



# Town of Scotland

Public Hearing

FY23 Proposed Budget

Thursday, May 19, 2022 7pm

# Budget highlights

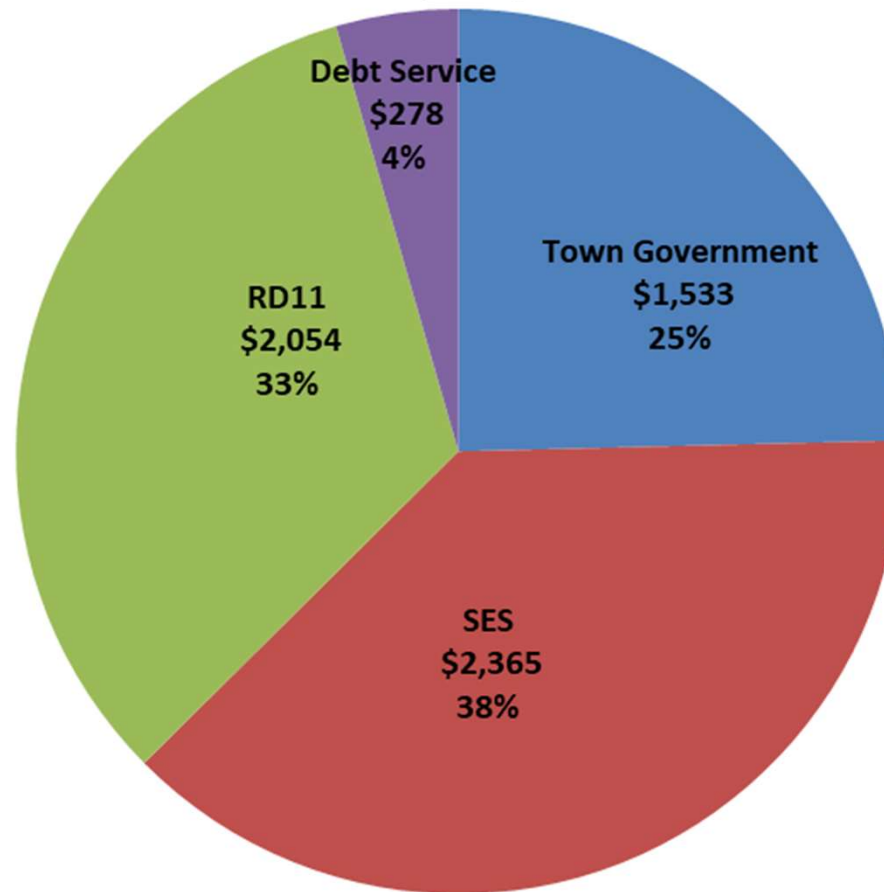
- Proposed budget would keep Real Estate and Personal Property mill rate flat and decrease MV mill rate per state budget
  - MV mill rate capped at 32.46 but loss offset by state grant of \$93k for FY23
  - Increased Grand List generates additional revenue vs. FY22
- Projected revenues of \$6,064k and expenses of \$6,230k – a deficit of \$166k (2.67%)
- Plan reflects deficit reduction of \$297k (4.7%) vs. current budget and an expenditure reduction of \$52k
  - Current deficit counts on underspends in some lines
- This version reflects approved budgets from schools

# Key Takeaways

- Proposed budget reflects continued investments in town assets – both capital and maintenance – at levels similar to current budget
- Decrease of \$143k in RD11 assessment vs. current year, again driven by lower census. From FY2020, budget has decreased from \$2.48M to \$1.96M
- Budget includes 6% pay increase for employees whose salaries were not already increased in FY22 (Ambulance Transport, Public Works & Bookkeeper)
- Budget reflects ARPA/SLFRF monies to the General Fund to cover some salary increases

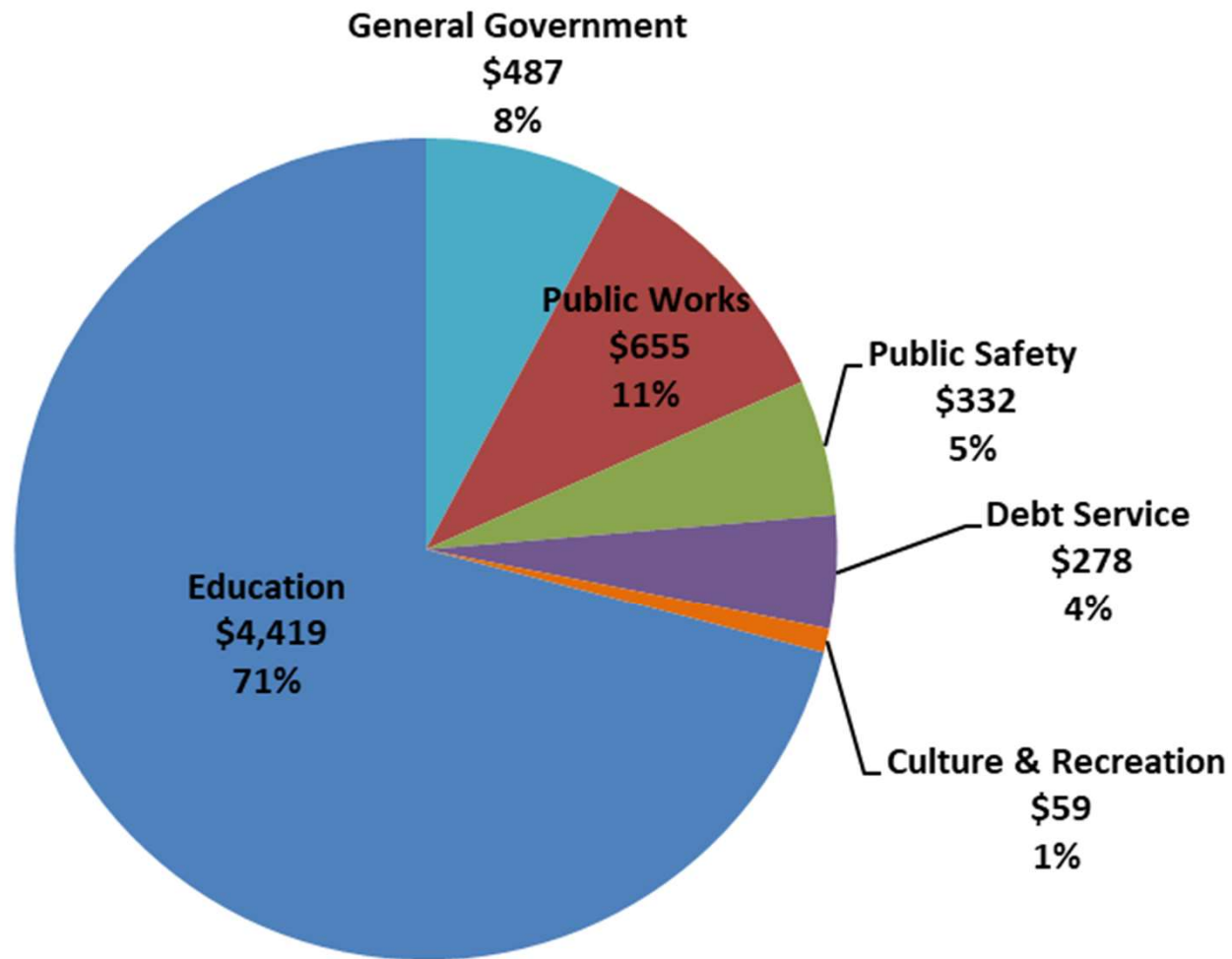
## FY23 Proposed Budget by Component

(000s)



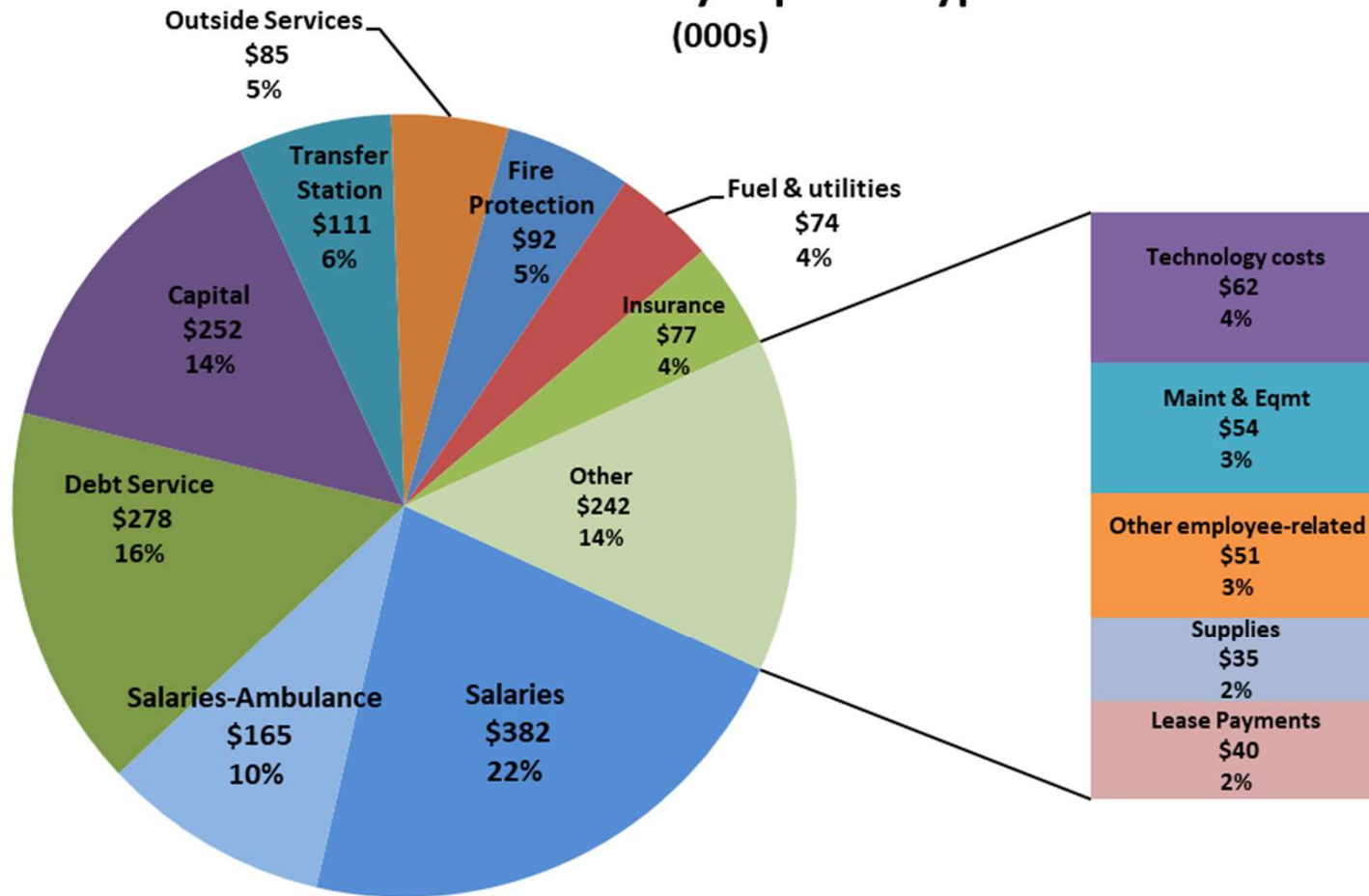
- Only 25% of the Town's budget is within the control of the Board of Selectman
- Debt Service reflects principal and interest due on note payable & general obligations bonds (both for SES) - \$1,110k outstanding at June 30, 2022. Bond payment increases by \$25k in FY23 vs. FY22
- Debt Service does not include Fire Truck lease payment of \$40,290 – total obligation of \$403k at June 30, 2022 (inc. in Town Gov't)

# FY23 Proposed Budget by Service Category (000s)



- *Service categories as shown/defined in the Town's Annual Report*

## FY23 Proposed Budget Town Govt by Expense Type (000s)



- *Salaries and Debt Service make up nearly 50% of the Town Government budget*
- *Note that “Other employee-related” costs include payroll taxes and “Insurance” includes Worker’s Compensation*
- *Graph excludes \$53k of “all other” small categories*

# FY23 Sources of Funding for Capital Projects

## General Fund

- Capital Improvements- Roads in PW dept \$75k
- Road Maintenance in PW dept \$15k
- Capital non-recurring funding for Town (\$40k), HVAC (\$20), Public Works (\$20k) & Public Safety (\$13k)
- LoCIP \$84k

## Other Funds

- Town Aid Road \$153k of FY23 revenue plus expected beginning FB of \$237k
- Capital Non-Recurring beginning balance of \$286k
  - Public Works \$63k
  - HVAC \$14k
  - Fire \$26k
  - Town \$59k
  - BOE \$124k

## FY23 Planned Capital Spending

- Roads and Bridges \$325k (specific projects TBD)
- LoCIP projects (likely Town Hall) \$84k
- Library Roof \$15k
- Public Works – complete 4 bay garage \$45k & build salt shed \$50k
- Placeholder for equipment replacement if needed – Public Works \$40k, Town \$10k, Fire Dept \$10k & SES \$10k
- Town Hall project still in preliminary planning stages, \$50k budgeted from CNR to cover initial costs



# FY23 Capital Improvement Program Budget

	FY21-22 Estimated Actuals	FY22-23 DRAFT Budget	Change	Comments
<b>ESTIMATED REVENUES</b>				
General Fund	168,000	168,000	0	CNR contributions plus PW Capital Roads line
Town Aid Road	153,809	153,809	0	
LOCIP	0	84,428	84,428	
State & Federal Grants	0	50,000	50,000	FY23 - ARPA/SLFRF funds for Town Hall project scoping/prep
Notes & Bonds	0	0	0	
Lease Purchase	40,290	40,290	0	Fire Truck lease pymt from GF
CNR & TAR beginning/carryover balances	433,308	523,239	89,931	FY22 Actuals - Engineering & Architectural costs for Town Hall project, bunker gear & PW street sweeper & plow
<b>TOTAL</b>	<b>\$795,407</b>	<b>\$1,019,766</b>	<b>\$224,359</b>	
<b>ESTIMATED EXPENDITURES</b>				
General Administration/Town	14,100	144,428	130,328	FY21 actuals - Town Hall project expenditures FY23 - Town Hall scoping/prep & \$10k misc Town purchases
Public Safety	51,290	50,290	(1,000)	FY22 Actuals - Lease payment, bunker gear, remediation of flood damage at Fire Station. FY23 - Lease pymt & misc purchases
Public Works - roads and bridges	131,000	325,000	194,000	FY22 Actuals - spring paving project
Public Works - equipment & vehicles	19,600	40,000	20,400	FY22 actuals - street sweeper & plow, FY23 will come from current CNR contribution & CNR balance
Public Works - buildings	56,178	95,000	38,822	FY22 actuals - engineering & deposits on 4 bay garage, FY23 - finish 4 bay garage & salt shed
Culture & Recreation	0	15,000	15,000	FY23 - Library roof
Education	0	10,000	10,000	FY23 - placeholder for emergency replacements if needed
Funding carried to future years (TAR & CNR)	523,239	340,048	(183,191)	
<b>TOTAL</b>	<b>\$795,407</b>	<b>\$1,019,766</b>	<b>\$224,359</b>	

# 5 Year Capital Plan – FY23 - 24

This plan is subject to change due to the unexpected nature of road deterioration.

## **2022/2023**

- Roads & Bridges (projects TBD)
- Town Hall Repairs & Improvement – Phase I/planning
- Library Roof Replacement
- Public Works – completion of 4 bay garage, new salt shed
- Equipment replacement (DPW, Town, Fire & School)

## **2023/2024**

- Roads and Bridges (projects TBD)
- Town Hall Repairs & Improvements – Phase II/construction
- Ambulance Replacement/Box remount (potential grant funding)
- Elementary School 2 bay garage
- Equipment Replacement (DPW, Town, Fire & School)

# 5 Year Capital Plan – FY25 - 27

## 2024/2025

- Roads & Bridges (projects TBD)
- Town Hall Repairs & Improvements – Phase II (construction)
- Fire Dept SCBA oxygen bottles replacement
- Public Works site improvement and pavement
- Elementary School window replacement
- Equipment Replacement (Town, DPW and Fire)

## 2026/2026

- Roads & Bridges (projects TBD)
- Fire Dept SCBA oxygen bottles replacement
- Public Works building renovation
- Elementary School window replacement
- Elementary School gymnasium duct painting
- Equipment Replacement (Town, DPW and Fire)

## 2026/2027

- Roads & Bridges (projects TBD)
- Fire Dept SCBA oxygen bottles replacement
- Equipment Replacement (Town, DPW and Fire)

# **Supplemental Information**

# Facilities Improvement Plan

## 5 year cost analysis

### Undertaken before FY22 budget

- Commissioned by BOS to advise on upcoming capital needs
- Carried out by Building Official visiting sites and interviewing key employees
- Major findings
  - Fuel tanks need to be tested for contaminants and cleaned (\$18,000)
  - HVAC systems will need to be updated (\$70,000)
  - Sidewalks and pavement need to be sealed/painted (especially library) (\$22,000)
  - Firehouse “is one of the finest facilities I have seen.” No repairs needed.
  - DPW: no quarters for crew to rest during storms. Not enough space for equipment. Four bays needed. Salt storage needed. Old garage needs to be demolished (\$210,000)
  - Library: generally “well maintained and functional”. Flat roof needs replacement. Water fountains should be replaced with touchfree (covid-fund-eligible) (\$16,400)

# Facilities Improvement Plan (cont'd)

## 5 year cost analysis

### Undertaken before FY22 budget

- Major findings (cont'd)
  - Elementary School: overall “quite good.”
    - Water fountains should be replaced with touchfree (covid-fund-eligible).
    - Heat pump needs to be replaced immediately.
    - Climate control needed in music room.
    - Gym roof needs repair
    - Trees encroaching on building
    - Sheds should be replaced with 2-bay maintenance garage
    - Soffits need repair
    - Old, inefficient windows should be replaced
    - Four remaining window AC units should be replaced
    - Total school over five years: \$144,500.
- For fiscal 2022: \$65,800. Includes:
  - Tank testing and cleaning (General fund maintenance)
  - HVAC fund (CNR)
  - DPW design work
  - Library roof replacement
  - Heat pump and music room

# FY23 Sources and Uses of Capital Funding

	General Fund	LoCIP (General Fund)	Town Aid Road (2177.18)	Capital Non-Recurring (Acct 2177.03)				BOE CNR (2177.07)	TOTAL
				Town	Fire Dept	Public Works	HVAC		
<b>Carryover balance from prior year</b>	-	-	237,060	59,291	25,769	62,696	14,000	124,423	523,239
Current year revenues/transfers in		84,428	153,809	40,000	13,000	20,000	20,000		331,237
ARPA funds for Town Hall project				50,000					50,000
FY23 approved GF expenditures:									-
Public Works - Capital Improvements Roads (52717)	75,000								75,000
									-
<b>TOTAL AVAILABLE FOR SPENDING</b>	<b>75,000</b>	<b>84,428</b>	<b>390,870</b>	<b>149,291</b>	<b>38,769</b>	<b>82,696</b>	<b>34,000</b>	<b>124,423</b>	<b>979,476</b>
<b>FY22 Capital Program Budget</b>									
Town Hall renovations		84,428		50,000					134,428
Library Roof				15,000					15,000
PW 4 bay garage			45,000			-			45,000
PW roads and bridges	75,000		250,000						325,000
PW Salt Shed			50,000						50,000
Equipment & other misc capital needs				10,000	10,000	40,000		10,000	70,000
<b>FY22 Approved Budget</b>	<b>75,000</b>	<b>84,428</b>	<b>345,000</b>	<b>75,000</b>	<b>10,000</b>	<b>40,000</b>	<b>-</b>	<b>10,000</b>	<b>639,428</b>
<b>AVAILABLE BALANCE AFTER BUDGETED SPEND</b>	<b>-</b>	<b>-</b>	<b>45,870</b>	<b>74,291</b>	<b>28,769</b>	<b>42,696</b>	<b>34,000</b>	<b>114,423</b>	<b>340,048</b>