

Town of New Fairfield
4 Brush Hill Road
New Fairfield, CT 06812

AGENDA
BOARD OF FINANCE
REGULAR MEETING
WEDNESDAY, May 6, 2020
7:30 PM

VIRTUAL MEETING VIA ZOOM

<https://zoom.us/j/97531150331>

Meeting Code: 975-3115-0331
Or dial in phone: (929)205-6099

1. Call to order
2. Pledge of Allegiance
3. Appointments
4. Correspondence/Announcements
5. Public Comment
6. Approval of Minutes - April 29, 2020 regular meeting
7. Budget Transfers
8. Discussion - Medical Plan for 2020/21 Budget - Tom Kowalchik, SVP, USI
9. Discussion - BOS and BOE requested 2020/21 budgets and reductions
12. Discuss - Board of Finance article for the Town Tribune
13. Public Comment
14. Future Agenda items
15. Board Member Comments
16. Adjournment

FY 2020/21 Budget Discussion - April 22 (Wes' thoughts with some facts)

Comparing a 0% tax (no increase) with a 2.94% tax (increase)

Property Market Value (not assessed value)	Property Tax FY2019/20 (\$)	Property Tax if 0% for FY2020/21 (\$)	Property Tax if 2.94% increase FY2020/21 (\$)	Annual dollar difference between 0% and 2.94% (\$)	Monthly dollar difference between 0% and 2.94% (\$)
\$300,000	6,359	6,359	6,546	187.00	15.58
\$325,000	6,889	6,889	7,092	203.00	16.92
\$375,000	7,949	7,949	8,183	234.00	19.50
\$425,000	9,008	9,008	9,273	265.00	22.08
\$500,000	10,598	10,598	10,910	312.00	26.00

1. Board of Finance members' consensus at March 18th meeting was to keep the tax increase below 3%.
2. Board of Finance has already cut both town and education budgets a total of \$822,000 to get to 2.94% tax increase (education - \$437,600 and town - \$384,400.)
3. To get to a 0% tax (no increase) would mean an additional cut of approx. **\$1,453,000** divided between the town and education budgets.
4. Of the 5 main budget components: Payroll; Non-Payroll; Cap&Non; Medical; and Debt Service, we have already had to increase the 2020/21 budget by approx. **\$554,255** (\$200,000 for medical and approx. \$354,255 for debt service). Both of these components are beyond the control of the BOS and BOE - they control Payroll, Non-Payroll, and Cap&NON.
5. What could the BOS and BOE cut to accomplish an additional \$1,453,000 budget reduction in their respective Payroll, Non-Payroll, Cap&Non budget components?
 - **BOS** - Non-Payroll - Road Repair - \$245,000 (state grants \$355,000)
 - **BOS** - Cap&Non - Firemen's Equipment Reserve Fund - \$106,000
 - **BOS** - Payroll - union contracts prevent pay cuts but not job eliminations
 - **BOE** - Cap&Non - MS roof repair - \$400,000 partial funding to \$2,000,000 cost
 - **BOE** - Non-Payroll - reduce the 4 schools' books and supplies budgets by 50%
 - **BOE** - Payroll - teacher contract prevents pay cuts but not job eliminations
6. Many of the items mention in #5 are just 'kicking the can down the road' and they will have to be recovered in future budgets with increased tax increases. **Job eliminations would mean taxpayers' town and education services would be reduced.**
7. My question based on the numbers in the table above:
 - **Is it really worth it to take such deep cuts in both the town and education budgets to save taxpayers approx. \$200+ in their annual multi thousand \$\$ tax bill?** If a number of taxpayers are having income problems, they will probably have problems paying a 0% tax bill. (tax deferment program for eligible taxpayers)
8. Most taxpayers do not get into the many details that make up a budget and the numerous activities it takes to run a town and school system. They rely on elected officials to do this and represent their interests with needed, necessary services and their ability to pay.

BOS PROPOSED BUDGET REDUCTIONS 3/26/20

CAPITAL AND NON-RECURRING	
ADDITIONAL TOWER RESERVE	\$25,000
BUSINESS MACHINES	(SOCIAL SERVICES) \$900
	(LIBRARY) \$2200
REPLACE NF 17	\$215,000
TAX REVALUATION	\$40,000
ZONING REGULATIONS	<u>\$16,900</u>
TOTAL	\$300,000
POSTPONED	\$271,900
OPERATING EXPENDITURES	
NW CT PUBLIC SERVICE COMM CENTER	\$5,200
WORKER'S COMP	\$15,000
ROAD REPAIR	<u>\$64,200</u>
TOTAL	\$84,400
TOTAL REDUCTIONS	\$384,400

BOS PROPOSED BUDGET REDUCTIONS 4/30/20

PUBLIC WORKS ROAD REPAIR	\$130,000
FIRE DEPARTMENT RESERVE FUND	\$105,927
SEWER STUDY	\$70,000
BRIDGE AND DRAINAGE	\$50,000
BUILDING REPAIR RESERVE	\$9,073
STREETSCAPE	\$10,000
TOTAL REDUCTIONS	\$375,000

FISCAL 2020/2021 BUDGET - PRELIMINARY

OPERATIONS	\$	# of Mills
Municipal Operations	11,517,129	7.03
Education Operations	35,955,534	21.96
Medical Insurance Fund	6,200,000	3.79
OPERATING EXPENDITURES	\$ 53,672,663	32.78
Non-tax Revenues	6,758,051	4.13
Adjustments to Property Taxes	(857,750)	-0.52
To be raised by PROPERTY TAXES	\$ 47,772,362	29.17
DEBT SERVICE		
To be raised by PROPERTY TAXES	\$ 2,636,380	1.61
CAPITAL & NONRECURRING		
Municipal Capital Spending	1,121,911	
Education Capital Spending	265,000	
CAPITAL EXPENDITURES	\$ 1,386,911	
To be raised by PROPERTY TAXES	\$ 637,911	0.39
TOTAL PROPERTY TAXES	\$ 51,046,653	31.17
TAXABLE GRAND LIST	1,637,587,931	
DOLLARS PER MILL	1,637,588	
MILL RATE CHANGE	0.89	
% MILL RATE CHANGE	2.94%	

<u>Changes from Requested Budgets</u>		
Municipal		
Operations	(84,400)	A
Medical Increase	27,309	B
Cap & Non	(300,000)	C
	<hr/>	
	(357,091)	
Education		
Dir. of Security	35,000	D
Operations	(337,600)	D
Medical Increase	172,691	E
Debt Service	(13,520)	F
Cap & Non	(135,000)	G
	<hr/>	
	(278,429)	
Revenue		
Sherman Tuition	70,000	H
	<hr/>	
Total Change	(705,520)	

FISCAL 2020/2021 RECOMMENDED BUDGET SUMMARY OF EXPENDITURES

<u>MUNICIPAL EXPENDITURES</u>	\$	2019/2020	Inc/Dec	%	
Operating Expenditures	11,517,129	A	11,097,106	420,023	3.78%
Contribution to Medical Insurance Fund	846,569	B	819,260	27,309	3.33%
Contribution to Debt Service	135,811		148,060	(12,249)	-8.27%
Contribution to Capital & Nonrecurring Fund	372,911	C	452,306	(79,395)	-17.55%
GENERAL FUND	\$ 12,872,420		\$ 12,516,732	\$ 355,688	2.84%
CAPITAL & NONRECURRING FUND	\$ 1,121,911				
OTHER GOVERNMENTAL FUNDS	\$ 928,256				
<u>EDUCATION EXPENDITURES</u>	\$	2019/2020	Inc/Dec	%	
Operating Expenditures	35,955,534	D	35,236,269	719,265	2.04%
Contribution to Medical Insurance Fund	5,353,431	E	5,180,740	172,691	3.33%
Contribution to Debt Service	2,500,569	F	2,134,065	366,504	17.17%
Contribution to Capital & Nonrecurring Fund	265,000	G	398,369	(133,369)	-33.48%
GENERAL FUND	\$ 44,074,534		\$ 42,949,443	\$ 1,125,091	2.62%
CAPITAL & NONRECURRING FUND	\$ 265,000				
TOTAL BUDGET	56,946,954		55,466,175	1,480,779	2.67%
Non-tax Revenues	6,758,051	H	6,637,843	(120,208)	-1.81%
Adjustments to Property Taxes	(857,750)		(757,750)	100,000	-13.20%
	<hr/>		<hr/>	<hr/>	
	\$ 51,046,653		\$ 49,586,082	\$ 1,460,571	2.95%
MILL RATE	31.17		30.28 *	0.89	2.94%

* 2019/2020 Revaluation Adjusted Mill Rate

FISCAL 2020/2021 BUDGET - PRELIMINARY

		# of Mills
OPERATIONS		
Municipal Operations	\$ 11,387,129	6.95
Education Operations	35,845,534	21.89
Medical Insurance Fund	6,200,000	3.79
OPERATING EXPENDITURES	\$ 53,432,663	32.63
Non-tax Revenues	\$ 6,758,051	4.13
Adjustments to Property Taxes	(857,750)	-0.52
To be raised by PROPERTY TAXES	\$ 47,532,362	29.03
DEBT SERVICE		
To be raised by PROPERTY TAXES	\$ 2,636,380	1.61
CAPITAL & NONRECURRING		
Municipal Capital Spending	876,911	
Education Capital Spending	-	
CAPITAL EXPENDITURES	\$ 876,911	
To be raised by PROPERTY TAXES	\$ 127,911	0.08
TOTAL PROPERTY TAXES	\$ 50,296,653	30.71
TAXABLE GRAND LIST	1,637,587,931	
DOLLARS PER MILL	1,637,588	
MILL RATE CHANGE	0.43	
% MILL RATE CHANGE	1.42%	

Changes from Requested Budgets		
Municipal		
Operations	(214,400)	A
Medical Increase	27,309	B
Cap & Non	(545,000)	C
	(732,091)	
Education		
Dir. of Security	35,000	D
Operations	(447,600)	D
Medical Increase	172,691	E
Debt Service	(13,520)	F
Cap & Non	(400,000)	G
	(653,429)	
Revenue		
Sherman Tuition	70,000	H
	(1,455,520)	
Total Change	(1,455,520)	

FISCAL 2020/2021 RECOMMENDED BUDGET SUMMARY OF EXPENDITURES

MUNICIPAL EXPENDITURES			2019/2020	Inc/Dec	%
Operating Expenditures	\$ 11,387,129	A	11,097,106	290,023	2.61%
Contribution to Medical Insurance Fund	846,569	B	819,260	27,309	3.33%
Contribution to Debt Service	135,811		148,060	(12,249)	-8.27%
Contribution to Capital & Nonrecurring Fund	127,911	C	452,306	(324,395)	-71.72%
GENERAL FUND	\$ 12,497,420		\$ 12,516,732	\$ (19,312)	-0.15%
CAPITAL & NONRECURRING FUND	\$ 876,911				
OTHER GOVERNMENTAL FUNDS	\$ 928,256				
EDUCATION EXPENDITURES			2019/2020	Inc/Dec	%
Operating Expenditures	\$ 35,845,534	D	35,236,269	609,265	1.73%
Contribution to Medical Insurance Fund	5,353,431	E	5,180,740	172,691	3.33%
Contribution to Debt Service	2,500,569	F	2,134,065	366,504	17.17%
Contribution to Capital & Nonrecurring Fund	-	G	398,369	(398,369)	-100.00%
GENERAL FUND	\$ 43,699,534		\$ 42,949,443	\$ 750,091	1.75%
CAPITAL & NONRECURRING FUND	\$ -				
TOTAL BUDGET	56,196,954		55,466,175	730,779	1.32%
Non-tax Revenues	6,758,051	H	6,637,843	(120,208)	-1.81%
Adjustments to Property Taxes	(857,750)		(757,750)	100,000	-13.20%
	\$ 50,296,653		\$ 49,586,082	\$ 710,571	1.43%
MILL RATE	30.71		30.28 *	0.43	1.42%

* 2019/2020 Revaluation Adjusted Mill Rate

Projected Budget Surpluses and Shortfalls
For Fiscal Year 2019/2020

Expenditures

Surpluses

BOS Salaries	2,300	
BOS Cable Broadcasting Expenses	1,000	
BOS Grants Administrator	4,000	
Probate	200	
ROV Salaries	6,000	COVID
ROV Material & Supplies	3,000	COVID
BOF Contingency	14,000	
Unclass. P&B - Pension-CMERS	50,000	50% COVID
Various Legal	40,000	
General Insurance-Property & Casualty	1,500	
Business Machines-Postage	1,000	
Human Resources	500	
Planning Commission Salaries	500	
Planning Commission-M&S	2,500	
Zoning Commission-Regulations Maint.	4,500	
Zoning Commission-M&S	2,000	
ZBA Salaries	1,000	
ZBA-M&S	500	
Utilities Fire Companies	4,000	
Utilities Electric	3,000	
Utilities Fuel Oil	4,000	
Utilities Gasoline & Diesel	20,000	COVID
Land Salaries	5,000	COVID
Historical Properties-M&S	250	
Commission on Youth Salaries	1,000	
Fire Marshall-M&S	2,000	
Public Works Overtime	5,000	
Public Works Snow M&S	15,000	
Health Salaries	10,000	50% COVID
Total Surpluses	\$ 203,750	

Shortfalls

Public Works Town Engineer	(15,000)
Total Expenditures	\$ 188,750

Revenues - Surplus (Shortfall)

Property Taxes	(100,000)	
Interest Income	(50,000)	COVID
EMS/Paramedic Billing	(30,000)	
Education ECS	251,000	
Student Tuition	69,000	
Total Revenues	\$ 140,000	

Net Surplus (Shortfall)	\$ 328,750	\$ 14,000 COVID
--------------------------------	-------------------	---------------------------

New Fairfield Public Schools
 Unanticipated COVID-19 Expenses for the 2020-2021 School Year

Unanticipated Expense	Estimated Cost
<ul style="list-style-type: none"> ● Summer services for special education students requiring additional staff hours (special education teachers, related service providers, paraprofessionals) beyond Extended School Year (ESY) services (determined per IEP) ● Special education services provided throughout the school year beyond the regular school day (determined per IEP) ● Additional services for outplaced special education students (determined per IEP) 	<p>\$300,000 - \$400,000</p>
<ol style="list-style-type: none"> 1. Increased staffing or staff hours for staggered or hybrid opening of school 2. Increased staffing or staff hours for multiple sessions of school each day, at each school 3. Possible school on Saturdays 4. Additional home-to-school transportation costs, as a result of multiple sessions of school 5. Additional staff hours for writing/compacting curriculum and vertical alignment 6. Additional mental health staff or staff hours to address social-emotional needs 7. Increased staffing need in order to provide academic interventions 8. Replacement of student and staff technology 9. Software to support distance learning 10. Reduced revenue from ELC tuition 11. Additional cleaning supplies 12. Custodial overtime to clean and sanitize buildings 13. PPE for staff and students 14. Additional health supplies 15. Other collective bargaining implications 	<p>TBD based on specific reopening plan, state guidance</p>

New Fairfield Board of Education
Summary of Budget vs. Projected for Payroll & Non-Payroll Accounts
Fiscal 2019-2020 as of April 30, 2020

Preliminary Estimate (Assumes schools do not reopen by June 30, 2020)

	2019-2020 Approved Budget	2019-2020 Adjusted Budget	Year-to-Date Expenditure	Percent Expended	Current Encumbrances	Percent Encumbered	2019-2020 Remaining Unexpended	Percent Committed	2019-2020 Projected Unexpended	Projected Committed	Primary Areas of COVID-19 Impact
Regular Education - Non-Payroll											
2000 Consolidated School	111,199	101,199	67,023	66.2%	21,798	21.5%	12,378	87.8%	10,000	90.1%	
3000 Meeting House Hill School	92,448	82,142	68,183	83.0%	7,236	8.8%	6,723	91.8%	5,000	93.9%	
4000 Middle School	89,955	85,955	49,128	57.2%	25,330	29.5%	11,497	86.6%	5,000	94.2%	
5000 High School	306,520	275,125	210,827	76.6%	33,257	12.1%	31,041	88.7%	25,000	90.9%	
5500 Interscholastic Athletics	197,612	192,612	150,764	78.3%	71,599	37.2%	(29,751)	115.4%	60,000	68.8%	Transportation, Officials, Athletics Fees
6000 District Wide / Benefits / Insurance	1,675,205	1,628,295	1,223,137	75.1%	388,269	23.8%	16,889	99.0%	(20,000)	101.2%	FICA / Unemployment
6100 Board of Education	36,134	31,954	29,781	93.2%	918	2.9%	1,255	96.1%	-	100.0%	
6200 Central Office	62,352	72,442	53,891	74.4%	17,765	24.5%	786	98.9%	(20,000)	127.6%	Legal
6300 Fiscal Services from Town	300,700	340,700	244,730	71.8%	80,126	23.5%	15,844	95.3%	-	100.0%	
6400 Personnel / Business Office	32,565	29,565	27,504	93.0%	2,706	9.2%	(645)	102.2%	-	100.0%	
6500 Technology	665,226	695,516	562,911	80.9%	96,473	13.9%	36,133	94.8%	-	100.0%	Chromebooks, Zoom, & Software
6600 Transportation	1,444,351	1,417,751	1,349,287	95.2%	40,637	2.9%	27,827	98.0%	50,000	96.5%	Diesel & Bus Contract
6700 Copiers / Postage	152,739	139,459	120,484	86.4%	17,369	12.5%	1,606	98.8%	-	100.0%	
6800 Utilities	1,024,637	1,015,637	659,902	65.0%	355,544	35.0%	191	100.0%	50,000	95.1%	Favorable Lock, Setback
7000 Curriculum & Staff Development	261,439	150,850	84,674	56.1%	13,274	8.8%	52,902	64.9%	15,000	90.1%	
7001 Enrichment Services	21,600	15,600	3,032	19.4%	2,006	12.9%	10,562	32.3%	5,000	67.9%	
9000 Buildings & Grounds	622,418	622,418	468,366	75.2%	106,665	17.1%	47,388	92.4%	5,000	99.2%	Cleaning Supplies, PPE
Subtotal - Reg Ed - Non-P/R	7,097,100	6,897,220	5,373,621	77.9%	1,280,972	18.6%	242,627	96.5%	190,000	97.2%	
Special Education - Non-Payroll											
8001 SPED - Admin/Central	178,058	53,338	36,836	69.1%	2,215	4.2%	14,287	73.2%	13,000	75.6%	
8002 SPED - Contracted Svcs	85,652	137,652	96,902	70.4%	42,422	30.8%	(1,672)	101.2%	(5,000)	103.6%	Outside Evaluations
8003 SPED - Out of District	1,049,682	1,234,682	619,196	50.2%	619,973	50.2%	(4,487)	100.4%	(5,000)	100.4%	
8004 SPED - Transportation	767,083	827,683	639,574	77.3%	181,667	21.9%	6,442	99.2%	30,000	96.4%	Bus Contract
8005 SPED - Program Costs	23,140	23,140	311	1.3%	5,173	22.4%	17,656	23.7%	5,000	78.4%	
8006 PPS - Other Programs	19,990	46,990	35,797	76.2%	13,964	29.7%	(2,771)	105.9%	(3,000)	106.4%	LPN Services, PPE
Subtotal - Special Ed - Non-P/R	2,123,605	2,323,485	1,428,617	61.5%	865,413	37.2%	29,455	98.7%	35,000	98.5%	
TOTAL NON-PAYROLL	9,220,705	9,220,705	6,802,238	73.8%	2,146,386	23.3%	272,082	97.0%	225,000	97.6%	
TOTAL PAYROLL	26,015,564	26,015,564	20,503,628	78.8%	0	0.0%	5,511,936	78.8%	100,000	99.6%	ELC Tuition, Substitutes, OT
TOTAL OPERATING BUDGET	35,236,269	35,236,269	27,305,866	77.5%	2,146,386	6.1%	5,784,018	83.6%	325,000	99.1%	

BOE Proposed FY21 Budget Reductions from the Administration

Reduction	Rationale/Impact	Category	Amount	
Consolidated PE Teacher	Move from a 5 day special rotation to a 4 day special rotation driven by student enrollment and analysis of staff schedules.	Payroll	\$ 70,650.00	Round 1 Reductions
HS 0.8 Paraprofessional	Position added to current staffing after budget developed based on student need.	Payroll	\$ (14,250.00)	
MHHS 0.9 Paraprofessional	Position added to current staffing after budget developed based on student need.	Payroll	\$ (17,250.00)	
Outplacement Tuition & Transportation	Added tuition and transportation needs identified after budget development.	Non-Payroll	\$ (38,350.00)	
Infrastructure Work	Dr. Fildes received approximately \$125,000 in e-Rate reimbursement related to the infrastructure project. These funds will partially offset CapEx for Year 2 and Year 3 of the project. Remaining funds will be used to purchase equipment needed due to COVID-19.	Non-Payroll	\$ 36,100.00	
Middle School Roof	Eliminate all funding for Phase 1 of MS roof to bring cap/non to \$0.	Cap/Non	\$ 365,000.00	
Technology Service Credit	Town service credit for Director of Technology and Network Administrator did not calculate in original budget request.	Payroll	\$ 30,700.00	
Updated LAP/WC Renewal	Renewal rates from CIRMA are lower than anticipated.	Non-Payroll	\$ 5,000.00	
Round 1 Total Reductions			\$ 437,600.00	
Consolidated ILS or K Teacher	ILS teacher is an unfilled vacancy resulting in an increase in class size for our neediest student population. Current student enrollment will drive staffing needs once final K registration is complete.	Payroll	\$ 70,650.00	Round 2 Reductions
Districtwide 2.0 Paraprofessionals	To be reduced based on evaluation of student need and scheduling. Highly variable area of staffing that can change based on PPTs and new students.	Payroll	\$ 35,600.00	
Staff Development	Additional cut resulting in an approximately 12% reduction in staff development budget across the district.	Non-Payroll	\$ 16,500.00	
Athletic and Instructional Supplies	Cuts to athletic supplies and other instructional supplies to be distributed proportionally across schools and departments.	Non-Payroll	\$ 18,000.00	
Technology Equipment	Exact reductions will be determined once all equipment is returned and evaluated from the COVID-19 pandemic. Any costs associated with distance learning are not reimbursable under the current FEMA declaration.	Non-Payroll	\$ 5,050.00	
Textbooks	Select textbooks can be purchased with FY20 funds that have been approved by the BOE and will be needed before the end of the fiscal year.	Non-Payroll	\$ 25,400.00	
Special Friends Grant	Rely upon receiving Primary Mental Health Grant to cover anticipated salary costs.	Payroll	\$ 15,000.00	
Districtwide Director of School Security	Current staff will continue to address this area of district operations as part of other responsibilities which will limit the capacity to meet all tasks recommended by the School Safety and Security Committee.	Payroll	\$ 35,000.00	
Districtwide Secretary	Roles and responsibilities of current secretarial staff in the district will be reevaluated and redistributed to meet needs across the district. Deadlines for various projects may be missed or require overtime in order to meet statutory deadlines.	Payroll	\$ 52,400.00	
Infrastructure Work	Further apply eRate funds to partially offset CapEx for Year 2 and Year 3 of the project. Will reduce remaining funds which can be used to purchase equipment needed due to COVID-19.	Non-Payroll	\$ 23,900.00	
Superintendent Conference/Travel	Defer professional conference attendance.	Non-Payroll	\$ 2,500.00	
VERIP Savings	Estimated savings from the voluntary early retirement incentive program for three teachers beyond the average number of retirees.	Payroll	\$ 75,000.00	
Round 2 Total Reductions			\$ 375,000.00	
		Payroll	\$ 353,500.00	
		Non-Payroll	\$ 94,100.00	
		Cap/Non	\$ 365,000.00	
		Total	\$ 812,600.00	

Our Town is faced with unusual world events at a time when we need a budget to move forward and run the town in the year ahead. The First Selectman and the Board of Selectmen and the Superintendent of Schools and the Board of Education have done a great job in managing their respective operations over the last 3 plus years. The Board of Finance has done a great job as the budgetary authority for the town over the last 3 plus years. This has resulted in not only achieving but exceeding the goal of having an Unassigned Fund Balance of 2 months of budgetary expenditures and other financing uses. This provides the town "Rainy-Day" funds.

In looking at the overall challenge, Wes Marsh may have said this best at the BOF meeting on 4/22/2020, "*Most taxpayers do not get into the many details that make up a budget and the numerous activities it takes to run a town and school system. They rely on elected officials to do this and represent their interests with needed, necessary services and their ability to pay.*"

The Boards have concerns about the coming year. There is uncertainty about what will happen. You have discussed unemployment and other issues. Remember the Board of Education and the Board of Selectman have done as the Board of Finance requested AFTER this crisis started and reduced expenditures even further than originally presented (these reductions resulted in lowering the mill rate increase from 4.39% down to 2.94%). It is important to remember that the School Bonding, approved in 2019, is part of the 20/21 increase.

Yes, these are challenging times economically and emotionally, but the Town will go on and must continue to provide its residents with needed services including maintaining roads, snow removal, schools, libraries, police, emergency services, parks, senior center, and many more. It is likely that more of our residents will need services and support in the coming months and into the future. The Town must be ready. It is also important to consider that in the aftermath of this crisis; it is possible that families from New York City will be moving out to places like New Fairfield (just as they did in the aftermath of 9/11). Again, **the Town must be ready**.

I am concerned about falling back into a "kick the can down the road" mentality. As we have seen in the past, this just comes back and makes it worse when you must fill the holes that were left. Things cut and delayed today will result in a larger increase down the road when they must be added back and taken care of. This often results in even more expense caused by the delay. I would encourage you to be careful in cuts that will hurt services.

I have provided below some points and information to consider as you make your decision about the final mill rate for the coming year. This is further supported by attached information.

I would also like to recommend that rather than continuing to cut services, you could also pay for some planned budget expenses in the coming year and further reduce the mill rate for taxpayers by dipping into the unassigned fund balance (the rainy-day fund). As stated below, at the end of fiscal year 2019 the Town had approximately \$703,983 more in the Unassigned Fund Balance than was necessary to meet their stated goal (2 months of budgetary expenditures and other financing uses (or 16.667%)). While this would reduce that balance to the goal of 2 months of budgetary expenditures and other financing uses, it would be using the "rainy-day" fund for its intended purpose. More importantly, it would maintain needed services.

Why consider using the rainy-day fund as described above? There is precedent. Rainy-day funds have been used in the past to pay for current budgetary Expenditures (including in 2009/2010 to a lesser extent when the rainy-day fund was *Budget considerations 2020/21*

not as healthy as it is now). As we all know, right now it is not raining it is pouring. This approach could be used carefully to help this year.

It is important to consider these alternatives and approaches to keep the mill rate low while providing the Town's needed services. Let us not forget that the taxpayers originally paid for the rainy-day fund. I believe it is important to maintain our level of services to the town and not go back to the practice of kicking the can down the road.

Please note, I have added two Exhibits to the original document, with notes below.

Thank you for your consideration.

John McCartney

6 Coves End, New Fairfield, CT

Points for your consideration (further detailed below and attached):

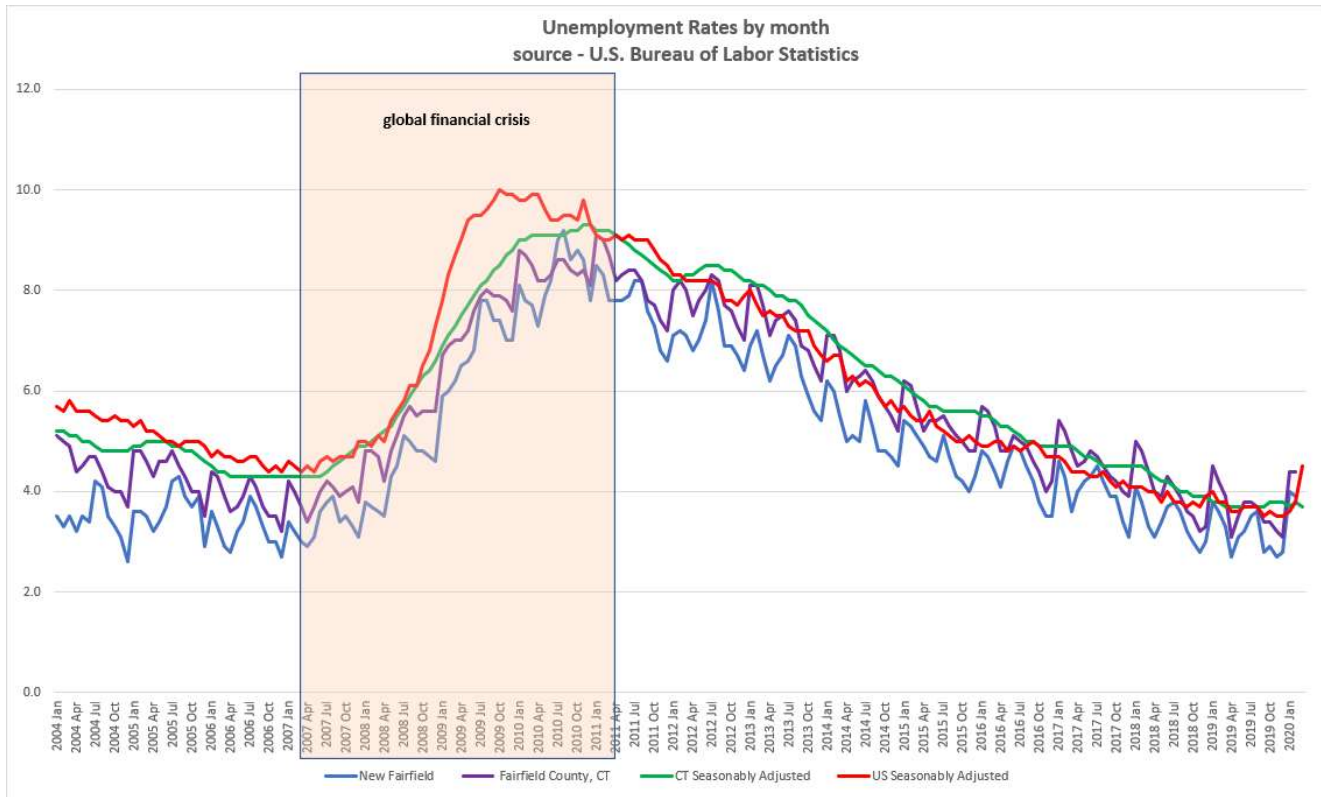
- Unemployment - It is important to note that over this 16 plus years (194 months), New Fairfield's unemployment rate has been below Fairfield County, Connecticut, and the U.S. in all but 9 months.
- Past Mill Rate changes, the relationship to other referenda and to revaluations are revealing. (see Appendix A)
- At the end of 2019, the Town exceeded its goal of 16.667% achieving 17.95%. Translated into dollars, this means that at the end of 2019 the Town had approximately \$703,983 more in the Unassigned Fund Balance than was necessary to meet their stated goal.
- Voters really came out to let their voices be heard on these two projects with over 4,000 voting. This was 86% more than the average number who voted in the previous four building referenda. In fact, almost as many people voted yes for the two new schools as the average number who voted in the previous four building referenda.
- The anticipated bonding Mill Rate increase for 20/21 that was part of the School Buildings Vote in 2019 was 1.25% to cover the new school debit servicing.
- You could also pay for planned budget expenses in the coming year and further reduce the mill rate for taxpayers by dipping into the unassigned fund balance (the rainy-day fund). It would allow the town to continue to provide our level of needed services to the town.
- Why consider using the rainy-day fund? As we all know, right now it is not raining it is pouring.
- Let us not forget that the taxpayers originally paid for the rainy-day fund. I believe it is important to maintain our level of services to the town and not go back to the practice of kicking the can down the road.

Exhibits 3 and 4 (added April 30, 2020) both assume you do not use the rainy-day fund to further reduce the budget.

Exhibit 3 just shows the impact on the 20/21 mill rate if you take out the BOF requested reductions of an additional \$750,000. You will end up at 1.43% mill rate increase.

Exhibit 4 shows some what if considerations assuming there is a \$300,000 surplus from 19/20 and that the entire surplus is appropriated. This exhibit looks at the impact on the Unassigned General Fund Balance (UGFB) based on approved 19/20 budget, based on the proposed 20/21 budget at a 2.94% increase, and based on the proposed 20/21 budget with the added \$750,000 BOF requested reductions. In all cases, the UGFB will exceed 2 months in reserve.

Unemployment – At a recent meeting you discussed past situations where the town has had challenges and unemployment was brought up. You specifically discussed the Financial Crisis of 07-08 and its impact on budgeting in early 2010 for 2010-11. Looking at unemployment rates by month over the last 16 plus years:



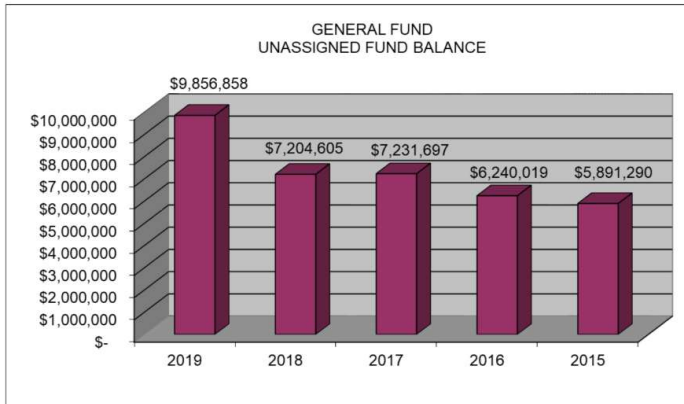
It is important to note that over this 16 plus years (194 months), New Fairfield’s unemployment rate has been below Fairfield County, Connecticut, and the U.S. in all but 9 months. Looking specifically at the last several months (note that February numbers for New Fairfield and for Fairfield County are preliminary):

Month	unemployment rate			
	New Fairfield	Fairfield County, CT	CT Seasonably Adjusted	US Seasonably Adjusted
2018 Jul	3.8	4.1	4.1	3.8
2018 Aug	3.6	3.9	4	3.8
2018 Sep	3.2	3.6	4	3.7
2018 Oct	3.0	3.5	3.9	3.8
2018 Nov	2.8	3.2	3.9	3.7
2018 Dec	3.0	3.3	3.9	3.9
2019 Jan	3.8	4.5	3.8	4
2019 Feb	3.6	4.2	3.8	3.8
2019 Mar	3.3	3.9	3.7	3.8
2019 Apr	2.7	3.1	3.7	3.6
2019 May	3.1	3.5	3.7	3.6
2019 Jun	3.2	3.8	3.7	3.7
2019 Jul	3.5	3.8	3.7	3.7
2019 Aug	3.6	3.7	3.7	3.7
2019 Sep	2.8	3.4	3.7	3.5
2019 Oct	2.9	3.4	3.8	3.6
2019 Nov	2.7	3.2	3.8	3.5
2019 Dec	2.8	3.1	3.8	3.5
2020 Jan	4.0	4.4	3.7	3.6
2020 Feb	3.9	4.4	3.8	3.8
2020 Mar			3.7	4.5

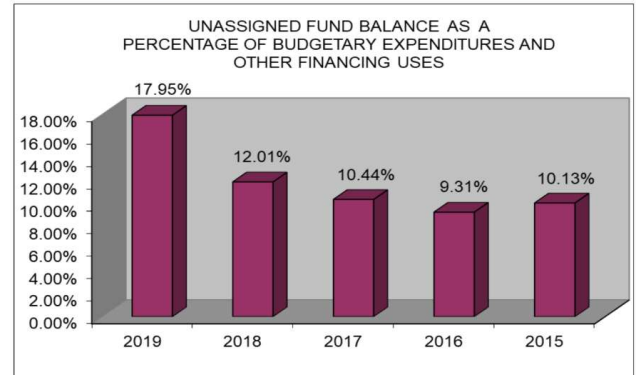
Unassigned Fund Balance – The First Selectman and the Board of Selectmen and the Superintendent of Schools and the Board of Education have done a great job in managing their respective operations over the last 3 plus years. The Board of Finance has done a great job as the budgetary authority for the town over the last 3 plus years.

All of this has resulted in the Town of New Fairfield building its Unassigned Fund Balance to \$9,856,858 (17.95% of budgetary expenditures and other financing uses) for the year ended June 30, 2019 (as shown below from the Annual Financial Report presented on April 1, 2020).

**General Fund (Exhibit C pg. 15)
Unassigned Fund Balance**



Unassigned Fund Balance as a Percentage of Budgetary Expenditures and Other Financing Uses



It has long been the goal of the Board of Finance and the Town to build the unassigned balance to 2 months of budgetary expenditures and other financing uses (or 16.667%). This provides the town “Rainy-Day” funds in case there is an emergency or a rainy-day. This goal was finally met and exceeded in 2019. Of course, this is a moving dollar target as budgetary expenditures and other financing uses are changing over time, but the percentage is calculated at a point in time (each yearend).

At the end of 2019, the Town exceeded its goal of 16.667% achieving 17.95%. Translated into dollars, this means that **at the end of 2019 the Town had approximately \$703,983 more in the Unassigned Fund Balance than was necessary to meet their stated goal.**

Compared to June 30, 2017 when the town was at 10.44% of budgetary expenditures and other financing uses, the town has improved significantly. At the end of 2019, had the town maintained this 2017 level (10.44%), the Unassigned Fund Balance would be \$4,123,497 less than the current level.

Schools Referenda – On October 5th, 2019, the Town’s voters approved two Referendum to Build Two New Schools. The official results are shown below.

Combined, the two school projects formed the largest project ever done by New Fairfield. **Voters really came out to let their voices be heard on these two projects with over 4,000 voting. This was 86% more than the average number who voted in the previous four building referenda. In fact, almost as many people voted yes for the two new schools as the average number who voted in the previous four building referenda.**

Both referenda passed by a healthy margin of about 6%. Clearly the town was for the two new schools. New Fairfield has a history of supporting necessary School building and renovations.

The Schools Referenda were followed about a month later by the municipal election where most who supported the Schools project were reelected or elected to office on the main boards of the Town.

Based on what was presented to the voters in 2019, the projects would result in the following:

Town of New Fairfield					
Approved Appropriation and Bond Authorizations					
	Appropriation	Expected State Reimbursement	Expected Reimbursement %	Estimated Cost to the Town	
New Fairfield High School	\$84,220,000	\$22,570,000	26.80%	\$61,650,000	
Consolidated Early Learning Academy and Meeting House Hill School	\$29,190,000	\$10,830,000	37.10%	\$18,360,000	
Total	\$113,410,000	\$33,400,000	29.45%	\$80,010,000	
Planned Bonding at time of Referendum					
Date	Bond Length (years)	Rate	Bond	Projected interest	First impacts Fiscal Year ending
March/2020	20	2.75%	\$8,000,000	\$2,310,000	6/30/2021
March/2021	25	3.25%	\$20,000,000	\$8,450,000	6/30/2022
March/2022	25	3.25%	\$24,000,000	\$10,140,000	6/30/2023
March/2023	25	3.75%	\$20,000,000	\$10,530,000	6/30/2024
March/2024	25	4.00%	\$8,000,000	\$4,492,800	6/30/2025
Total			\$80,000,000	\$35,922,800	
Total Cost to the Town with Interest				\$115,932,800	

The impact of the debt servicing for the two school projects on the town budget was estimated based on the planned bonding information and showed the change by year as follows:

Debt Servicing		
Anticipated Impact on the Town Budget		
	Change from 2019	Change from prior year*
Year Ended	Percentage	Percentage
Jun-20	0.00%	0.00%
Jun-21	1.25%	1.25%
Jun-22	4.14%	2.85%
Jun-23	6.58%	2.34%
Jun-24	9.10%	2.36%
Jun-25	9.19%	0.08%
Jun-26	8.95%	-0.22%
Jun-27	8.71%	-0.22%
Jun-28	8.57%	-0.13%
June 2029 – June 2049	Decreases Each Year	

*comparing to the prior year is the usual way we look at budget changes

Now interest rates are lower, and we may be able to secure bonding at lower rates, which will save the Town money over time. This is what happened in the first planned bond sale that took place in 2020.

I would point out that **the anticipated bonding Mill Rate increase for 20/21 that was part of the School Buildings Vote in 2019 was 1.25% to cover the new school debit servicing.** Accordingly, one could say that 1.25% of the increase for 20/21 has already been approved by the voters in the fall of 2019.

The Preliminary Mill Rate Increase on 4/27/2019 was at 2.94% and the amount to be raised by property taxes at \$51,046,653. As stated above, 1.25% of that increase was approved by the voters in the Schools Referenda in 2019. This leaves 1.69% increase that is related to other factors for 20/21.

Mill Rate History – A little **history of Mill Rate and change in New Fairfield and of COLA**. As a note, the budget for a Fiscal Year is typically proposed and approved in April/May before the beginning of the Fiscal year (which starts July 1).

New Fairfield Tax Increase and COLA				
Fiscal Yr	Mill Rate	Adjusted Mill Rate for year prior to a reval	% Tax Increase	% COLA
20/21				1.6
19/20	30.90	30.28 **	1.05	2.8
18/19	30.58		2.55	2.0
17/18	29.82		3.97	0.3
16/17	28.68		0.53	0.0
15/16	28.53		1.97	1.7
14/15	26.08	27.98 *	1.72	1.5
13/14	25.64		3.97	1.7
12/13	24.66		2.96	3.6
11/12	23.95		2.88	0.0
10/11	23.28		2.92	0.0
09/10	20.61	23.28 *	-0.15	5.8
08/09	20.64		3.41	2.3
07/08	19.96		1.32	3.3
06/07	19.70		3.30	4.1

	- revaluation year
	- Increase with revaluation adjusted prior year Mill Rate
*	- used to calculate tax increase in the following reval year (Grand List went down)
**	- used to calculate tax increase in the following reval year (Grand List went up)

- The Financial Crisis of 2007-2008 would have occurred during New Fairfield’s Fiscal Years 2007/2008 and 2008/09 and carry over through 2009/2010 and 2010/2011.
 - ◆ Based on other referenda during the financial crisis beginning in 2007, taxpayers clearly recognized the need to maintain and improve town services, even during the financial crisis.
 - ◆ The 2009/10 mill rate change of -.15% was obtained by dropping Cap & Nonrecurring by over 50% from the year before and by appropriating some funds (\$35,000) from Fund Balance (when the rainy-day fund was nowhere near as healthy as it is today). A dropping revaluation like in 2010 makes the mill rate change look better to voters.
- But when the revaluation goes the other way, as it does in 2020, it has the opposite effect. Simply put a rising revaluation like 2020 makes the mill rate change look worse to voters who do not understand the recalculation.

Financial Crisis of 2007–08 – Historically, the **financial crisis of 2007–08**, also known as the **global financial crisis**, was a severe worldwide economic crisis. It is considered by many economists to have been the most serious financial crisis since the Great Depression of the 1930s.

A little history - the crisis began in April 2007 with a depreciation in the subprime mortgage market in the United States, and it developed into an international banking crisis with the collapse of the investment bank Lehman Brothers on September 15, 2008. In August 2007, The Federal Open Market Committee began reducing the federal funds rate. In February 2008, The Economic Stimulus Act of 2008 was enacted, which included a tax rebate. In July 2008, the Housing and Economic Recovery Act of 2008 was enacted. In early October 2008, Congress passed the Emergency Economic Stabilization Act of 2008. The financial crisis worsened in 2009. In February 2009, Congress approved the American Recovery and Reinvestment Act of 2009, a \$787 billion economic stimulus package. Unemployment rose and peaked nationally in October 2009.

The Financial Crisis of 2007-2008 would have occurred during New Fairfield's Fiscal Years 2007/2008 and 2008/09 and carry over through 2009/2010 and 2010/2011.

A history of New Fairfield's Mill Rate, % Tax Increase, and % COLA can be found above.

Other Referenda during the financial crisis beginning in 2007 – It should be noted that in May 2009, the town appropriated \$32,625,000 for renovations to Meeting House Hill School and Bonding in May 2009 (passing 1,485 for to 961 against). Then in September 2009, the town approved a \$1,200,000 upgrade to the Town's Emergency Communication System (passing 453 for to 166 against). **Based on other referenda during the financial crisis beginning in 2007, voters clearly recognized the need to maintain and improve town services, even during the financial crisis.**

Revaluation – In New Fairfield, a revaluation is done every 5 years. The purpose of the revaluation program is to develop accurate and uniform assessments based on fair market value. Every 5 years during those revaluation years, the Mill Rate is recalculated for the prior year to show what the Mill Rate would have been in the prior year if the revaluation had taken place in that year. The Mill Rate approved by the Voters in May 2019 was \$30.90. The adjusted mill rate for the current revaluation is \$30.28. This is used to calculate the mill rate change and increase in the 2020/2021 budget. The revaluations have an impact on current and historic budgets.

Looking at the 2009/2010 and the 2010/2011 budgets (mentioned in the last BOF meeting) it is interesting to note that the 2009/2010 mill rate change was -.15%. **The 2009/10 mill rate change of -.15% was obtained by dropping Cap & Nonrecurring by over 50% from the year before and by appropriating some funds (\$35,000) from Fund Balance (when the rainy-day fund was nowhere near as healthy as it is today).** The following year (2010-2011) the budget increased by 2.92% while the revaluation lowered the grand list by almost 9%. Why is this important? Because in a revaluation year, the prior year's mill rate is recalculated with the new grand list. In a year when the revaluation goes down (like 2010) this effectively shifts some of the expenditure increase to the prior year for comparison purposes. Had 2010 not been a revaluation year, the mill rate increase would have been 12.99% but because of this shift 2010 showed a mill rate increase to the voters of 2.92% while transforming the -.15% for 2009 to 9.61%. (see Exhibit 1 below.) **A dropping revaluation like in 2010 makes the mill rate change look better to voters.**

But when the revaluation goes the other way, as it does in 2020, it has the opposite effect. Using the proposed budget at a 2.94% mill rate adjusted for the revaluation, this rate is determined by effectively shifting some of the revaluation increase to the prior year for comparison purposes. If 2020 had not been a revaluation year, the mill rate increase would only be .87% instead of the 2.92% while transforming the 1.05% for 2019 to -.99%. (See exhibit 2 below.) **Simply put a rising revaluation like 2020 makes the mill rate change for that year look worse to voters who do not understand the recalculation.**

EXHIBIT 1

Budget Considerations 2020/21

	<u>Approved Budget 08/09</u>	<u>Approved Budget 09/10</u>	<u>Approved Budget 10/11</u>	<u>10/11 compared to 09/10</u>	<u>% 10/11 compared to 09/10</u>
Operating Expenditures	41,725,164	42,277,103	42,718,772	441,669	1.04%
Debt Service	2,363,575	2,331,432	2,820,680	489,248	20.98%
Capital & Nonrecurring	754,325	361,048	244,230	(116,818)	-32.36%
Budgetary Expenditures and Other					
Financing Uses	44,843,064	44,969,583	45,783,682	814,099	1.81%
Non Tax Revenues	7,530,825	7,568,587	7,275,021	(293,566)	-3.88%
Adjustments to Property Taxes	(551,800)	(531,200)	(500,000)	31,200	-5.87%
Appropriated from Fund Balance		35,000			
Total Property Taxes	37,864,039	37,897,196	39,008,661	1,076,465	2.84%
Grand List per Mill at time of budget	1,834,757	1,838,908	1,675,289	(163,619)	-8.90%
Grand List per Mill restated for revaluation next year		1,675,289			
Mill Rate at time of approval	20.64	20.61	23.28	2.68	12.99%
Mill Rate Increase %	3.41%	-0.15%	12.99%		
Mill Rate restated for revaluation		22.62	23.28	0.66	2.93%
Mill Rate increase % py restated		9.61%	2.92%		
COLA for the year	2.3%	5.8%	0.0%		
Unemployment Rate (U.S. Bureau of Labor Statistics)					
	2008 Mar	2009 Mar	2010 Mar		
New Fairfield	3.6	6.2	7.7		
Fairfield County	4.7	7.0	8.5		
Connecticut	5.1	7.3	9.1		
U.S.	5.1	8.7	9.9		
	2008 May	2009 May	2010 May		
New Fairfield	4.3	6.6	7.9		
Fairfield County	4.8	7.2	8.2		
Connecticut	5.3	7.7	9.1		
U.S.	5.4	9.4	9.6		
	2008 Sep	2009 Sep	2010 Sep		
	4.8	7.4	8.6		
	5.5	7.9	8.4		
	6.1	8.4	9.2		
	6.1	9.8	9.5		

EXHIBIT 2
Budget Considerations 2020/21

	<u>Approved</u> <u>Budget</u> <u>18/19</u>	<u>Actual Final</u> <u>per audit</u> <u>18/19</u>	<u>Approved</u> <u>Budget</u> <u>19/20</u>	<u>Proposed</u> <u>20/21</u> <u>(2.94% mill</u> <u>rate</u> <u>increase)</u>	<u>Proposed</u> <u>20/21</u> <u>compared</u> <u>to 19/20</u>	<u>%</u> <u>Proposed</u> <u>20/21</u> <u>compared</u> <u>to 19/20</u>
Operating Expenditures	51,570,318	51,269,444	52,333,375	53,672,663	1,339,288	2.56%
Debt Service	2,444,607	2,444,606	2,282,125	2,636,380	354,255	15.52%
Capital & Nonrecurring	932,170	1,203,200	850,675	637,911	(212,764)	-25.01%
Budgetary Expenditures and Other						
Financing Uses	54,947,095	54,917,250	55,466,175	56,946,954	1,480,779	2.67%
Non Tax Revenues	6,683,197		6,637,843	6,758,051	120,208	1.81%
Adjustments to Property Taxes	(704,000)		(757,750)	(857,750)	(100,000)	13.20%
Total Property Taxes	48,967,898	54,917,250	49,586,082	51,046,653	1,460,571	2.95%
Grand List per Mill at time of budget	1,601,085		1,604,519	1,637,588	33,069	2.06%
Grand List per Mill restated for revaluation next year			1,637,588			
Mill Rate at time of approval	30.58		30.90	31.17	0.27	0.87%
Mill Rate Increase %	2.55%		1.05%	0.87%		
Mill Rate restated for revaluation			30.28	31.17	0.89	2.95%
Mill Rate increase % py restated			-0.99%	2.95%		
COLA for the year	2.0%		2.8%	1.6%		
Unassigned Fund Balance 2019 per audit		9,856,858	9,856,858	9,856,858		
Actual % 2019		17.95%				
Goal at 2 months (2/12)	9,157,849	9,152,875	9,244,363	9,491,159		
Excess over 2019 actual Unassigned Fund Balance at goal		703,983	612,496	365,699		
Actual % 2018		12.01%	12.01%	12.01%		
If still at 2018 actual as goal		6,595,562	5,955,288	6,130,703		
Excess over 2019 actual Unassigned Fund Balance at 2018 level		3,261,296	3,901,570	3,726,155		
Actual % 2017		10.44%	10.44%	10.44%		
If still at 2017 actual as goal		5,733,361	5,176,787	5,329,271		
Excess over 2019 actual Unassigned Fund Balance at 2017 level		4,123,497	4,680,071	4,527,587		
If Unassigned Fund Balance used to cover Budget increase				8,396,287		
% Unassigned at the end of 2019				15.29%		
% based on projected Budgetary Expenditures for 20/21				14.74%		

EXHIBIT 3
Budget Considerations 2020/21
with revised proposed

	<u>Approved</u> <u>Budget</u> <u>18/19</u>	<u>Actual Final</u> <u>per audit</u> <u>18/19</u>	<u>Approved</u> <u>Budget</u> <u>19/20</u>	<u>Proposed</u> <u>20/21</u> <u>(2.94% mill</u> <u>rate</u> <u>increase)</u>	<u>Revised</u> <u>Proposed</u> <u>(\$750,000</u> <u>less than</u> <u>2.94%.)</u>
Operating Expenditures	51,570,318	51,269,444	52,333,375	53,672,663	52,922,663
Debt Service	2,444,607	2,444,606	2,282,125	2,636,380	2,636,380
Capital & Nonrecurring	932,170	1,203,200	850,675	637,911	637,911
Budgetary Expenditures and Other					
Financing Uses	54,947,095	54,917,250	55,466,175	56,946,954	56,196,954
Non Tax Revenues	6,683,197		6,637,843	6,758,051	6,758,051
Adjustments to Property Taxes	(704,000)		(757,750)	(857,750)	(857,750)
Total Property Taxes	48,967,898	54,917,250	49,586,082	51,046,653	50,296,653
Grand List per Mill at time of budget	1,601,085		1,604,519	1,637,588	1,637,588
Grand List per Mill restated for revaluation next year			1,637,588		
Mill Rate at time of approval	30.58		30.90	31.17	30.71
Mill Rate Increase %	2.55%		1.05%	0.87%	-0.62%
Mill Rate restated for revaluation			30.28	31.17	30.71
Mill Rate increase % py restated			-0.99%	2.95%	1.43%
COLA for the year	2.0%		2.8%	1.6%	1.6%

Exhibit 4

Unassigned General Fund Balance

	<u>UGF Balance</u>	<u>Expenditures</u>	<u>Percentage</u>
As at June 30, 2019 (per Audit)	\$9,856,858	\$54,917,250	17.95%
Appropriated FY 18/19 Town Surplus	(\$132,228)		
Appropriated FY 18/19 BOE Surplus	(\$103,899)		
After 18/19 surplus appropriations	\$9,620,731	\$54,917,250	17.52%

19/20 Approved Budget

Operating Expenditures		\$52,333,375	
Debt Service		\$2,282,125	
Capital & Nonrecurring		\$850,675	
Budgetary Expenditures and Other			
Financing Uses		\$55,466,175	
If the UGF doesn't change	\$9,620,731	\$55,466,175	17.35%

WHAT IF:

Estimated 19/20 Surplus	\$300,000		
Estimate 19/20 surplus appropriated	(\$300,000)		
If say \$300,000 from 19/20 surplus appropriated	\$9,620,731	\$55,466,175	17.35%

Proposed 20/21 (2.94% mill rate increase) assuming no additional surplus in 20/21

Operating Expenditures		\$53,672,663	
Debt Service		\$2,636,380	
Capital & Nonrecurring		\$637,911	
Budgetary Expenditures and Other			
Financing Uses		\$56,946,954	
If the UGF doesn't change	\$9,620,731	\$56,946,954	16.89%
Estimated 19/20 Surplus	\$300,000		
Estimate 19/20 surplus appropriated	(\$300,000)		
If say \$135,000 from 19/20 surplus appropriated	\$9,620,731	\$56,946,954	16.89%

Note: does not consider possible 20/21 surplus being added

Proposed 20/21 (2.94% mill rate increase) less another 750,000 in cuts assuming no additional surplus in 20/21

Operating Expenditures		\$52,922,663	
Debt Service		\$2,636,380	
Capital & Nonrecurring		\$637,911	
Budgetary Expenditures and Other			
Financing Uses		\$56,196,954	
If the UGF doesn't change	\$9,620,731	\$56,196,954	17.12%
Estimated 19/20 Surplus	\$300,000		
Estimate 19/20 surplus appropriated	(\$300,000)		
If say \$135,000 from 19/20 surplus appropriated	\$9,620,731	\$56,196,954	17.12%

Note: does not consider possible 20/21 surplus being added

FY 2020/21 Rate Comparisons and impact on annual property taxes at various values

			<u>19/20 Approved rate</u>		<u>19/20 revaluation rate - 0.0 % increase</u>	<u>2.94% increase</u>		<u>1.42% increase</u>	
	Property Value	Assessed Value	19/20 property tax at the approved rate**	Annual Difference between 19/20 approved and revaluation rate	19/20 property tax at revised rate ** for revaluation (0% increase)	20/21 property tax at 2.94% increase **	Annual Difference from 19/20 revaluation (0%)	20/21 property tax at 1.42% increase **	Annual Difference from 19/20 revaluation (0%)
Tax rate per mill			\$30.90		\$30.28	\$31.17		\$30.71	
	\$100,000	\$70,000	\$2,163	(\$43)	\$2,120	\$2,182	\$62	\$2,150	\$30
	\$175,000	\$122,500	\$3,785	(\$76)	\$3,709	\$3,818	\$109	\$3,762	\$53
	\$225,000	\$157,500	\$4,867	(\$98)	\$4,769	\$4,909	\$140	\$4,837	\$68
	\$275,000	\$192,500	\$5,948	(\$119)	\$5,829	\$6,000	\$171	\$5,912	\$83
median value*	\$299,143	\$209,400	\$6,470	(\$130)	\$6,341	\$6,527	\$186	\$6,431	\$90
<i>rounded up</i>	\$300,000	\$210,000	\$6,489	(\$130)	\$6,359	\$6,546	\$187	\$6,449	\$90
	\$325,000	\$227,500	\$7,030	(\$141)	\$6,889	\$7,091	\$202	\$6,987	\$98
	\$375,000	\$262,500	\$8,111	(\$163)	\$7,949	\$8,182	\$234	\$8,061	\$113
	\$425,000	\$297,500	\$9,193	(\$184)	\$9,008	\$9,273	\$265	\$9,136	\$128
	\$500,000	\$350,000	\$10,815	(\$217)	\$10,598	\$10,910	\$312	\$10,749	\$151

* medium value after 2020 revaluation, per New Fairfield Assessor, for all properties (residential, commercial, vacant land, etc.)

** Rounded to whole dollars