$88.4 Million – Debt Service at 7.9% of Budget
- Maintaining Aaa rating – Minimum 10% General Fund Balance
- Unfunded Pension Liabilities – \$1.6 Million; 98.7% Funded

Operating Expenses

- Evaluate budget requests versus prior actual expenditures
- Focus on Efficient Staffing and Headcount Control

FY 20 BUDGET SUMMARY

\$ Thousands

	FY 19 BUDGET	FY 20 REQUEST	\$ FROM FY 19	% FROM FY 19
Education	81,877	82,984	1,107	1.35%
Selectmen Operating & Capital	33,502	33,811	309	0.92%
Debt Service	10,921	10,153	(768)	(7.03)%
Charter Authority	1,263	1,269	6	0.51%
TOTAL OPERATING REQUIREMENTS	127,563	128,218	655	0.51%
Tax Relief for Elderly & Disabled	1,171	1,231	60	5.1%
Non-tax Revenue	(4,260)	(4,753)	(493)	11.6%
Drawdown of excess fund balance	(3,006)	(2,709)	297	9.9%
TOTAL TO BE FUNDED FROM PROPERTY TAX	121,468	121,986	519	0.43%
Grand List	4,342,154	4,251,735	(2,531)	(2.08)%
Collection Rate	99.3%	99.3%	--	--
REQUIRED MILL RATE	28.1875	28.9102	3,050	2.56%

STORM CLOUDS ON THE HORIZON

- Potential Teacher's Pension Fund Contribution
- Potential Elimination of Municipal Tax on Autos (~\$6 MM/yr.)
- Potential Homestead Exemption (~\$7-8 million/yr.)
- Potential Reduction of Municipal and Educational Aid
- Potential Reduction of SPED Excess Cost Sharing
- Other Financial Obligations from State Government

Tri-Board Meeting on Monday April 1st to Discuss Town's Response

BOARD OF FINANCE BUDGET SCHEDULE

March 25 & 26	Board of Finance Public Hearings
April 1	Tri-Board Meeting
April 2 & 3	Board of Finance completes deliberations on budgets and sets mill rate
May 7	Annual Town Meeting
May 11	Adjourned vote of ATM