



# Town of Simsbury

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BUDGET WORKSHOP

MARCH 9, 2024

# Budget Recap

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	FY23/24	FY24/25	Change	% Change
Education Operating	82,182,136	86,270,668	4,088,532	4.97%
Town Operating	27,574,470	28,529,310	954,840	3.46%
Operating Transfers	4,104,927	937,116	(3,167,811)	-77.17%
Debt Service	7,806,810	8,915,868	1,109,058	14.21%
<b>Gross Expenditures</b>	<b>121,668,343</b>	<b>124,652,962</b>	<b>2,984,619</b>	<b>2.45%</b>
<b>Anticipated Revenue</b>	<b>\$17,154,066</b>	<b>\$12,801,197</b>	<b>(4,352,869)*</b>	<b>-25.38%</b>
<b>Net Expenditures</b>	<b>104,514,277</b>	<b>111,851,765</b>	<b>7,337,488</b>	<b>7.02%</b>

*\*Decrease reflects one-time ARPA funding in FY24 (\$3.7 million) and decrease in motor vehicle mill rate reimbursement (\$1.5 million)*

# Budget Recap – *ARPA Impact Removed*

	FY23/24	FY24/25	Change	% Change
Education Operating	82,182,136	86,270,668	4,088,532	4.97%
Town Operating	27,194,828	28,529,310	1,334,482	4.91%
Operating Transfers	726,736	937,116	210,380	28.95%
Debt Service	7,806,810	8,915,868	1,109,058	14.21%
<b>Gross Expenditures</b>	<b>117,910,510</b>	<b>124,652,962</b>	<b>6,742,452</b>	<b>5.72%</b>
<b>Anticipated Revenue</b>	<b>\$13,396,233</b>	<b>\$12,801,197</b>	<b>(595,036)</b>	<b>-4.44%</b>
<b>Net Expenditures</b>	<b>104,514,277</b>	<b>111,851,765</b>	<b>7,337,488</b>	<b>7.02%</b>

NO CHANGE

# Revenue Challenge

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- Although total expenditures are only increasing by 2.45% (or 5.72% when excluding the ARPA impact), the tax increase required to support the budget is 7.72%
- As reviewed in the Town Manager's proposed budget presentation, this is driven by a decline in revenues and flat grand list growth
- Points of reference:
  - If we only budgeted for fixed costs (both Town and BOE), the tax increase would still be 5.29%
  - To bring the tax increase down to 5.0%, the Town and BOE would need to cut a total of \$2,700,000

# Revenue Challenge

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- Expenditure cuts would need to be extreme in order to have a substantial impact on the mill rate:

	Operating Increase	Tax Increase	FY25 Taxes*	
Town Manager Proposed	4.91%	7.72%	\$9,082	
\$100,000 Reduction	4.54%	7.62%	\$9,074	\$(8)
\$400,000 Reduction	3.44%	7.30%	\$9,047	\$(35)
\$600,000 Reduction	2.70%	7.11%	\$9,030	\$(44)
\$1,334,482 Reduction	0.00%	6.33%	\$8,965	\$(117)

\*Based on the median value of a single family home (\$390,800)

*This is intended to show how BOS action could move the needle on the tax increase; assumes all other proposed lines (debt service, BOE budget) remain as proposed, and assumes no change to the preliminary revenue projections.*

# Debt Service – *Latimer Lane Impact*

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- \$2,185,227 in debt service costs are related to the Latimer Lane Elementary School renovation project
  - In the absence of the Latimer Lane debt service costs, the tax increase under the proposed budgets would be 5.42%

	FY24/25	Tax Increase	FY25 Taxes*
Education Operating	86,270,668		
Town Operating	28,529,310		
Operating Transfers	937,116		
Debt Service	8,915,868		
<b>Gross Expenditures</b>	<b>\$124,652,962</b>	<b>7.72%</b>	<b>\$9,082</b>
<i>Less Latimer Lane Debt Service</i>	<i>(2,185,227)</i>		<i>-\$194</i>
<b>Total</b>	<b>\$122,467,735</b>	<b>5.42%</b>	<b>\$8,888</b>

# FY25 Capital Improvement Plan (CIP)

FY25 Projects	Cost	Funding Source
PAC Bandshell Expansion	\$2,782,881	Capital Reserve/Donations/Prior Authorization
Memorial Pool Redesign (design phase)	\$150,000	Bonds
Highway Pavement Management	\$1,700,000	Bonds/Grants/Operating Transfer
Public Works Truck Replacement	\$266,220	Operating Transfer/Trade-In Value
Sidewalk Reconstruction	\$223,400	Bonds
Tariffville Connection-East Coast Greenway	\$450,000	Prior Authorization/Grant
Flower Bridge Rehab	\$2,646,000	Prior Authorization/Bonds
Town Hall Rooftop Units	\$275,000	Bonds
Municipal Site & Safety Improvements (Town Hall)	\$460,000	Bonds
Barn & Facility Repairs – Wolcott Road	\$275,000	Bonds
Dam Evaluation & Repairs (Stoddard Dam)	\$171,000	Bonds
Sewer Replacement – Pine Hill Supplemental	\$200,000	Sewer Use Fund
District Network Infrastructure	\$350,000	Bonds
District Flooring Improvements	\$250,000	Bonds
SHS - Auditorium & Amphitheater Improvements	\$400,000	Bonds
Tootin Hills - Replace Roof	\$1,120,000	Bonds

# FY25 Capital Improvement Plan (CIP)

Funding Breakdown		
Bonds	\$4,990,667	42.6%
Project Savings/Prior Authorizations	\$2,591,000	22.1%
Federal or State Grants	\$1,450,000	12.4%
Donations	\$1,032,881	8.8%
Capital Reserve Fund	\$500,000	4.3%
General Fund Operating Transfer	\$451,220	3.9%
Local Capital Improvement Program (LOCIP) Grant	\$245,223	2.1%
Town Aid Road (TAR)	\$243,500	2.1%
Sewer Use Fund	\$200,000	1.7%
Anticipated Vehicle Trade-In Value	\$15,000	0.1%
<b>Total</b>	<b>\$11,719,501</b>	<b>100%</b>



# FY25 Capital Improvement Plan (CIP) – *No Bond Funding*

FY25 Projects	Cost	Funding Source
<b>PAC Bandshell Expansion</b>	<b>\$2,782,881</b>	Capital Reserve/Donations/Prior Authorization
<del>Memorial Pool Redesign (design phase)</del>	<del>\$150,000</del>	<del>Bonds</del>
<b>Highway Pavement Management</b>	<b>\$688,733 ↓</b>	Bonds/Grants/Operating Transfer
<b>Public Works Truck Replacement</b>	<b>\$266,220</b>	Operating Transfer/Trade-In Value
<del>Sidewalk Reconstruction</del>	<del>\$223,400</del>	<del>Bonds</del>
<b>Tariffville Connection-East Coast Greenway</b>	<b>\$450,000</b>	Prior Authorization/Grant
<del>Flower Bridge Rehab</del>	<del>\$2,646,000</del>	<del>Prior Authorization/Bonds</del>
<del>Town Hall Rooftop Units</del>	<del>\$275,000</del>	<del>Bonds</del>
<del>Municipal Site &amp; Safety Improvements (Town Hall)</del>	<del>\$460,000</del>	<del>Bonds</del>
<del>Barn &amp; Facility Repairs—Wolcott Road</del>	<del>\$275,000</del>	<del>Bonds</del>
<del>Dam Evaluation &amp; Repairs (Stoddard Dam)</del>	<del>\$171,000</del>	<del>Bonds</del>
<b>Sewer Replacement – Pine Hill Supplemental</b>	<b>\$200,000</b>	Sewer Use Fund
<del>District Network Infrastructure</del>	<del>\$350,000</del>	<del>Bonds</del>
<del>District Flooring Improvements</del>	<del>\$250,000</del>	<del>Bonds</del>
<del>SHS—Auditorium &amp; Amphitheater Improvements</del>	<del>\$400,000</del>	<del>Bonds</del>
<del>Tootin Hills—Replace Roof</del>	<del>\$1,120,000</del>	<del>Bonds</del>

# Six-Year CIP *“Unfunded”*

To keep debt service payments at \$8.5 million per year, we would need to cut \$64 million worth of projects from the six-year capital improvement plan

Project	Cost
Intergenerational Community Center & Police Facility	\$35,000,000
Mechanical and Electrical Upgrades	\$3,452,600
Memorial Pool Redesign	\$1,100,000
Repaving and Parking Improvements for Recreation Facilities	\$850,000
Simsbury Farms Ice Rink – Floor Replacement	\$1,200,000
Meadowood Athletic Field Complex	\$3,500,000
Security and Fire Alarm Upgrades	\$630,180
Highway Street Sweeper	\$340,000
Municipal Site and Safety Improvements (Town Hall)	\$460,000
Eno Building Infrastructure	\$4,565,625
Dam Evaluation & Repairs (Stoddard Dam Breach)	\$1,640,000
HJMS - Replace Roof (BUR) - 3 phases	\$6,000,000
Tariffville School - Water Dist, Plumbing, Terminal Units	\$1,457,556
SHS Stadium Facility Phases I and II	\$980,000
Tootin Hills - Replace Roof (V3, V4)	\$1,120,000
SHS Turf Resurfacing	\$850,000
Central School - Replace Roof (V1)	\$1,163,000
<b>Total</b>	<b>\$64,308,961</b>

# FY25 Capital Non-Recurring (CNR) Plan

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Expenditures		
Culture, Parks & Recreation	\$931,500	37.5%
Public Works	\$570,430	22.9%
General Government & Library	\$377,142	15.2%
Police	\$356,722	14.4%
WPCA	\$250,000	10.1%
Total	\$2,485,794	100%

# FY25 Capital Non-Recurring (CNR) Plan

Funding Breakdown		
General Fund – Traditional Payback	\$714,492	28.7%
Capital Reserve Fund	\$650,000	26.2%
General Fund Operating Transfer	\$284,337	11.4%
Sewer Use Fund	\$250,000	10.1%
Simsbury Farms Fund Balance	\$217,500	8.7%
Capital Reserve Fund – Private Duty	\$119,385	4.8%
Golf Equipment Fund	\$95,000	3.8%
Town Aid Road (TAR)	\$91,580	3.7%
Project Savings	\$42,000	1.7%
Eno Trust	\$21,500	0.9%
Total	\$2,485,794	100%

# FY25 Deferred Requests - Operating

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	Cost	FY25 Tax Impact*
Engineer	\$122,070	
Grant Writer	\$104,523	
Sustainability Coordinator	\$107,611	
Records Clerk (2 of 2)	\$92,510	
Open Space Committee Intern	\$10,000	
<b>Total</b>	<b>\$436,714</b>	<b>\$38</b>

*\*Based on the median value of a single family home (\$390,800)*

# FY25 Deferred Requests - Capital

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	Cost	Description
Street Sweeper	\$340,000	Replacement of 1997 street sweeper
Eno Building Infrastructure	\$4,565,625	Building system upgrades, including: new chiller, new boilers, terminal units/heat pumps, plumbing, and window glazing
Site Improvements & Dumpster Canopies (Landfill)	\$328,240	Installation of canopies over the dumpsters at the landfill, paving, fencing, beam rail, striping, signage, and interior renovations, including new overhead doors, replace windows, plumbing fixtures and water heater, lighting upgrade, and HVAC terminal units.

# FY25 Deferred Requests - CNR

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	Cost	Description
Network Expansion	\$22,000	Underground conduit for network and internet services at the maintenance building at Simsbury Farms
Fleet Replacement	30,000	New program to plan for the replacement of municipal vehicles
Furniture Replacement	10,000	New program to plan for the replacement of office furniture
Furniture Replacement - Library	25,000	A Library design consultant would perform a comprehensive review of the current public Library furniture, and will deliver a proposed 10 year replacement plan
Animal Control Officer Vehicle	61,000	Replacement of ACO vehicle, which is a 10-year old Ford F150 pursuit rated truck equipped with emergency lights, siren and cargo area cap
Drainage Improvements	\$150,000	Site-specific drainage improvements and cross culverts to improve overall safety of the road network.
Roadside Mower	\$130,000	Roadside mower with over-the-rail axe for maintaining vegetation along roadway.

# FY25 Deferred Requests – CNR continued

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	Cost	Description
Wing Plow	\$240,000	Dump/plow truck equipped with a plow, wing sander/salter with computer controls and emergency radio
Scout Hall Painting & Columns	\$55,350	Painting of Scout Hall and replacement of wooden columns
Eno Stage Lighting & Fire Curtain	\$122,000	Installation of a modern light system and stage fire curtain
Mapping Update	\$150,000	Planimetric and topographical mapping for to assist in planning and development activities
Intersection Safety	\$100,000	Development of plans to enhance or reconfigure selected intersections
Bike Ped Improvements	\$20,000	Preliminary design for high priority areas identified by the Pedestrian & Bicycle Master Plan
Parks Pickup Truck	\$60,000	Replacement of 2012 truck used for plowing, hauling and towing equipment, and other maintenance activities



# FY25 Staffing Changes

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- Town Manager's proposed budget includes the following positions (cost includes estimated benefits and payroll taxes):
  - Human Resources (HR) Department Restructuring – net increase of \$148,062
    - Reclassify existing HR Coordinator to HR Director (\$37,690)
    - Add HR Generalist (\$110,372)
  - Town Hall Administrative Specialist - \$99,833
  - Mechanic Driver - \$51,424
  - Police Records Clerk - \$92,510

# Outside Agency Requests

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- Town Manager's proposed budget level-funds the outside agency requests, with the exception of those that are based on a per capita charge (noted with a "\*" on the following table)
- BOS to consider increased and new requests (highlighted in yellow)

# Outside Agency Requests

Agency	Department	FY24 Budget	FY25 Request	FY25 Change Requested	FY25 TM Budget
Farmington River Watershed Assoc.*	BOS - Community Services	\$5,687	\$5,700	\$13	\$5,700
Simsbury Community Media (SCM)	BOS - Community Services	\$10,000	\$75,000	\$65,000	\$10,000
North Central EMS Council*	BOS - Community Services	\$24,807	\$24,935	\$128	\$24,935
Chamber of Commerce	BOS - Community Services	\$7,500	\$11,000	\$3,500	\$7,500
Greater Hartford Transit District*	BOS - Community Services	\$4,413	\$4,833	\$420	\$4,833
Hartford Interval House	BOS - Community Services	\$5,000	\$5,000	\$0	\$5,000
Housing Authority Sewer Payment	BOS - Community Services	\$11,500	\$11,500	\$0	\$11,500
Simsbury Volunteer Ambulance Assoc.	BOS - Community Services	\$150,000	\$228,000	\$78,000	\$200,000
Farmington Valley Visiting Nurse Assoc.	Social Services	\$44,000	\$44,000	\$0	\$44,000
Amplify*	Social Services	\$1,761	\$1,761	\$0	\$1,761
McLean Meals on Wheels	Social Services	\$7,000	\$7,000	\$0	\$7,000
Simsbury Historical Society	BOS - Community Services	\$0	\$60,000	\$60,000	\$0
Simsbury Land Trust	BOS - Community Services	\$0	\$9,600	\$9,600	\$0
<b>TOTAL</b>		<b>\$271,668</b>	<b>\$488,329</b>	<b>\$216,661</b>	<b>\$322,229</b>

# Year End Savings Analysis

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- From FY19-FY22, the average expenditure savings was 0.85% of the budget:

Year	Budget	Actual	\$ Savings	% of Budget
FY19	97,537,869	97,396,976	140,893	0.14%
FY20	101,334,832	99,759,100	1,575,732	1.55%
FY21	104,476,364	103,404,988	1,071,376	1.03%
FY22	106,140,970	105,417,469	723,501	0.68%
<b>Average</b>			<b>\$877,876</b>	<b>0.85%</b>

# Year End Savings Analysis

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- If we focus only on those departments that had two or more years of savings (remove one-time variance), the average savings drops to 0.68%:

	FY19	FY20	FY21	FY22	Average
\$ Savings*	403,486	1,160,124	883,554	331,000	694,451
% of Budget	0.41%	1.14%	0.85%	0.31%	0.68%

*\*Departmental breakdown on following page*

- The majority of the variances are due to staffing vacancies. We do budget for a vacancy rate, which can be revisited if that is the preference of the Board.

Department	FY19	FY20	FY21	FY22
Assessor	-	13,399	31,349	90,430
BOS Community Services	-	10,303	17,292	26,772
Board of Education	-	266,308	-	(654,959)
Building	-	-	15,306	68,960
Buildings & Maintenance	-	31,770	10,765	-
Dispatch	-	37,636	32,365	-
Employee Benefits	-	268,133	178,150	312,659
Engineering	-	65,188	14,578	33,716
Facilities - Eno	-	19,509	23,183	-
Finance	-	34,741	-	29,990
Highway	284,262	68,339	-	40,040
Information Technology	-	22,673	17,985	47,286
Land Use Commission	-	12,484	11,592	-
Legal	-	(128,169)	(21,635)	(78,440)
Library	-	105,732	78,982	93,207
Memorial Field	-	-	12,694	20,688
Parks & Open Space	-	25,459	-	83,097
Planning	51,069	106,391	86,186	68,265
Police	68,155	174,900	320,894	102,178
Senior Center	-	-	26,934	25,167
Senior Transportation	-	11,381	26,934	-
Social Services	-	13,947	-	21,944
<b>Total Savings</b>	<b>403,486</b>	<b>1,160,124</b>	<b>883,554</b>	<b>331,000</b>

# Budget Dates

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Board of Selectmen budget adoption	March 11, 2024
Board of Education budget presentation to Board of Finance	March 5, 2024
Board of Selectmen budget presentation to Board of Finance	March 19, 2024
Board of Finance public hearing on the budget	April 3, 2024
Board of Finance hearing continuation (if needed)	April 16, 2024
Budget referendum	April 30 or May 14, 2024