

FIRST SELECTMAN'S PROPOSED BUDGET

2017 - 2018



TOWN OF NEWTOWN

TOWN ORGANIZATIONAL VALUES

The Town of Newtown is dedicated to providing quality services in a cost effective manner. This commitment to quality depends upon a dedicated partnership between residents, elected officials and the employees of the Town. The Town of Newtown has expectations and values shared by all to ensure organizational excellence and quality service. They are:

- **Getting Close to our Residents and Businesses (Customers)**
- **Committing to the Highest Ideals of Professionalism and Integrity**
- **Improving Relations among all Employees**
- **Using the Appropriate Technology**
- **Committing to Long Range Planning**

MAJOR PUBLIC POLICIES

Newtown must continually position itself to meet the challenges that lie ahead. The public policies below form the basis of public actions.

- Newtown must be a safe and secure place in which to live and do business.
- Newtown must be a community that actively supports and promotes recreational, cultural, and social opportunities for all citizens.
- Newtown's physical appearance must be the best it can be. This includes roads, sidewalks, and other parts of the rights of way in residential and commercial areas and the strict enforcement of public safety, zoning, housing, environmental and health codes to prevent the appearance of neglect or unsafe conditions.
- Newtown schools must continue to pursue excellence while being focused on efficiencies and economies.
- Newtown must provide superior customer service. The Town will commit itself to continuous improvement to achieve this.
- Newtown will incorporate the market forces of competition while being mindful of the need to maintain public accountability.

The Initial Budget Process

- Each October the Town department heads are given instructions and budget forms to complete.
- Towards the end of November the completed budget forms are given back to the Finance Director.
- During January the department heads meet with the First Selectman and the Finance Director to review their budget.
- After First Selectman adjustments the budget becomes the First Selectman's Proposed Budget.
- A budget document is then assembled by the Finance Director. The budget process is now guided by the Charter.

Budget Process Guided by Town Charter

Town Charter, Chapter 6-05 (b)as follows:

... the First Selectman shall submit a comprehensive estimate of expenditures (the "First Selectman's Budget") to the Board of Selectmen by February 1st.

... The Board of Selectmen shall then revise the estimates, as it deems desirable, and submit the revisions to the Board of Finance in such form and with supporting data as the Board of Finance shall require no later than February 14th, (the "Board of Selectmen Budget").

Budget Goals and Priorities

- ***Continue support for road improvements**
- ***Increase use of Capital Non-Recurring**
- ***Address service need and wage gaps**
- ***Address needs in pension account**


The Bottom Line

- **The proposed budget asks for an increase of \$737,614 or 1.8%.**
- **Priorities add up to \$590,751**
- **Union contracts and other benefit costs add up to \$357,401**
- **Priorities, contracts, benefit costs exceed requested increase. Reductions have been made in other accounts.**

Budget Reductions

Departments Budget Request	\$41,829,875	3.23%
First Selectman's Total Budget Reduction	\$574,831	(1.41%)
First Selectman's Budget Request Spending Plan	\$41,254,928	1.82%

First Selectman's Budget 2017 - 2018

Category	2017 – 2018 Proposed
WAGES & SALARIES	\$12,494,900
FRINGE BENEFITS	\$5,953,677
INSURANCE	\$1,185,500
OPERATING EXPENSES	\$7,130,131
CAPITAL	\$2,770,204
CONTINGENCY	\$200,000
OUTSIDE AGENCIES	\$2,395,042
DEBT SERVICE	\$9,125,474
TOTAL PROPOSED BUDGET	\$41,254,928
BUDGET INCREASE 	\$737,614 1.82%

Budget Drivers

• WAGES & BENEFITS (000'S)	\$698,000
union negotiations; pension	
• CAPITAL – ROAD IMPROVEMENTS	\$250,000
• DEBT SERVICE	(\$200,000)
 TOTAL	 \$748,000
(BUDGET INCREASE IS \$738,000)	

Budget Increase Breakdown

Wages & Salaries	2.7%	\$326,832
Contract negotiations(2.00%/2.25%)		\$246,606
Police steps		\$ 29,560
Staff changes		\$ 29,166
Salary enhancements		\$ 21,500
TOTAL		\$326,832

Budget Increase Breakdown

Fringe Benefits	6.7%	\$371,412
Pension Contribution (interest rate & actuarial funding method change)		
Police		\$200,085
Town		\$ 90,208
Medical Self Insurance (2% increase based on claims experience)		\$ 63,630
Other Benefits		\$ 17,489
TOTAL		\$371,412

Budget Increase Breakdown

Insurance

4.9%

\$55,500

Worker's Compensation & General Liability Insurance

Recommended Insurance premium increase =6%

Operating Expenses

-(1.5%)

(-\$108,141)

Operating expenses have been kept flat (decreased)

Budget Increase Breakdown

Capital	6.3%	\$163,520
Highway – Road Improvements		\$250,000
Planned increase		
Off-set by capital decreases:		
Police		(\$30,000)
Public Works		(\$26,000)
Parks & Recreation		(\$33,000)
Misc.		
Other		\$ 2,520
TOTAL		\$163,520

Budget Increase Breakdown

Agencies	2.9%	\$67,193
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Library		\$58,505
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Edmond Town Hall		\$25,343
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Health District		\$ 7,252
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Other Agencies		(\$23,907)
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TOTAL		\$67,193
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Budget Increase Breakdown

Debt Service	(2.1%)	(\$200,000)
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Current debt service schedule decreases by	(\$1,023,927)
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Planned new bonding in Mar/Apr 2016/17 CIP projects	\$ 823,927
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TOTAL	(\$200,000)
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Staff Changes

<u>DEPT./POSITION</u>	<u>FTE</u>	<u>AMOUNT</u>
Finance – Secretary	(0.7)	(\$21,705)
Parks & Recreation – Maintainer	1.0	\$52,150
* Planning Department:		
Zoning Liaison Officer	(0.3)	(\$21,427)
Community Development Admin	(0.8)	(\$49,852)
Deputy Director – EDC/Grants	1.0	\$70,000
TOTAL	0.2	\$29,166

* Department restructuring – no staff additions

Salary Enhancements

<u>DEPT/POSITION</u>	<u>AMOUNT</u>	<u>JUSTIFICATION</u>
<u>Selectmen</u>		
Executive Assistant	\$6,000	Reflects responsibility
<u>Human Resources</u>		
Human Resource Admin.	\$6,000	Reflects responsibility
<u>Police</u>		
Executive Assistant	\$1,500	Reflects responsibility
<u>Building</u>		
Building Official	\$5,000	Reflects responsibility
<u>Parks & Recreation</u>		
Operations Supervisor	\$3,000	Level of PW crew chief

Changes in Budget by Function

Function	First Selectman Proposed 2017-18	\$ Increase	% Increase
Public Safety	10,558,021	362,655	3.6%
Public Works	10,168,643	247,498	2.5%
Debt Service	9,125,474	-200,000	-2.1%
General Government	4,555,704	124,116	2.8%
Recreation & Leisure	3,794,452	93,192	2.5%
Health & Welfare	1,577,648	10,687	0.7%
Planning	819,671	7,825	1.0%
Other Uses	455,315	30,343	7.1%
Contingency	200,000	61,298	n/a
TOTAL	41,254,928	737,614	1.8%

Final Thoughts

Our budget proposal should reflect what is in the best interest of our community. The spending plan is about the common good. It brings forth programs and services that benefit our community, aligns with our core values, and supports an appropriate quality of life, while at the same time responding to local and state financial pressures and limitations.

Thoughtful practice and careful management of resources must guide our budget planning actions and decisions.