

Municipal Budget Proposal

Town Meeting, March 3, 2015



Today's Agenda

- ☞ Summary of FY 2016 budget
- ☞ Review of property tax impacts
- ☞ What drives tax increases today and tomorrow?
- ☞ What the public pays for
- ☞ Overviews of Article 9 (Conservation Reserve Fund)
- ☞ Questions, Concerns, Anything more to discuss

Town Budget Overview

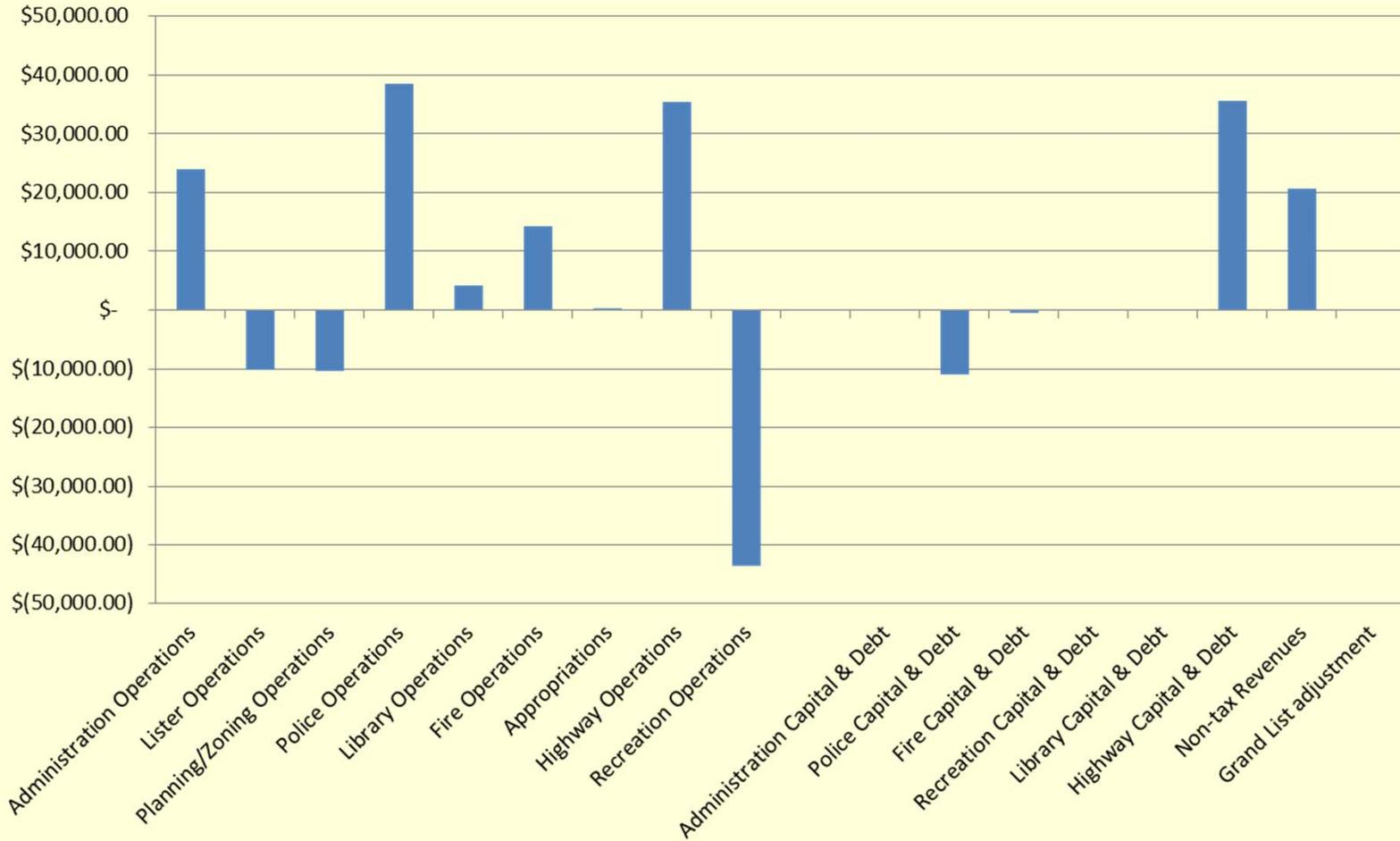


- **Spending increases from FY 2014-2015 \$76,864 (2.38%) adding 1.72¢ to the tax rate**
- **By section:**
 - General Fund (overall) up \$5,819 (.18%)
 - Highway up \$71,044 (2.2%)
- **Non-tax revenues INCREASE by \$20,734, removing .46¢ from the tax rate**
- **Conservation Reserve Fund has been removed from this budget, removing 1¢ from the tax rate**
- **Municipal tax rate increase 1.26¢ to \$.6503**
- **Total increase of \$56,109 in tax revenue**
- **Appropriations Section has been redistributed**

Factors Driving FY 2016 Increase

- The bulk of the increase is in the Highway Department
- Highway Department is forecasting more expensive road salt, fuel costs and capital expenditures for FY2016
- Non-tax revenues have increased by \$20,734 but tax-related spending increased by \$76,864, thus the tax increase is lower than the increase in overall spending
- Looking ahead
 - Added assessments will be slow in next 2-yrs
 - Additional demands for improvements to infrastructure continue to increase spending

Where are the Changes FY15-16?



Where are the Changes FY15-16?

	Dollars (\$)	Percent (%)	Est. Tax Impact
Administration Operations	\$ 23,925.64	4.39%	0.0054
Lister Operations	\$ (10,200.00)	-36.49%	(0.0023)
Planning/Zoning Operations	\$ (10,447.75)	-9.03%	(0.0024)
Police Operations	\$ 38,475.50	8.80%	0.0087
Library Operations	\$ 4,235.00	2.42%	0.0010
Fire Operations	\$ 14,320.00	25.70%	0.0032
Appropriations	\$ 359.00	0.37%	0.0001
Highway Operations	\$ 35,472.21	3.25%	0.0080
Recreation Operations	\$ (43,440.00)	-55.91%	(0.0098)

Where are the Changes FY15-16?

	Dollars (\$)	Percent (%)	Est. Tax Impact
Administration Capital & Debt	\$ -	0.00%	0.0000
Police Capital & Debt	\$ (11,000.00)	0.00%	(0.0025)
Fire Capital & Debt	\$ (408.00)	-0.39%	(0.0001)
Recreation Capital & Debt	\$ -	0.00%	0.0000
Library Capital & Debt	\$ -	0.00%	0.0000
Highway Capital & Debt	\$ 35,572.00	13.85%	0.0080
Non-tax Revenues	\$ 20,734.00	5.32%	(0.0047)
Grand List adjustment			0.0000
		Cents=	0.0126

Municipal Tax Rate Increase

- Prior year projected tax rate of \$0.6401 was reduced by increased Grand List to \$0.6377
- Proposed tax increase \$0.0126 (1.26¢) over the current rate to \$0.6503
- Generates \$56,109 in additional revenues
- Impact based on home value:
 - » \$150,000 = \$18.90 per year (\$1.58/month)
 - » \$200,000 = \$25.20 per year (\$2.10/month)
 - » \$300,000 = \$37.80 per year (\$3.15/month)
 - » \$400,000 = \$50.40 per year (\$4.20/month)

Changes to Revenues

This year there are some changes to several non-tax revenue sources

- Changing the budgeting for Town Center heating, electricity, water and trash costs to show \$15,000 in revenues. This comes from actual expenses paid for by rental income.
- CESU is now picking up a full FTE for School Resource Officer; Richmond Elementary no longer paying admin fees
- Current Use Revenue from the State of Vermont has increased by \$10,000
- We are including the \$16,000 Water & Sewer Insurance revenue that has been in place for years, but not shown
- Library fee revenue is increased slightly
- Loss of one-time surplus revenues of \$25,000

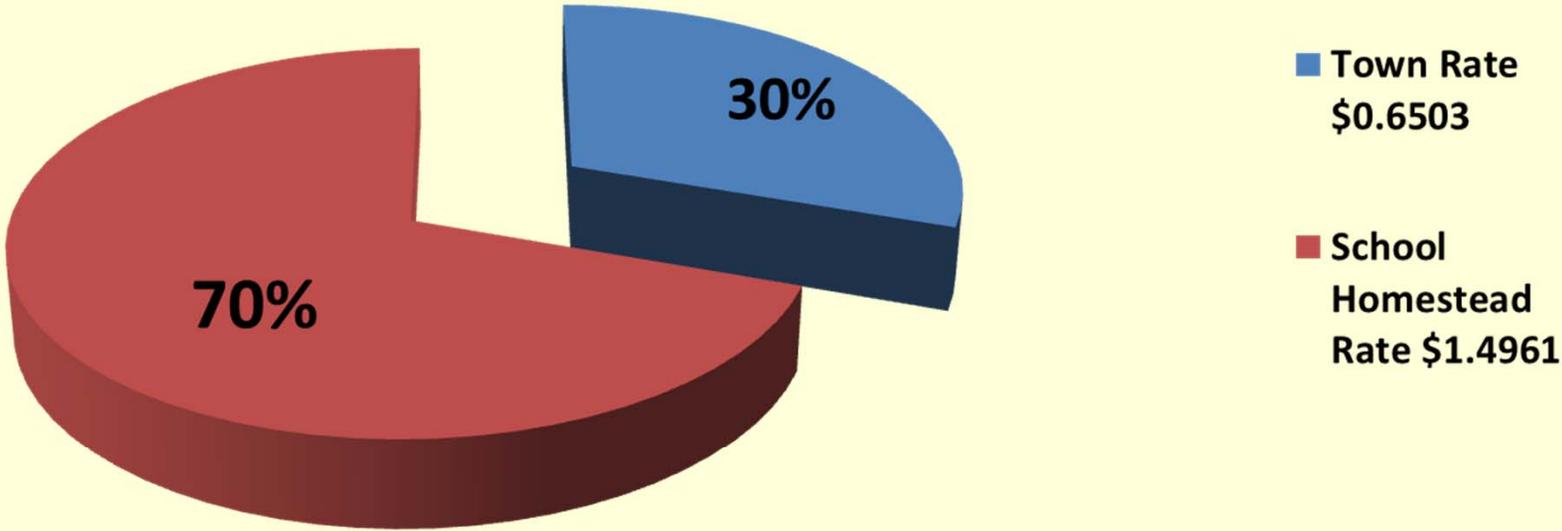
What Do You Get For Your Dollar?

- This budget preserves existing programs, services and capital planning
- Highway spending is significantly increased to cover additional road repairs, maintenance and to replace vehicles and equipment

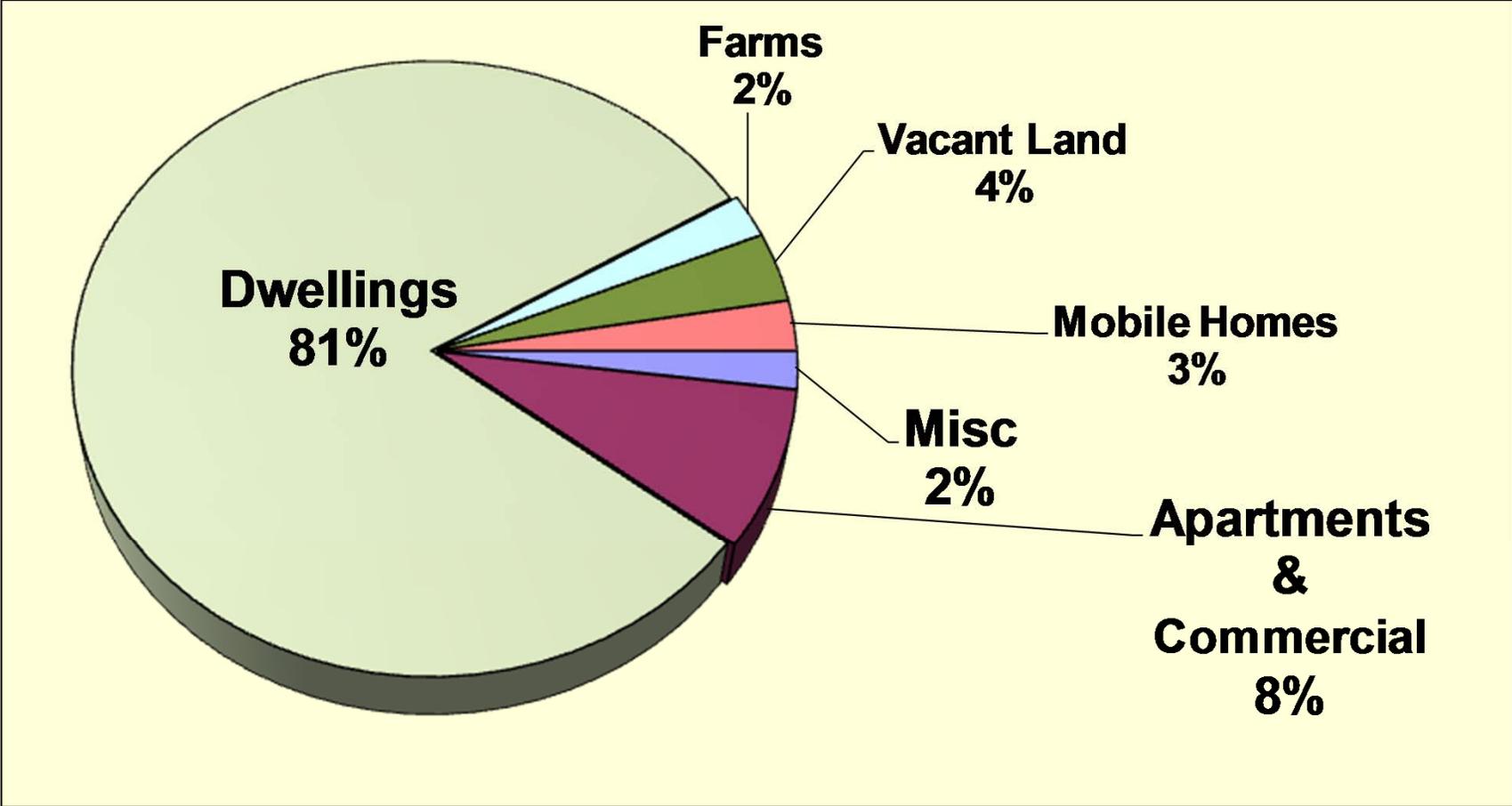
What Do You Get For Your Dollar?

- Conservation Funding will be voted on separately; if included in this budget, spending would be up by \$120,000
- For the past several years the voters have been generous in giving us the resources we need to improve the town and how we deliver the services you pay for – let us know where your priorities are

Proposed Town & School Tax Rates 2016

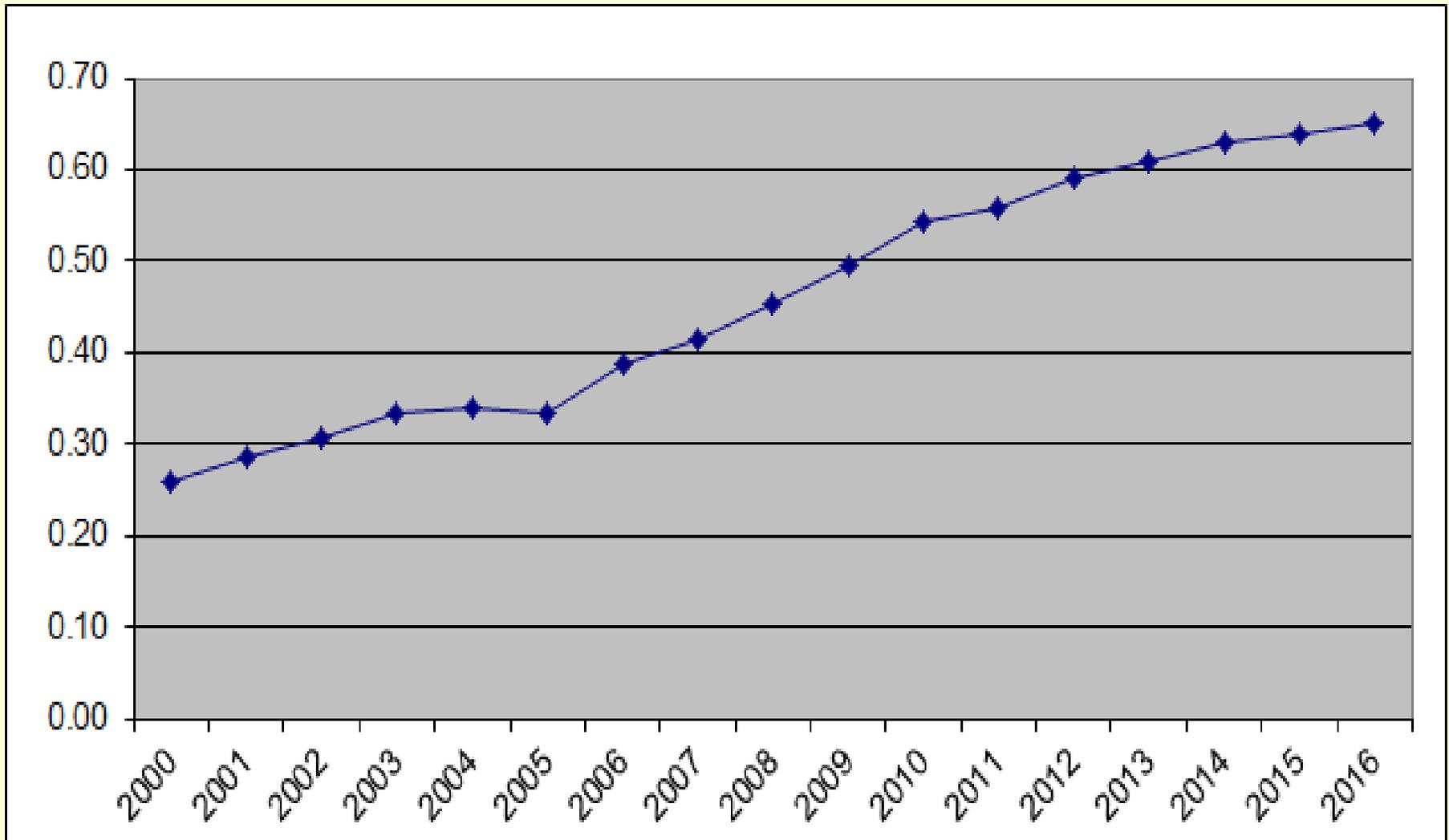


Sources of Town Tax Revenue

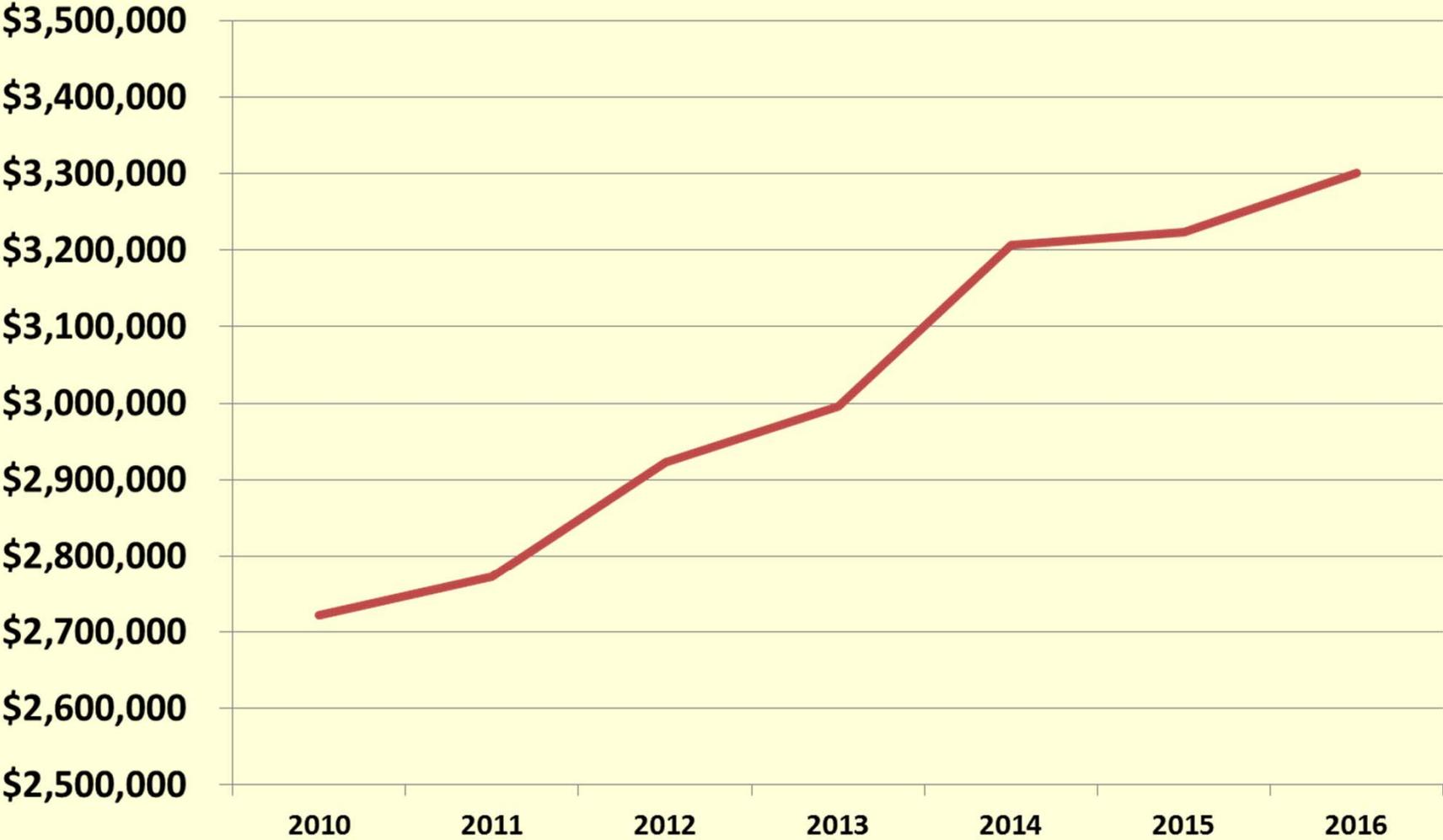


Tax Rates Over The Years

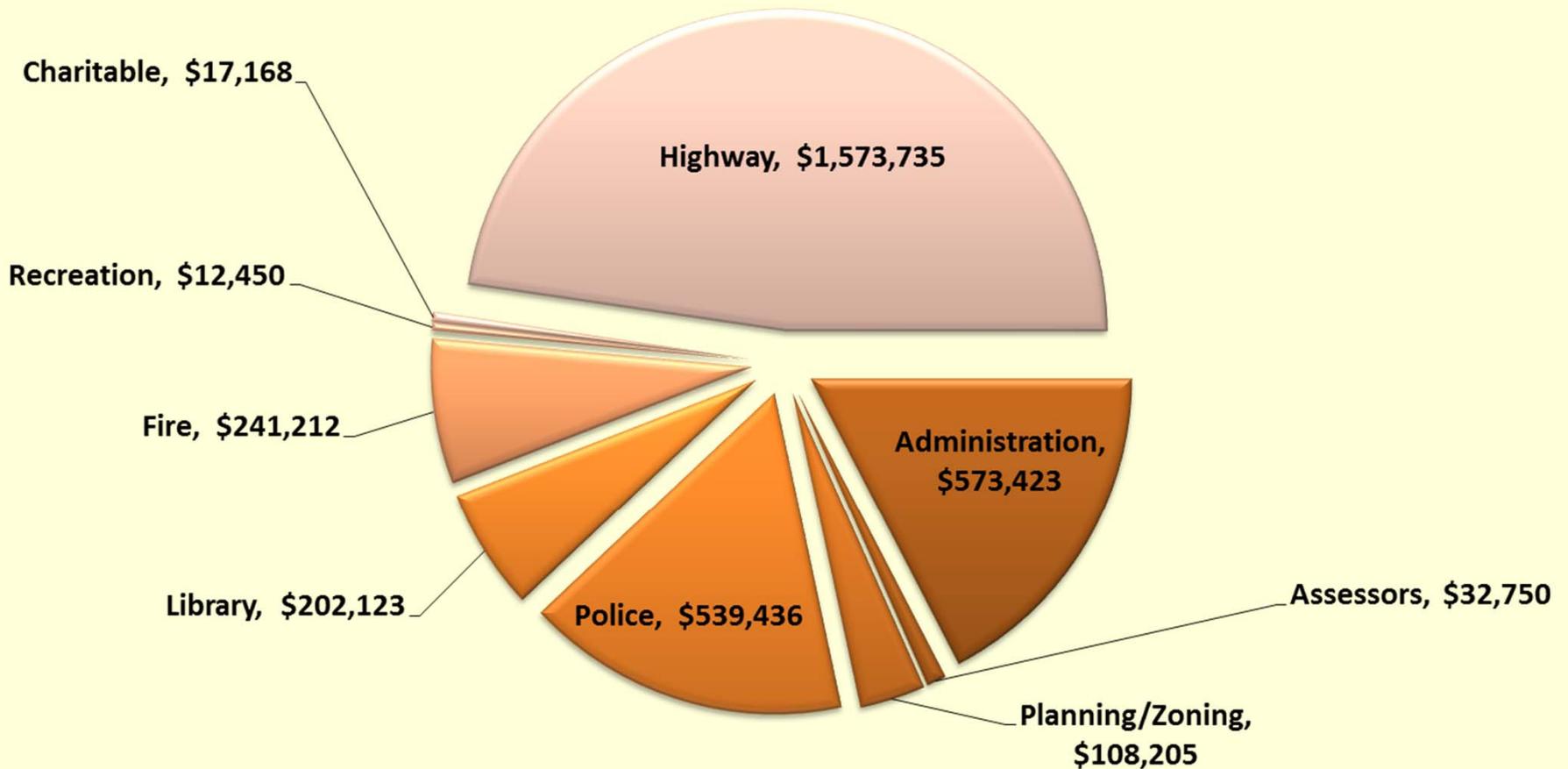
(adjusted municipal rate only)



Richmond Town Budgets



Budget Allocations by Department FY2016



Article 9
Conservation Reserve Fund

Conservation Reserve Fund

- In 2005, the voters approved the creation of a Conservation Reserve Fund with a dedicated 1cent tax for five years.
- The voters renewed this fund and dedicated tax in 2010 for an additional five years.
- This year, voters are again asked to renew the fund and dedicated tax

Conservation Reserve Fund

- It is important to understand that the budget shown to you today has removed this funding, and approval of Article 9 will restore the additional 1 cent of taxation to the proposed tax rate
- This is not a discussion on whether we should or should not reapprove the fund, but we can consider the potential tax impacts on the budget and act upon it accordingly

General Town Debt

- 2005 Fire Truck = 2026; \$15,000/yr
- 2010 Fire Truck = 2016; \$55,000/yr
- 1996 Highway Garage = 2018; \$25,000/yr
- 2011 Dump Truck = 2016; \$29,000/yr
- 2012 Dump Truck = 2017; \$24,500/yr
- 2015 Dump Truck = 2020; \$20,325/yr
- Excavator = 2017; \$24,000/yr
- Loader = 2016; \$25,000/yr
- Jericho Road = 2032; \$70,000/yr
- Depot Street = 2018; \$20,000/yr
- Stormwater ARRA = 2032; \$8,000/yr

Impacts of Budget Proposal

Home Value	Current Tax Rate/Bill	FY2016 base increase over FY2015	Conservation Reserve Fund Approval	Total New Town Tax Bill
	\$0.6377	\$0.0126	\$0.0100	\$0.6503 (+\$0.0126)
\$150,000	\$957	\$19	\$15	\$991
\$200,000	\$1,275	\$25	\$20	\$1,320
\$300,000	\$1,913	\$38	\$30	\$1,981
\$400,000	\$2,551	\$50	\$40	\$2,641

Additional Discussions?

Future Capital Needs?

Growth Concerns?

Goals?

