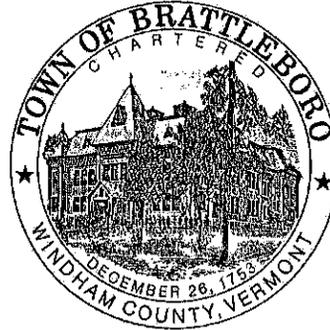


MEMORANDUM

To: Selectboard
From: Peter B. Elwell, Town Manager
Re: FY21 Budget: Unfinished Business
Date: January 15, 2020



Town staff's proposed budget for FY21 was distributed on November 5, 2019. Since then, the Selectboard has considered staff's proposals and other budget matters in 8 public meetings with substantive public participation. Many line items are unchanged from FY20 and incremental changes in many other line items have been explained and accepted. However, two matters remain undecided at this time. The purpose of this memorandum is to identify the changes that have been made in the FY21 Budget since it was first proposed, provide the current status of the FY21 Budget and the property taxes required to fund it, and to address the unfinished items to assist the Selectboard in making its final decisions before the end of January. The budget that ultimately is approved by the Selectboard will be presented for consideration and adoption at the Representative Town Meeting on March 21, 2020.

CURRENT STATUS OF THE FY21 BUDGET

Total Municipal Property Taxes in the Adopted FY20 Budget = \$14,721,497

Total Municipal Property Taxes in Staff's Proposed FY21 Budget = \$15,095,827

That would require an increase of 2.5% (or 3.26 cents) in the municipal property tax rate.

Annual municipal property taxes would increase by \$32.60 per \$100,000 of property value.

Changes during the Selectboard's 8 meetings to date in reviewing staff's proposed budget (and the resulting impact of those changes upon proposed FY21 municipal property taxes):

Revenues

No changes to date

Expenditures

Increased Human Services Funding	+ \$ 4,510
Increased Community Marketing Initiative Funding	+ \$ 1,629
Funding for Project CARE	+ \$ 16,000

Net Impact of All Changes to Date in the FY21 Budget + \$ 22,139

Municipal Property Taxes Required to Fund the FY21 Budget in its Current Status = \$15,117,966

That would require an increase of 2.7% (or 3.45 cents) in the municipal property tax rate.

Annual municipal property taxes would increase by \$34.50 per \$100,000 of property value.

UNFINISHED BUSINESS IN THE SELECTBOARD'S REVIEW OF THE FY21 BUDGET

Pay Equity for Non-Union Employees

Staff has completed our analysis of non-union pay equity. The results are attached. I am recommending a 4-step pay range for every non-union position. The attachment identifies the range for each position (adjusted, as noted, to recognize the value of vehicle-related benefits for applicable positions) and states whether the recommended compensation is increased or unchanged from the current compensation for each position. I recommend that this system be implemented effective with the first payroll in February. The 5-month impact (additional pay, FICA, and retirement program contributions) for FY20 is estimated to be approximately \$24,000. The total FY21 impact is estimated to be approximately \$82,000. Of that, approximately \$15,000 is for positions that are funded through the Utility Fund budget. The FY21 General Fund cost of implementing the recommended system will be \$66,875. Since the proposed budget currently includes a \$30,000 placeholder for this expense, the additional funding needed is \$36,875 (which is a 0.4% increase over what I originally proposed for FY21 staffing).

\$36,875 = 0.32 cents on the municipal property tax rate

Living Memorial Park Swimming Pool Renovation or Replacement

In response to a prior request from the Selectboard, staff provided a cost estimate to renovate or replace the pool house at Living Memorial Park: \$475,000 for a basic renovation; \$570,000 to replace the building with a similar structure; and \$760,000 to replace the building with a nicer wood-frame structure. During discussion of this matter at the January 14 Selectboard meeting, the Board indicated a desire to consider adding a complete pool renovation or replacement to the potential recreational facilities bond in FY23. Staff advised that we would obtain an estimate of the cost for engineering services to provide conceptual plans and budgetary cost estimates for such a complete pool renovation or replacement for the Selectboard to consider at your January 21 meeting so that you can decide whether or not to add those engineering services to the Selectboard's recommended FY21 Budget. We believe such services will cost approximately \$30,000.

\$30,000 = 0.26 cents on the municipal property tax rate

IMPACT OF ALTERNATIVES FOR THE SELECTBOARD'S RECOMMENDED FY21 BUDGET **(where "Net Impact" is the increase over staff's proposed FY21 Budget and the tax rate information states the total municipal property tax increase required for each alternative)**

1. Net Impact of All Prior Changes Only is +\$22,139
*That would require an increase of 2.7% (or 3.45 cents) in the municipal property tax rate.
Annual municipal property taxes would increase by \$34.50 per \$100,000 of property value.*
2. Net Impact of All Prior Changes + the Non-Union Pay Increases is +\$59,014
*That would require an increase of 2.9% (or 3.77 cents) in the municipal property tax rate.
Annual municipal property taxes would increase by \$37.70 per \$100,000 of property value.*
3. Net Impact of All Prior Changes + Swimming Pool Engineering is +\$52,139
*That would require an increase of 2.9% (or 3.71 cents) in the municipal property tax rate.
Annual municipal property taxes would increase by \$37.10 per \$100,000 of property value.*
4. Net Impact of All Prior Changes + both the Pool Engineering + the Pay Increases is +\$89,014
*That would require an increase of 3.1% (or 4.03 cents) in the municipal property tax rate.
Annual municipal property taxes would increase by \$40.30 per \$100,000 of property value.*

**BUDGET RELATED ARTICLES (SEPARATE FROM THE OVERALL FY21 BUDGET ARTICLE)
FOR THE 2020 REPRESENTATIVE TOWN MEETING WARNING**

- Selectboard Salaries
- Use of Unassigned General Fund Balance
- Community Marketing Initiative
- Downtown Brattleboro Alliance
- Human Services Funding
- SeVEDS Funding

SCHEDULE OF REMAINING BUDGET MEETINGS

January 28 Special Meeting

Approve the warnings for Town Meeting Day elections on March 3, 2020, and for the Representative Town Meeting on March 21, 2020. Also provide final formal approval of the Selectboard's FY21 Budget recommendation to Representative Town Meeting.

PBE:
Attachment

Proposed Annual Salaries + Salary Ranges for Full-Time Non-Union Town Employees

FY20 Cost Estimate = \$12,500

FY21 Cost Estimate = \$54,500

NOTE:

(*) = Annual Auto Allowance per contract.

(**) = Estimated value of using a Town vehicle for commuting and for occasional limited personal use.

(***) = Estimated value of using a Town vehicle for commuting only.

<u>Town Manager</u>	104,852 + 5,000* = 109,852 1 unchanged
	100,820 + 5,000* = 105,820
	96,942 + 5,000* = 101,942
	93,213 + 5,000* = 98,213
<u>Police Chief</u>	93,776 + 3,600* = 97,376 1 unchanged
	90,168 + 3,600* = 93,768
	86,700 + 3,600* = 90,300
	83,365 + 3,600* = 86,965
<u>Public Works Director</u>	94,302 1 unchanged
	90,675
	87,188
	83,835
<u>Fire Chief</u>	86,678 + 5,000** = 91,678 1 unchanged
	83,344
	80,138
	77,056
<u>Police Captain</u>	85,683 1 unchanged
	82,387
	79,218
	76,171
<u>Finance Director</u>	84,365
	81,120 [Advertised Salary Range = 75,000 – 85,000]
	78,000
	75,000
<u>Assistant Fire Chief</u>	74,178 + 5,000** = 79,178 1 unchanged
	71,325
	68,582
	65,944
<u>Library Director + Recreation/Parks Director + Asst. Town Manager + Planning Services Director + Asst. Public Works Director</u>	75,777 1 unchanged + 1 up from 73,730 + 1 up from 72,969
	72,862 1 up from 71,390) + 1 unchanged (72,862 - 3,000*** = 69,862, so keep at 69,869)
	70,060
	67,365
<u>Town Clerk + Town Assessor + Human Resources Director</u>	68,854 1 up from 66,807
	66,206
	63,659 1 up from 63,590
	61,211 1 unchanged
<u>DPW Supervisors</u>	64,852 + 3,000*** = 67,852 1 up from 60,611
	62,242 + 3,000*** = 65,242 1 up from 60,611 + 1 up from 58,178
	59,733 + 3,000*** = 62,733 1 up from 58,178
	57,320 + 3,000*** = 60,320 1 up from 55,869

Parks Supervisor **58,868 + 3,000*** = 61,868** 1 up from 55,598
 56,488 + 3,000*** = 59,488
 54,200 + 3,000*** = 57,200
 52,000 + 3,000*** = 55,000

Sustainability Coordinator 60,320
 58,000 1 unchanged
 55,770
 53,625

<u>Accountant</u>	<i>OLD</i>		<i>NEW</i>	
	56,648	1 unchanged	57,200	
	54,469		55,000	1 unchanged
	52,374		52,885	
	50,360		50,851	

Executive Secretary **51,856** 1 up from 49,862
 49,862
 47,944
 46,100

Assistant Recreation Director 45,299
 43,563
 41,886
 40,268 1 up from 37,694

Proposed Hourly Rates + Pay Ranges for Part-Time Non-Union Town Employees

FY20 Cost Estimate = \$11,500 FY21 Cost Estimate = \$27,500

NOTE:

"hpw" = Hours Per Week

Assistant Clerk (in Town Clerk's Office) + Finance Clerk + Library Clerk 2

17.63 1 unchanged + 1 up from 15.83) + 2 up from 15.68) + 1 up from 15.52) + 1 up from 14.08
 16.95
 16.30
 15.67

Library Clerk 1

16.87 1 up from 15.08) + 4 up from 14.08) + 2 up from 13.80
 16.22
15.60 3 up from 13.26
15.00 1 up from 13.26 + 1 up from 13.00

Total Financial Impact (including FICA+VMERS)

FY20 Cost Estimate = \$24,000

FY21 Cost Estimate = \$82,000

The FY21 Proposed Budget is a separate document. See the Town's website (www.brattleboro.org) or contact the Town Manager's Office (251-8151) to obtain a copy of the budget.