

Municipal Budget Proposal

Town Meeting, March 1, 2016



Today's Agenda

- ☞ **Summary of FY 2017 budget**
- ☞ **Review of property tax impacts**
- ☞ **What drives tax increases today and tomorrow?**
- ☞ **What the public pays for**
- ☞ **Overviews of Article I (East Main Street Improvements)**
- ☞ **Questions, Concerns, Anything more to discuss**

Town Budget Overview



- **Spending increases from FY 2015-2016 \$114,189 (3.41%) adding 1.60¢ to the tax rate**
- **By section:**
 - General Fund (overall) up \$85,291 (4.82 %)
 - Highway up \$28,898 (1.84%)
- **Non-tax revenues INCREASE by \$37,480, removing .83¢ from the tax rate**
- **Municipal tax rate increase 1.60¢ to \$.6714**
- **Total increase of \$76,708 in tax revenue**
- **Appropriations Section has been redistributed**

Factors Driving FY 2017 Increase

- The two significant factors are salaries for the Police and Highway departments
- Two years ago, the hiring wage for police officers was \$16.00/hr. That has moved to \$17.00/hr, but now needs to be \$18.10/hr
- Neighboring departments are all above \$18.00/hr
- Highway is similar; we had been hiring at \$14.00/hr but neighboring towns hire drivers at \$17.00/hr or more and we've moved to \$16.00/hr

Highway Salaries

- **Raises certain entry-level pay grades**
- **Now hire basic Equipment Operators at \$16.00/hr (was \$13 - \$14)**
- **Allows faster movement up the scale, provided they get trained & certified in more heavy equipment**
- **Can move from a simple driver with CDL to an equipment operator at a higher pay grade**

Police Salaries

- **Moves us from \$17 to \$18.10 per hour to recruit**
- **Allows easier movement to promotions as they stay here more years**
- **This doesn't solve our competition issue entirely, but adds to the sign-on "vision" that if they have hopes of getting hired by a larger agency in the future, they won't have to suffer as degraded pay as they do now, and should be more willing to give us consideration**

Police Salaries

- **FY2014 = 1 Chief; 4 FT Patrol**
- **One patrol was assigned as School Resource Officer (SRO), leaving 3 patrol plus PT to cover 7 days**
- **FY2015 = Schools wanted more SRO coverage, and signed contracts to pay**
- **We hired one additional patrol officer to keep 4 FT officers for patrol coverage**

Police Management

- **No secret we are a training department**
- **High turnover means we are down one officer 4-8 months per year, every year**
- **With only 3 officers to cover the 7-day shifts, going down to 2 officers makes it extremely difficult to manage**
- **Chief Buck does a fantastic job filling in himself, and utilizing what we give him**
- **We can't keep going on like we did before**

Where are the Changes FY16-17?

	Dollars (\$)	Percent (%)	Est. Tax Impact
Administration Operations	\$ 14,779	2.71%	0.0033
Lister Operations	\$ (1,400)	-5.01%	(0.0003)
Planning/Zoning Operations	\$ (14,340)	-12.39%	(0.0032)
Police Operations	\$ 56,836	13.00%	0.0127
Library Operations	\$ 11,239	6.41%	0.0025
Fire Operations	\$ 13,650	24.50%	0.0030
Appropriations	\$ 600	0.63%	0.0001
Highway Operations	\$ 17,836	1.63%	0.0040
Recreation Operations	\$ (200)	-.26%	(0.0001)

Where are the Changes FY16-17?

	Dollars (\$)	Percent (%)	Est. Tax Impact
Administration Capital & Debt	\$ -	0.00%	0.0000
Police Capital & Debt	\$ (1,959)	-6.11%	(0.0004)
Fire Capital & Debt	\$ 6,087	5.87%	(0.0014)
Recreation Capital & Debt	\$ -	0.00%	0.0000
Library Capital & Debt	\$ -	0.00%	0.0000
Highway Capital & Debt	\$ 11,062	4.31%	0.0025
Non-tax Revenues	\$ 37,480	9.62%	(0.0084)
Grand List adjustment	\$ 7,418		(0.0017)
		Cents=	0.0160

Municipal Tax Rate Increase

- Prior year projected tax rate of \$0.6554 included renewal of Conservation Reserve Fund, now included in this budget
- Proposed tax increase \$0.0160 (1.6¢) over the current rate to \$0.6554
- Generates \$76,708 in additional revenues
- Impact based on home value:
 - » \$150,000 = \$24.00 per year (\$2.00/month)
 - » \$200,000 = \$32.00 per year (\$2.67/month)
 - » \$300,000 = \$48.00 per year (\$4.00/month)
 - » \$400,000 = \$64.00 per year (\$5.33/month)

Changes to Revenues

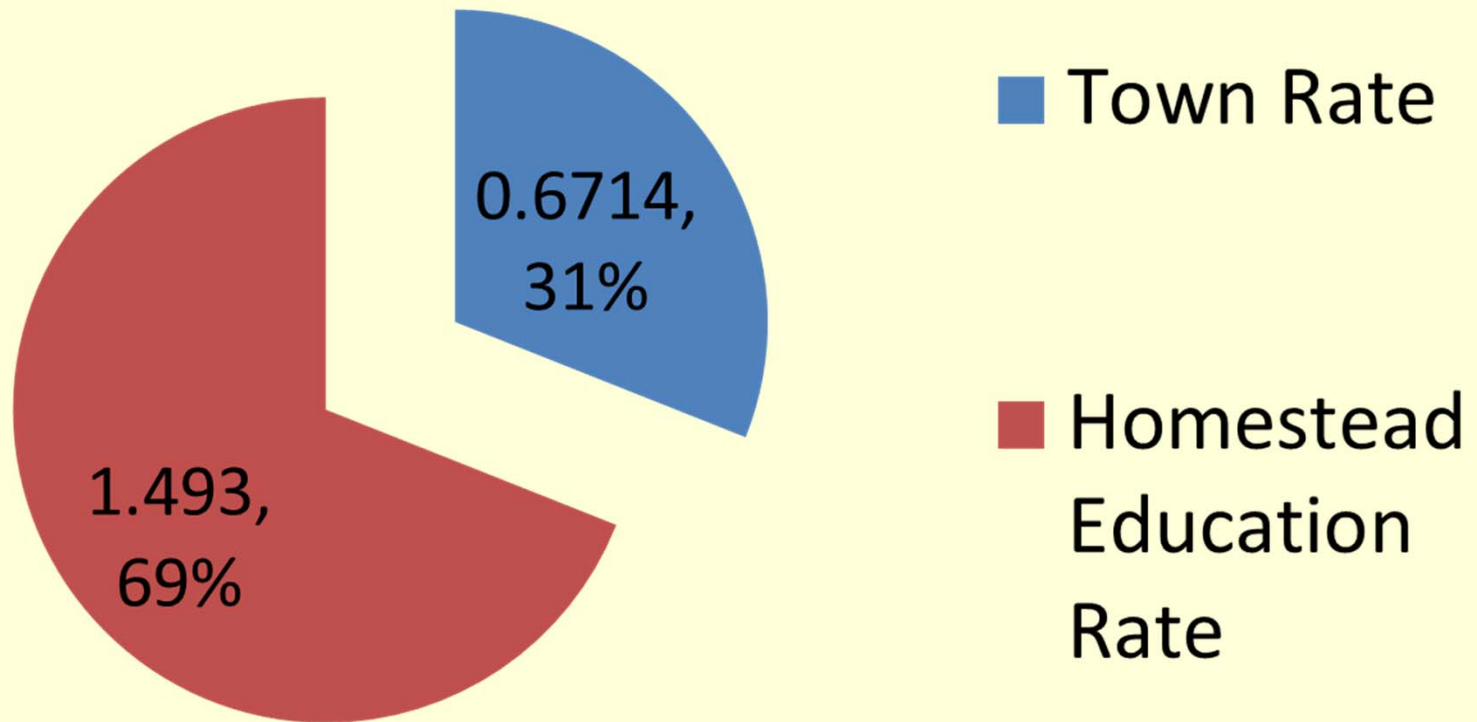
This year there are some changes to several non-tax revenue sources

- Utilizing \$30,000 in surplus Highway revenue, mostly from recovered FEMA claims, to offset part of Foreman Pickup
- CESU was picking up a full FTE for School Resource Officer; this is proposed in their budget to reduce but is not reflected in our revenue
- Current Use Revenue from the State of Vermont is dropping due to opt-outs; expected slightly higher tax revenues to offset
- Library fee revenue is increased slightly
- Police Overtime Grants now anticipated at \$8,000

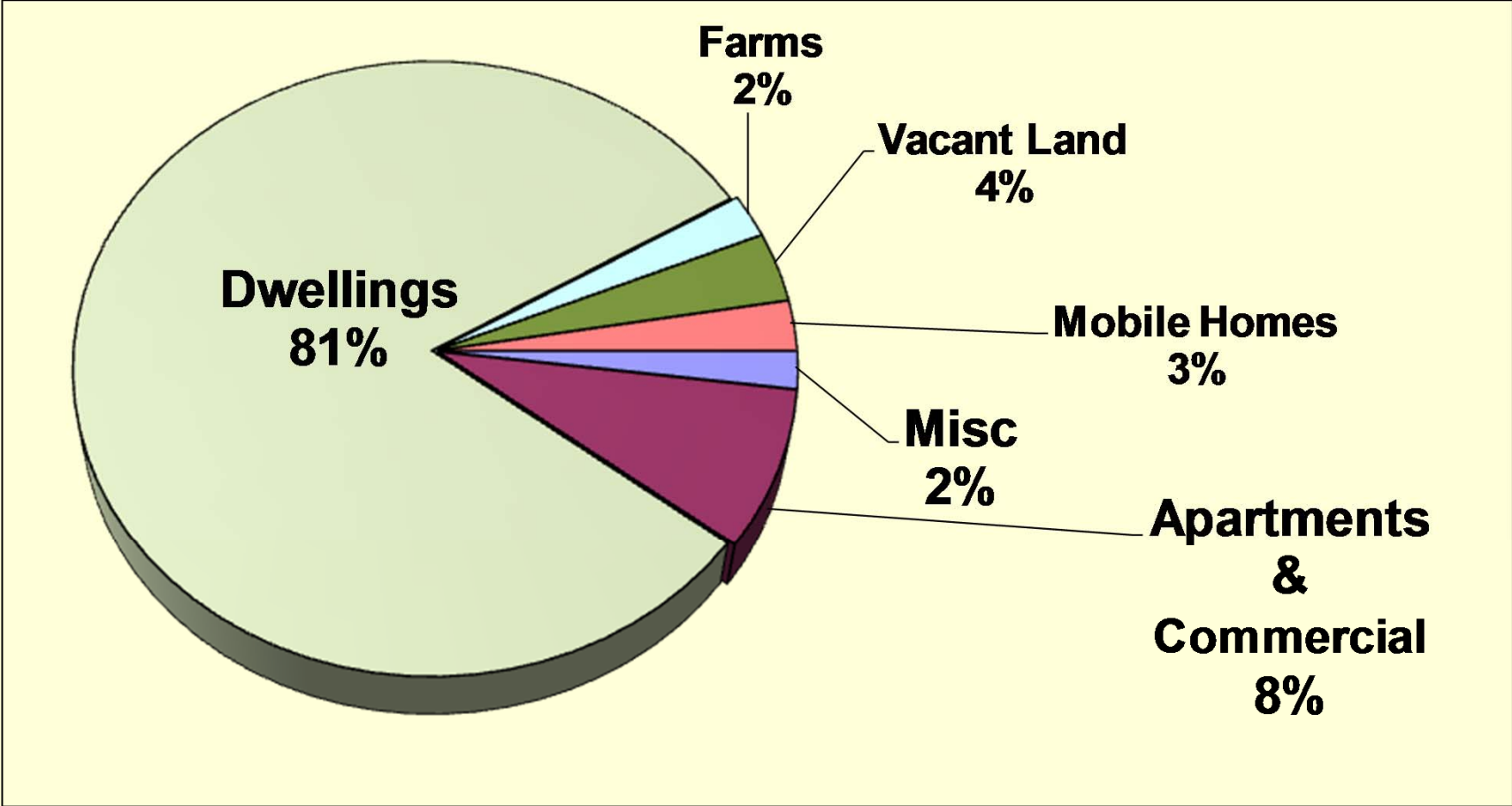
What Do You Get For Your Dollar?

- This budget preserves existing programs, services and capital planning
- Police & Highway salaries are increased to move closer to market conditions
- Personnel related costs are driving the bulk of the spending increase in FY2017

Proposed Town & School Tax Rates 2017

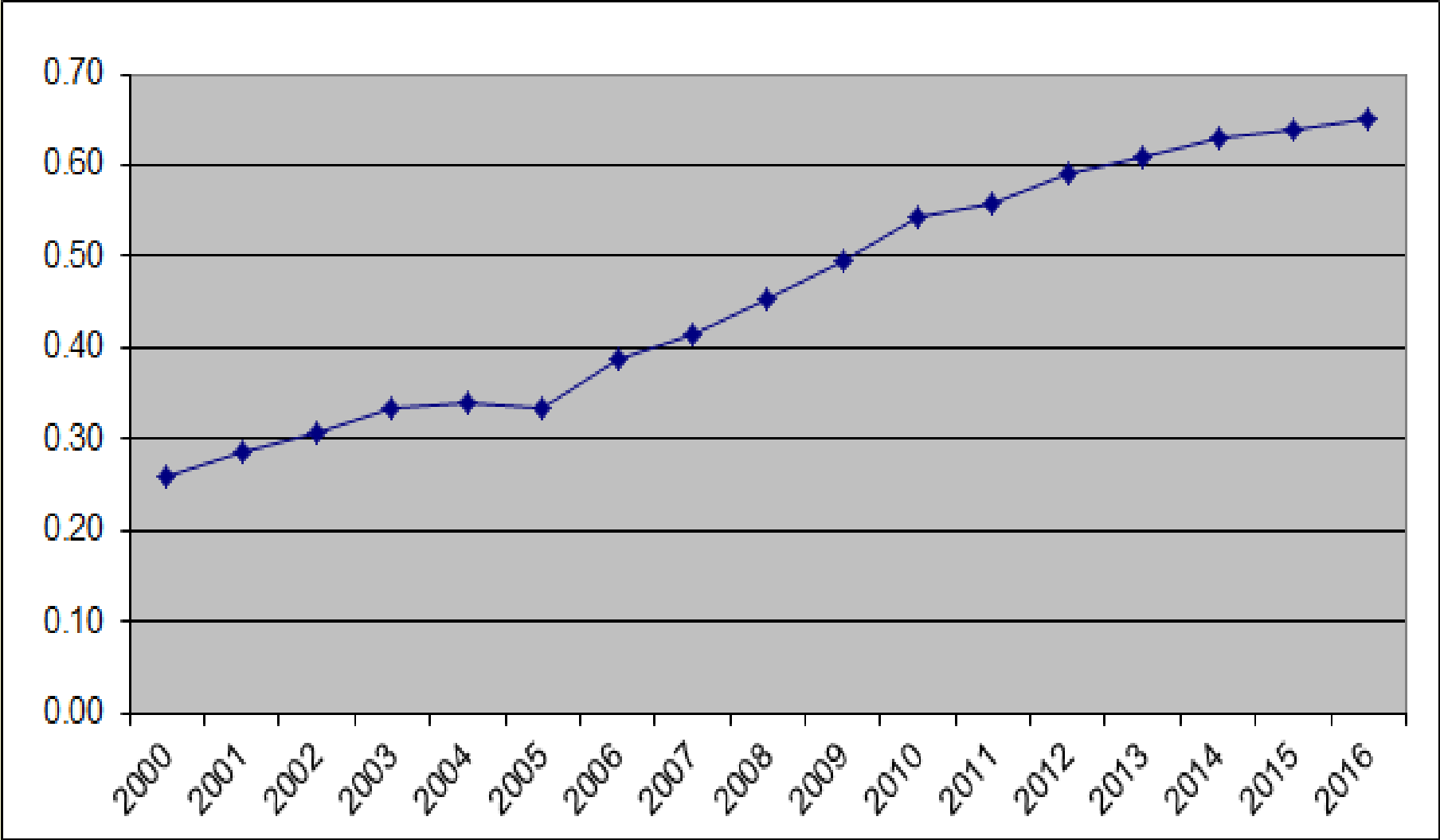


Sources of Town Tax Revenue

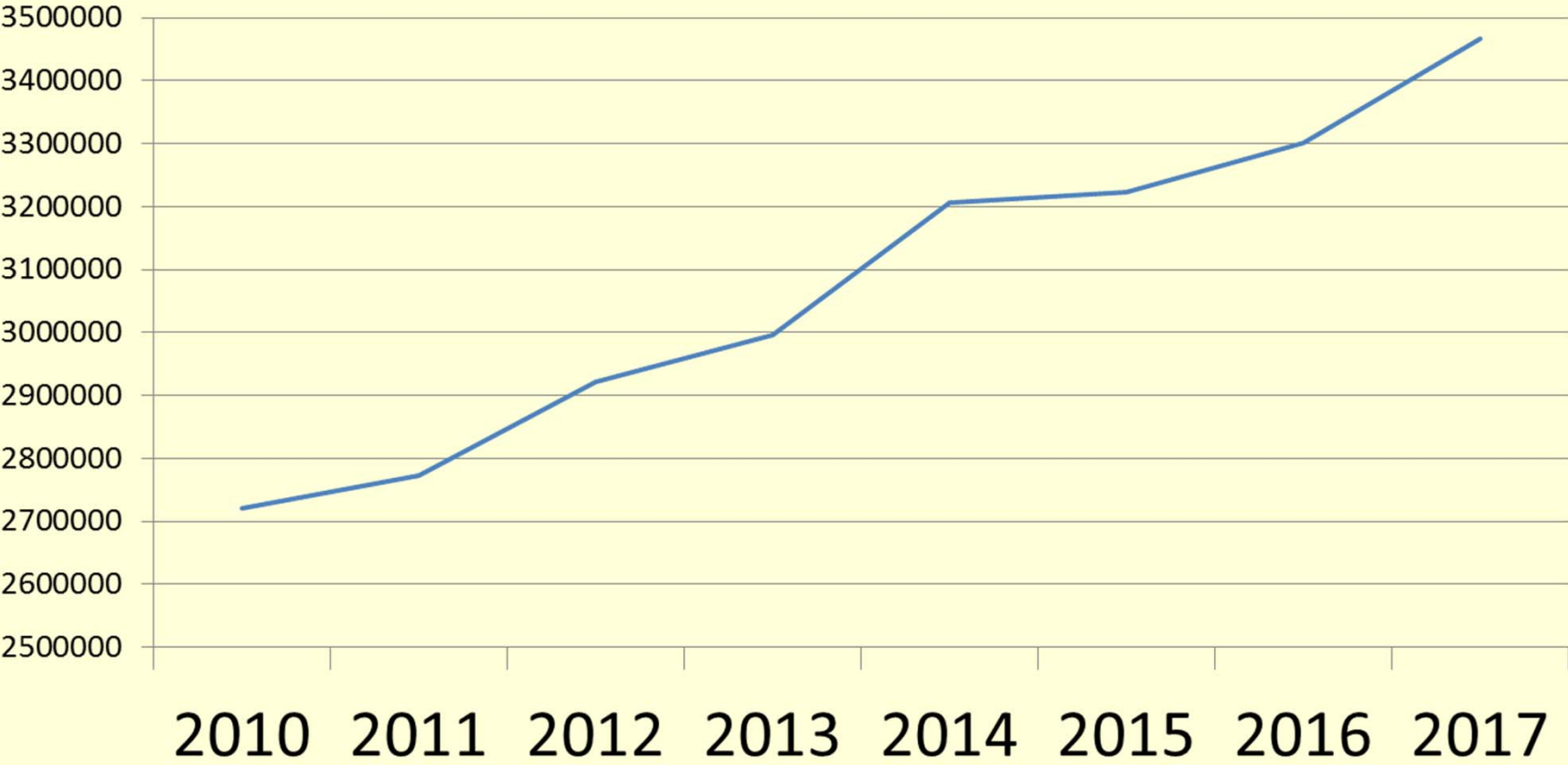


Tax Rates Over The Years

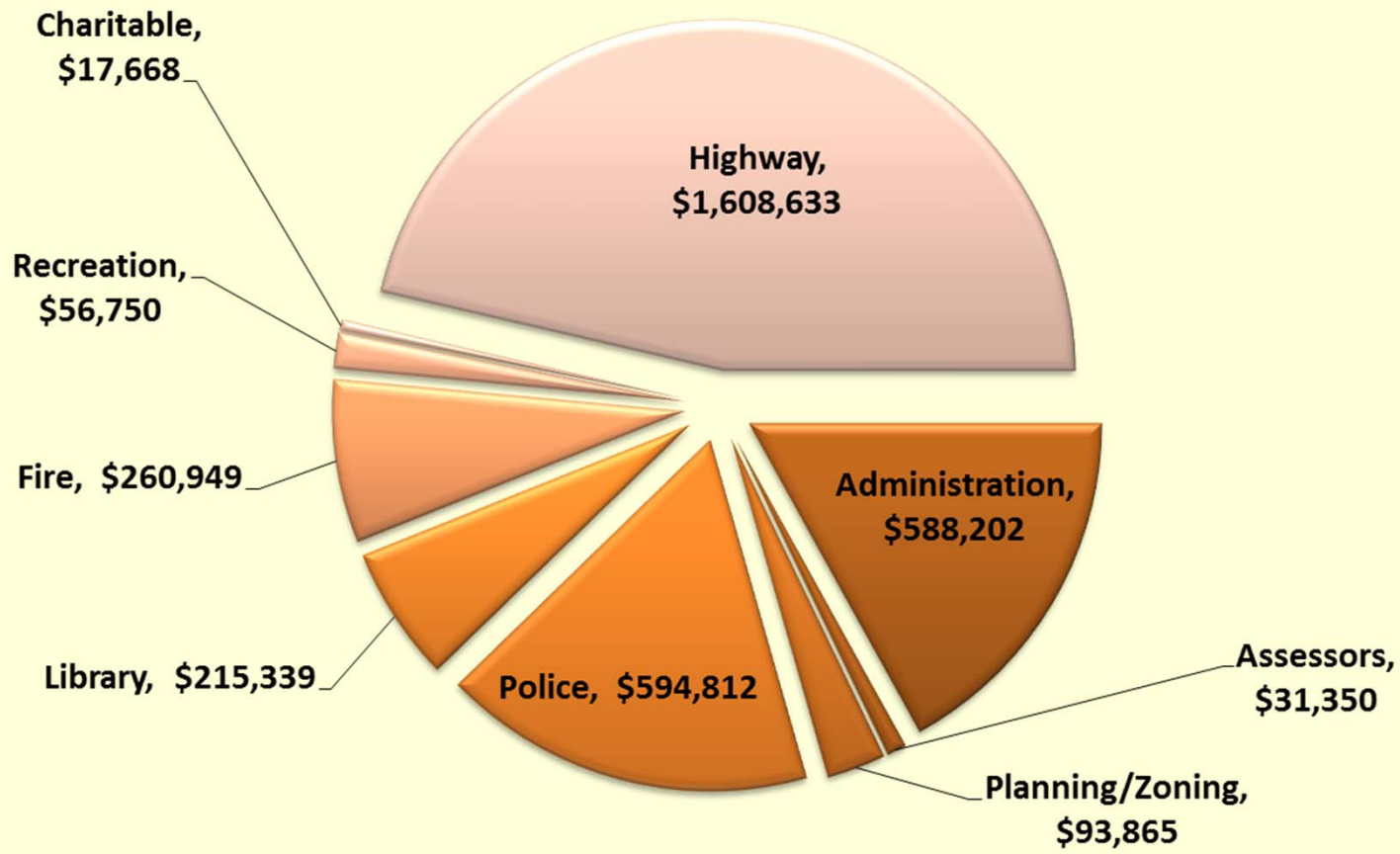
(adjusted municipal rate only)



Richmond Town Budgets



Budget Allocations by Department FY2017



**Article I
East Main Street
Improvements**

East Main Street

- In 1998 the town began a design plan for walkability and streetscape improvements that included sidewalks, parking and a “green belt” between them



East Main Street

- Ten years later, in 2008, a Pedestrian Feasibility Report again called for a five-foot sidewalk, a 6 foot greenbelt, granite curbing and parking on East Main Street
- The 2008 study was also the basis for the sidewalks and curbs on Jericho Road



East Main Street

- **Our East Main Street proposal is to replace worn out asphalt sidewalks with new concrete sidewalks and granite curbing**



East Main Street

- **We will also improve storm water crossings beneath the road, and add some catch basins**
- **The total cost for this proposal, including construction management, is \$650,000**
- **Over 20 years with an estimated 5% interest rate, the annual payment would be around \$53,000 per year**

East Main Street

- **For comparison, Jericho Road's street improvements cost \$900,000 but included ledge removal and paving**
- **Following the East Main water line replacement, the existing walkways will be destroyed and an unsafe condition will exist**
- **At \$650,000 we will get a safer, walkable East Main Street with better storm water management**
- **We will get some additional parking near the business district**

General Town Debt

- **2005 Fire Truck = 2026; \$15,000/yr**
- **2015 Fire Truck = 2021; \$56,000/yr**
- **1996 Highway Garage = 2018; \$25,000/yr**
- **2012 Dump Truck = 2017; \$24,500/yr**
- **2015 Dump Truck = 2020; \$20,325/yr**
- **2016 Dump Truck = 2021; \$22,000/yr**
- **Excavator = 2017; \$24,000/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	FY2017 base increase over FY2016	East Main Street Street Improvements	Total New Town Tax Bill
	\$0.6554	\$0.0160	\$0.0115	\$0.6714 (+\$0.0115)
\$150,000	\$983	\$24	\$16	\$1,023
\$200,000	\$1,311	\$32	\$23	\$1,366
\$300,000	\$1,966	\$48	\$34.50	\$2,049
\$400,000	\$2,662	\$64	\$46	\$2,732

Additional Discussions?

Future Capital Needs?

Growth Concerns?

Goals?

