



To: The Hinesburg Selectboard, residents and voters  
 From: Renae Marshall, Town Administrator  
 Date: January 29, 2020  
 Re: Proposed FY21 Municipal Budget

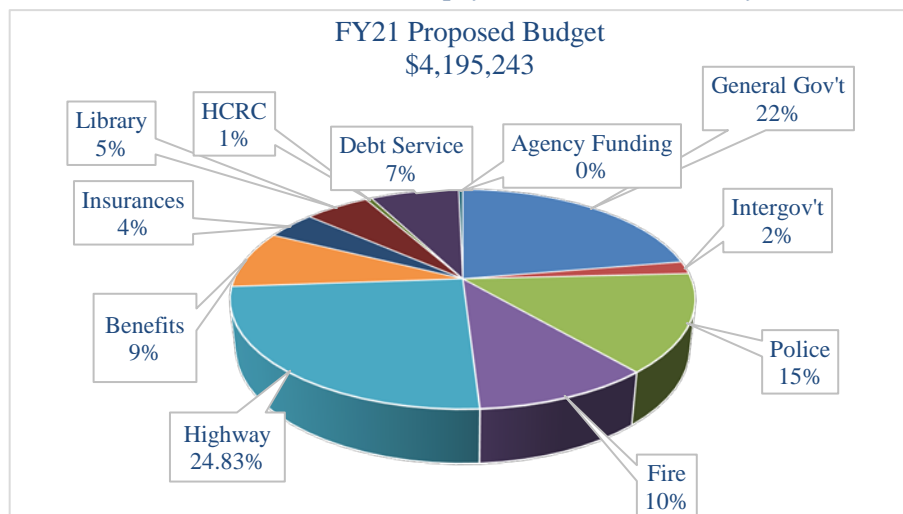
The proposed FY21 municipal budget is \$4,195,243, an increase in expenditures of \$231,704 (5.85%) from the FY20 budget, as approved by voters. The bulk of the proposed increases are due to increased health insurance costs resulting from employee mix changes during the current year, a new full-time employee in the Fire Department as well as salary/wage increases for all staff. In addition to these personnel costs, an increase in station repair/maintenance for the existing Fire Department building was also included.

The FY21 budget includes \$1,284,671, or 30.6% of the general fund budget, for employee salaries/wages which includes 17 full-time staff, 3 regular part-time and 1 FTE, temporary part-time or seasonal staff, as needed, as well as on-call pay for fire/ems volunteers.

The capital improvement program is the mechanism through which capital items (heavy equipment, facilities, infrastructure projects, etc.) are funded. In FY21, the Selectboard is continuing their commitment to maintain the buildings and infrastructure that we currently have and continuing the transition of saving towards vehicle and equipment replacement as interest rates begin to climb. In FY21, a total of \$622,320, or 14.83% of the overall general fund budget, is proposed for capital projects, vehicle/equipment replacement or planned savings for the future, according to the capital improvement plan.

Increase in Expenditures over FY20:

- Salary/Wages for staff across all departments (\$104,871) – reflects FY21 wage increases as well as new full-time employee in Fire Department and additional funds for temporary part-time assistance in Highway
- Health insurance (\$66,247) – reflects several employee-mix changes in current year as well as estimated cost of coverage of new employee, based on a family plan
- Fire station repairs (\$14,000) – to cover cost of building repair/maintenance needs planned for FY21
- Fire vehicle repairs (\$12,000) – Reflects maintenance/repair costs of vehicles based on age
- Hinesburg Community Resource Center (\$8,000) – previously included under agency requests for \$13,000
- Fire – Capital Transfer (\$16,304) – Reflects full FY21 payment that was offset by reserve funds in FY20.



**General Gov't** = Selectboard, Town Administrator, Clerk/Treasurer, BCA, Elections, Planning & Zoning, Assessor, Recreation, Buildings & Facilities, Technology, Public Health, Dog Control, Cemetery, Conservation Commission, Hinesburg Preservation Fund

**Insurances** = Property & Casualty Insurance, Worker's Compensation, Unemployment Insurance

**Benefits** = Health Insurance, Health Insurance Opt-out, Vision, Dental, Short and Long-term Disability, and the employer's contribution to the Vermont Municipal Retirement Fund (VMERS)

**Fire** = Fire Department and Fire Warden

**Intergov't** = Green Mountain Transit, County Tax, Lake Iroquois Recreation District

Revenue

Projected non-property tax revenue is \$695,700, leaving \$3,499,543 to be raised by property taxes.

Grand List Growth/Loss

The proposed budget assumes a 0.50% increase in the grand list over FY20 (the average increase between FY09 and FY19 was 1.10%) based on current data from the assessor. The grand list value is estimated to be \$6,272,528.

Fund Balance

The FY21 budget proposes to apply \$150,000 of unassigned fund balance to decrease the tax rate by approximately 2.4 cents. In addition, this budget proposes utilizing \$25,000 in fund balance to increase savings toward replacement of the current sidewalk plow as well as additional funds for future sidewalk repair/replacement projects (see FY21 Capital Transfer Summary).

Summary

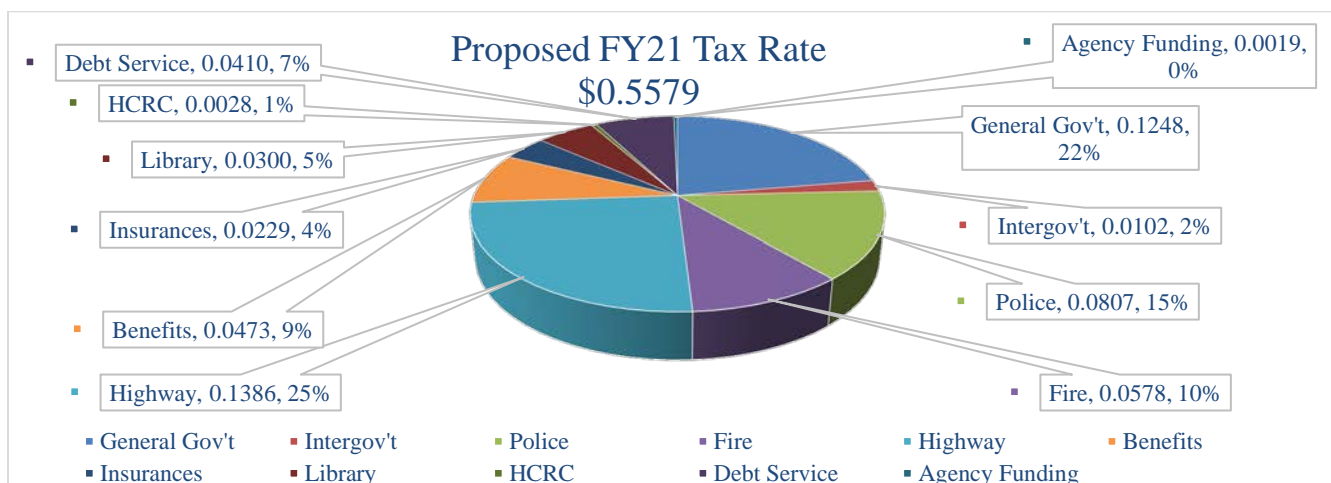
FY21 **proposed**: \$4,195,243

FY20 **approved**: \$3,963,539

+/- (expenditures): +\$231,704

Preliminary FY21 Tax Rate: \$0.5579<sup>1</sup>

+/- (from approved FY19 tax rate): \$0.0283



<sup>1</sup> Tax Rate Calculation: (FY21 Budget – non-property tax revenue) ÷ grand list.  
 (\$4,195,243 – \$695,700) ÷ \$6,272,528 = \$0.5579

*Estimated Municipal Property Tax impact (compared to FY20) – Residential Property Owners*

Assessed Value:	<u>\$200,000</u>	<u>\$300,000</u>	<u>\$400,000</u>
Annual +/-	\$56.63	\$84.95	\$113.26
Monthly +/-	\$4.72	\$7.08	\$9.44

*Total Estimated FY21 Municipal Property Tax impact – Residential Property Owners)*

Assessed Value:	<u>\$200,000</u>	<u>\$300,000</u>	<u>\$400,000</u>
Annual +/-	\$1,115.81	\$1,673.70	\$2,231.60
Monthly +/-	\$92.98	\$139.48	\$185.97

*FY21 Municipal Impact to the taxpayer by budget based on value of property:*

<b>Budget</b>	<b>200k</b>	<b>300k</b>	<b>400k</b>
General Government:	\$ 249.62	\$ 374.42	\$ 499.23
Intergov't	\$ 20.48	\$ 30.72	\$ 40.97
Police	\$ 161.38	\$ 242.08	\$ 322.77
Fire	\$ 115.56	\$ 173.35	\$ 231.13
Highway	\$ 277.11	\$ 415.66	\$ 554.22
Benefits	\$ 94.54	\$ 141.81	\$ 189.07
Insurances	\$ 45.75	\$ 68.62	\$ 91.49
Library	\$ 59.97	\$ 89.96	\$ 119.94
HCRC	\$ 5.59	\$ 8.38	\$ 11.17
Debt Service	\$ 81.99	\$ 122.98	\$ 163.98
Agency Funding	\$ 3.82	\$ 5.72	\$ 7.63
<b>Total</b>	<b>\$ 1,115.81</b>	<b>\$ 1,673.70</b>	<b>\$ 2,231.60</b>

The table above represents the total annual cost to the taxpayer, based on property value, for the above municipal services. For example, a home valued at \$400,000 pays a total of \$554.22 in taxes per year to cover the cost of paving and grading of approximately 55 miles of town roads (21.37 miles paved, 33.17 gravel), road material, culverts, building and equipment needs as well as highway wages.