

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.