

# Manager's Proposed 2019-20 Budget



**PRESENTED BY  
CITY MANAGER JOHN SALOMONE**

# Priorities



1. Minimize impact on taxpayers while maintaining or minimizing a reduction of services and funding long-term liabilities
2. Collaboration and sharing of resources among departments
3. Maintain the City's infrastructure.
4. Provide for some increase in education funding

# Revenue Factors



**STATE GRANTS**  
**GRAND LIST GROWTH**  
**OTHER REVENUES**

# State Grants



- Education and non-education formula grants essentially flat
- Alliance District funding increasing \$1.2 million in each of next two years



# Grand List Growth

Revaluation

New Construction

Improvement in Tax  
Collection Rate

		<b>% Change</b>
<b>FY2018-19 Collectible Grand List</b>	<b>\$1,810,200,000</b>	
Real Estate-Estimated Value of New Construction	\$8,200,000	0.45%
Real Estate - Impact of Revaluation	\$119,400,000	6.60%
Decrease in Personal Property Value	(\$1,400,000)	-0.08%
Increase in Motor Vehicles Value	\$2,000,000	0.11%
Increase in Tax Collection Rate	\$6,500,000	0.36%
<b>FY2019-20 Collectible Grand List</b>	<b>\$1,944,900,000</b>	<b>7.44%</b>

# Other Revenues



- 10% Share of NPU Revenues
- Interest
- Licenses, Permits, Fees, Other

# One-Time Funding Sources



- **\$1 million School Construction Grant for the Kelly Middle School project**
- **\$200,000 use of General Fund Unrestricted Fund Balance**
- **\$280,000 use of CCD Unrestricted Fund Balance**

# Expenditure Factors



**WAGES**  
**HEALTH INSURANCE**



# Wages



- Staffing Changes
- Replacement Cost & Overtime
- Contract Negotiation

# Health Insurance



- \$260,000 **increase** for FY 2019-20
- Dependent Eligibility Verification
- High-Deductible Health Plans/ HSA's
- Employee Benefits Broker
  - Negotiations of improved prescription discounts
  - Negotiations of lower Anthem administrative fees
  - Negotiations of lower Stop Loss fees

# Strategies for Developing the Budget



**SHARING RESOURCES & OTHER INITIATIVES**  
**ADDITIONAL STAFF**  
**MAINTAINING INFRASTRUCTURE**  
**INCREASE IN EDUCATION FUNDING**  
**MINIMIZE IMPACT ON TAXPAYERS**

# Sharing Resources & Other Initiatives



- **NPS and City**
  - Administrative Software
  - Truck
- **Marketing and Economic Development (in Mayor/Council budget)**
  - Maintain contribution to NCDC at \$150,000 level
  - \$25,000 for multicultural development program
  - \$25,000 for marketing and branding activities

# Staffing Changes



- **Add one LAN Technician position**



# Maintaining Infrastructure

Highlights from Capital Budget

Road and other infrastructure improvements

Police cruisers

Police and fire safety equipment replacements

Demolition



# Increase Education Funding



- BOE requested a 6.16% increase from \$78.5 to \$83.3 million
- Manager's Proposed budget includes 2% increase to \$80 million



# Taxpayer Impact

## Mill rate changes

General Fund: ↓  
1.06 mills

TCD Fire: ↓ 0.09  
mills

CCD Fire: ↑ 0.29  
mills

Cap on motor vehicle  
taxes remains at 45  
mills

	General Fund (GF)	Fire Districts		Combined	
		Town Consolidation District (TCD)	City Consolidation District (CCD)	GF + TCD	GF + CCD
Proposed 2019-20	39.95	0.36	7.67	40.31	47.62
Adopted 2018-19	41.01	0.45	7.38	41.46	48.39
Change	(1.06)	(0.09)	0.29	(1.15)	(0.77)
Percent Change	-2.58%	-20.00%	3.93%	-2.77%	-1.59%

### ***Comparison of Taxes on Median Assessed Single Family Home and Two Passenger Cars***

Town Consolidation District	2018-19	2019-20	\$ Change	% Change
Tax on Home	\$ 3,888.95	\$ 3,926.19	\$ 37.24	0.96%
Tax on Cars	\$ 409.62	\$ 407.94	\$ (1.68)	-0.41%
Total Tax	\$ 4,298.57	\$ 4,334.13	\$ 35.56	0.83%
<b>City Consolidation District</b>				
	2018-19	2019-20	\$ Change	% Change
Tax on Home	\$ 4,538.98	\$ 4,638.19	\$ 99.21	2.19%
Tax on Cars	\$ 444.60	\$ 455.40	\$ 10.80	2.43%
Total Tax	\$ 4,983.58	\$ 5,093.59	\$ 110.01	2.21%



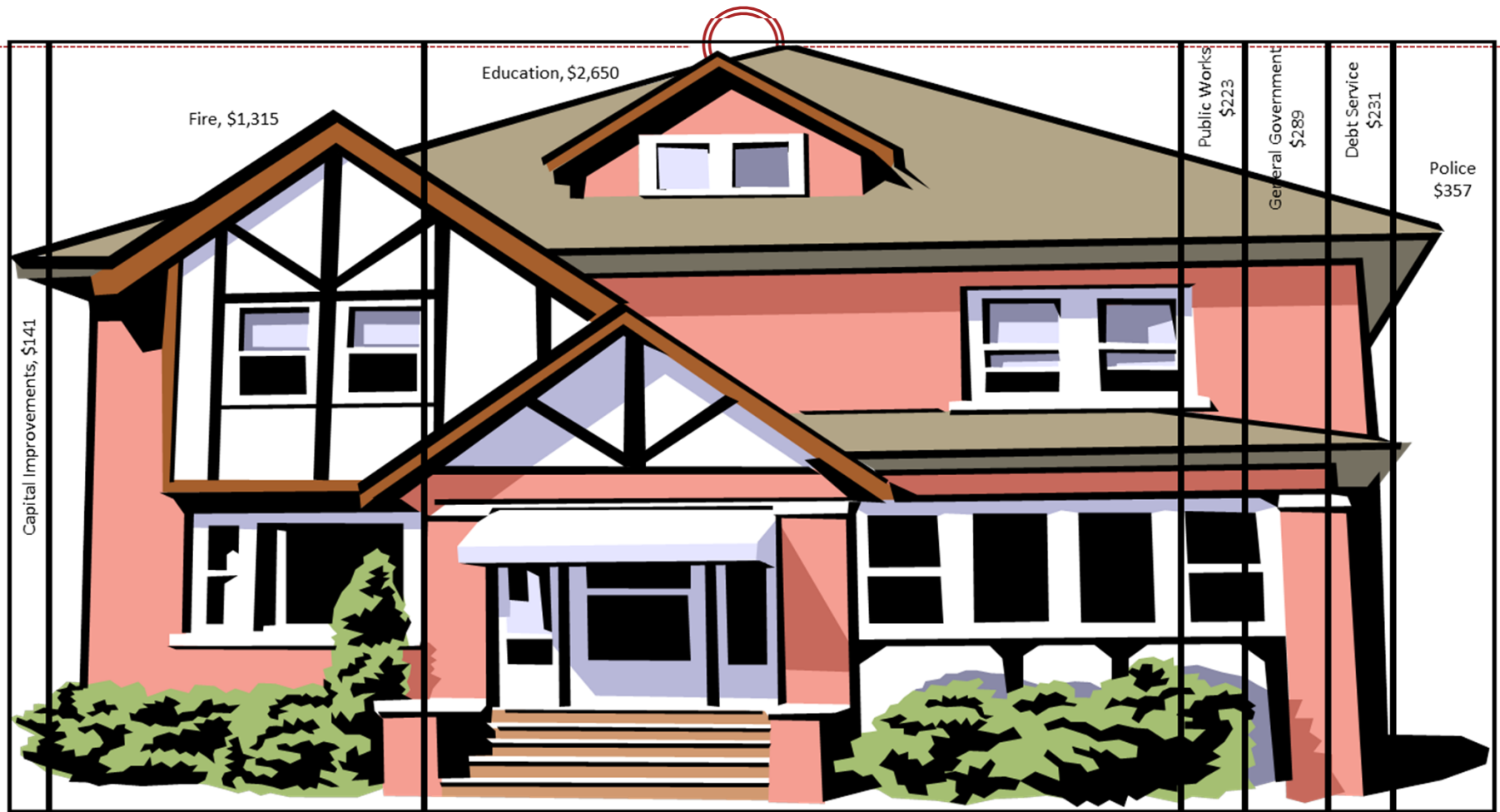
# Appropriations



## Summary of Appropriations and Prior Year Comparison

	2018-19	2019-20	\$ Change from Prior Year	% Change from Prior Year
<b>General Operations</b>	40,866,596	41,953,986	1,087,390	2.66%
<b>Debt Service</b>	4,262,998	4,383,985	120,987	2.84%
<b>Subtotal-General Gov't</b>	45,129,594	46,337,971	1,208,377	2.68%
<b>Capital Improvements</b>	2,475,988	2,521,668	45,680	1.84%
<b>Education</b>	78,469,829	80,039,000	1,569,171	2.00%
<b>Total General Fund</b>	126,075,411	128,898,639	2,823,228	2.24%
<b>Special Revenue Funds</b>				
<b>CCD Fire District</b>	7,573,222	8,012,125	438,903	5.80%
<b>TCD Fire District</b>	552,571	481,312	(71,259)	-12.90%
<b>Norwich Public Utilities</b>	93,568,517	94,649,661	1,081,144	1.16%
<b>Total</b>	<b>227,769,721</b>	<b>232,041,737</b>	<b>4,272,016</b>	<b>1.88%</b>

# Median Single-Family CCD Home





# Meeting Schedule

All meetings will take place in the City Hall Council Chambers



- **Monday, April 1, 2019 - 7:30 PM Council Meeting – City Manager's proposed budget presented.**
- **Tuesday, April 2, 2019- Departmental Budget Hearings - 6:00 PM – 9:00 PM**
  - 6:00 East Great Plain VFD
  - 6:15 Laurel Hill VFD
  - 6:30 Occum VFD
  - 6:45 Taftville VFD
  - 7:00 Yantic VFD
  - 7:15 Norwich Fire/Emergency Management
  - 7:45 Police
- **Thursday, April 4, 2019 - Departmental Budget Hearings - 6:00 PM – 9:00 PM**
  - 6:00 Human Services/Recreation
  - 6:45 Public Works
  - 7:30 Public Schools
  - 8:30 Public Utilities
- **Thursday April 11, 2019 - Departmental Budget Hearings - 6:00 PM – 7:30 PM**
  - 6:00 City Clerk/Elections
  - 6:20 City Manager/Mayor/Human Resources
  - 6:45 Finance/Treasurer/Assessor
  - 7:15 Planning & Neighborhood Services
  - 7:30 1st Budget Public Hearing
- **Monday, April 15, 2019**
  - 6:30 Otis Library
  - 7:30 Council Meeting
- **Monday, May 6, 2019 - 7:30 PM - Council Meeting –Adoption of Council Preliminary Budget**
- **Monday, May 13, 2019 - 7:30 PM - 2nd Budget Public Hearing**
- **Monday, May 20, 2019 - 7:30 PM - Council Meeting**
- **Monday, June 3, 2019– 7:30 PM - Council Meeting –Tentative date for Budget Adoption**