

Early View of Potential FY20 Major Drivers

November 27, 2018

- **Wages** – Based on FY19 budgeted salaries of \$3.3M, we estimate an increase of approximately \$90,000 in General Fund wages. This reflects a 2% cost-of-living adjustment, wage steps and merit increases, as applicable.
- **Benefits** – We estimate an increase of \$60,000 in the cost of employee benefits. Employee benefits include payroll taxes, retirement, workers compensation, unemployment insurance, and health, dental and disability insurance. The \$60,000 projected increase compares favorably with the \$101,450 increase from FY18 to FY19, primarily due to the procurement of health insurance through a newly-available association plan rather than through the VT Health Exchange. Options for addressing several minor changes in coverage in the health plan are under investigation.
- **New Position – Assistant Librarian for Adult Services/Circulation** – In October, the Personnel Committee considered and endorsed a new position in the Library, Assistant Librarian for Adult Services/Circulation, pending the Selectboard’s consideration of the FY20 budget. Early in the budget process, we will carry \$69,500, the top end of the \$54,500 - \$69,500 estimate of wages and benefits for the position.
- **New Position – Accounting Services/Grants Administration** -- Town Manager Kathleen Ramsay and Accounting Services Manager Jackie Sullivan are in the early stages of developing a request for additional personnel in the finance office, with grants administration identified as one need. The \$69,500 is offered as a place marker, which will be adjusted as the duties and number of hours required for the position are refined.
- **Capital Improvements** - At its meeting on November 8, 2018, the Infrastructure Committee endorsed a FY20 Capital Improvement Budget of \$1,302,021, an increase of \$296,119. At its December 13 meeting, the Committee will discuss the use of a portion of the FY19 Cross Street Bridge estimated surplus of approximately \$400,000 to offset the increase in capital improvement spending.
- **MCTV Special Project** - The MCTV Board has indicated that it will submit a request for the Town to split the estimated \$16,000 cost of upgraded video and audio equipment for the Large Conference Room with MCTV.
- **Property & Casualty Insurance** – a 5% increase in insurance premiums is estimated, from a budgeted amount of \$113,770 in FY19 to \$119,500 in FY20.