
FY 2021-2022 BUDGET RECOMMENDATION

FIRST SELECTWOMAN BRENDA L. KUPCHICK



WITH THANKS AND APPRECIATION

Thank you to our Finance Department, all department heads and Town employees for your work throughout this very long budget process. It has been a difficult few months with the arrests of fellow employees and the transition of a new administration. I want to thank everyone for staying positive and open to change as we move forward.

I especially want to thank our Director of Public Health, Sands Cleary, and his department, along with Chief Denis McCarthy, the Town's Emergency Management Director, for going above and beyond the call of duty this past year.

I also want to thank Selectman Tom Flynn, Board of Finance Chair Jim Brown, and RTM Leader Pam Iacono for their consistent input over the last several months working with me to help craft a fiscally responsible budget that addresses the concerns of the Board of Finance, the RTM and the needs of our town in this very difficult year.

Thank you to all our elected officials and volunteers who serve on boards and commissions to make our community a better place to live and work.

It's an honor to serve as Fairfield's First Selectwoman and work with the men and women in our Town Hall.

VISION STATEMENT – MOVING FAIRFIELD FORWARD

This budget will continue to modernize town government with the introduction of best practices and technological improvements that are grounded in a customer-service centric approach for a more user-friendly experience for residents and businesses.

This budget services Fairfield's long-term liabilities, expands senior and disabled tax relief, and most importantly, preserves a firm foundation for the Town. This foundation is strengthened by paying off debt, maintaining our AAA bond rating, financing the important funds that keep our Town on solid financial ground, and increases spending for the Board of Education.

Looking Back on 2020

2020 was a difficult year for many, especially those who lost loved ones, friends, and family to COVID-19. At times, nearly 20% of people were unemployed while wages remained flat or declined for many, and while small businesses were struggling. My goal for the last year was to help our businesses grow, but I had to pivot to assist our small business community so they could survive while also working with our town's emergency management team to keep our town safe.

This included providing small business grants and streamlining permitting to keep businesses open amidst the new regulations designed to stop the spread of the virus. We were also able to completely reopen town government within 48 hours of the initial shutdown with all but essential services operating remotely for the first time in town history

Despite the challenges the pandemic brought, we were still able to initiate a reorganization of town departments, a restructuring of personnel, employee training, online permitting, and addressing root causes of corruption to ensure that it does not happen again. We still have work to do.

The state and town continue to struggle with the economic consequences of the pandemic. My budget proposal looks to support our residents and businesses while also creating an environment for growth.

FAIRFIELD AT A GLANCE

- 62,045 Residents
- \$139,122 Median Household Income
- 20,641 Households
- 66% of Adults hold College Degree or better
- 459.6 Town Employees
- 1,483 Board of Education employees
- A+ Rated Public Schools
- 35% of households have children in public schools
- AAA-rated community

2022 BUDGETARY OBJECTIVES & GOALS

- ✓ Support Economic Development
- ✓ Maintain Excellent Schools
- ✓ Modernize Town Government
- ✓ Invest in Town Infrastructure
- ✓ Fund Long-Term Contractual Obligations

BUDGETARY HIGHLIGHTS

- ❑ Increases last year's education budget by more than \$7.5 million (4.1%)
 - ❑ Second largest increase in a decade
- ❑ Funds 100% (plus) of payments toward long-term contractual obligations
 - ❑ Replenishes accounts used to subsidize last year's 0% tax increase
 - ❑ Funds Retiree Healthcare
 - ❑ Maintains Town Reserves
 - ❑ Town Pension Benefits
 - ❑ Salary Reserves
- ❑ Funding delayed maintenance of town buildings, roads, bridges, and technology

BUDGETARY HIGHLIGHTS

- ❑ Current Town Reorganization Status
 - ❑ Total Full-Time Positions - Reduced from 463.6 to 459.6
 - ❑ VERIP Participants - 17
 - ❑ NET Position Reduction - 4
 - ❑ Salary Savings - \$613,000
- ❑ Expands and Improves Senior & Disabled tax relief to maximize benefits for lowest-income seniors
- ❑ Limits the mill rate increase to 1.98%

BUDGET SUMMARY

	2020 Budget	2021 First Selectwoman	% Budget Change
Board of Education	\$184,500,568	\$192,084,220	4.11%
Shared Expense (BOE & Town)	\$26,109,421	\$30,395,167	16.41%
Town*	\$106,567,790	\$113,006,255	6.04%
Total Expenditures/Net Revenue Required	317,177,779	\$335,485,642	5.77%
Mill Rate Increase			1.98%

*Excluding OPEB Retiree Health Benefits Cliff Funding – Town Spending Increase Is 2.37%

Where the money comes from - FY21 vs FY22...

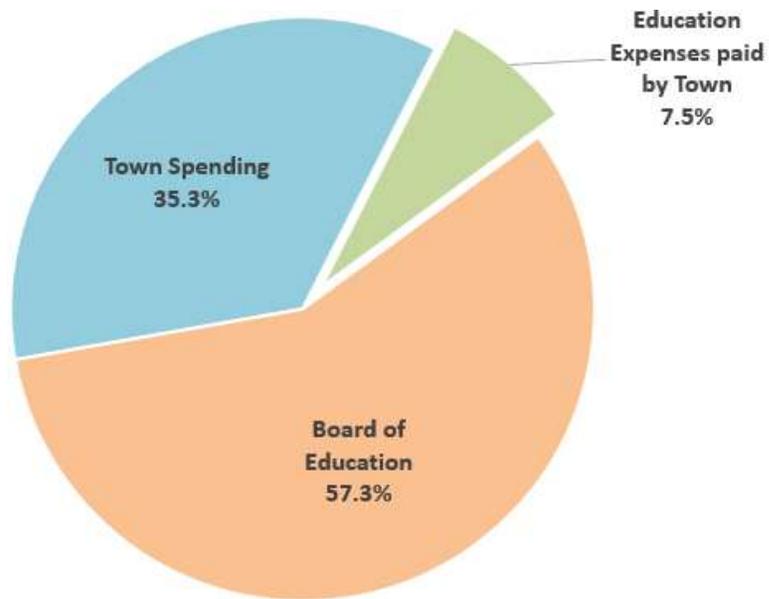
	FY 21	FY 22 (FS)	\$ Change	% Change
Current Year Tax Levy	290,376,747	308,779,600	\$18,402,853	6.34%
Prior Year Tax, Interest, Lien Fees	3,288,404	3,193,000	-\$95,404	-2.90%
Other Town Fees and Charges	14,595,671	15,038,393	\$442,722	3.03%
Investment Income	1,967,000	1,355,384	-\$611,616	-31.09%
State Municipal Aid	4,925,213	4,936,134	\$10,921	0.22%
Fines	214,275	228,755	\$14,480	6.76%
Rental Income	1,810,469	1,954,376	\$143,907	7.95%
Totals	317,177,779	335,485,642	18,307,863	5.77%

Where the money goes - FY21 vs FY22 ...

	FY21 BUDGET	FY22 FS PROPOSED	\$ CHG	% CHG
BOARD OF EDUCATION	<u>184,500,568</u>	<u>192,084,220</u>	<u>\$7,583,652</u>	<u>4.11%</u>
TOWN				
Salary/Wages	\$52,197,401	\$52,196,803	(\$598)	0.00%
Reserve for Unsettled Contracts	<u>0</u>	<u>1,286,451</u>	<u>1,286,451</u>	=
Subtotal Salary/Wages/Rsrv	\$52,197,401	\$53,483,254	\$1,285,853	2.46%
OPEB (Retirees Health) *	5,530,875	9,440,500	3,909,625	70.69%
Pension	10,271,581	10,568,581	297,000	2.89%
Capital Replacement	924,428	1,707,835	783,407	84.75%
Other	19,852,316	20,249,385	397,069	2.00%
Paving (Public Works)	1,000,000	1,000,000	0	0.00%
Health Ins.	10,746,303	10,559,472	(186,831)	-1.74%
Fees and Pro'l Svcs	<u>6,044,886</u>	<u>5,997,228</u>	<u>(47,658)</u>	<u>-0.79%</u>
TOTAL TOWN	<u>106,567,790</u>	<u>113,006,255</u>	<u>6,438,465</u>	<u>6.04%</u>
SHARED (TOWN & BOE)				
Risk Management	700,000	850,000	150,000	21.43%
Worker's Comp	1,641,285	1,682,185	40,900	2.49%
Suppl Contrib. to Fund Balance	<u>0</u>	2,220,000	2,220,000	-
Debt Service	23,768,136	25,642,982	1,874,846	7.89%
TOTAL SHARED	<u>26,109,421</u>	<u>30,395,167</u>	<u>4,285,746</u>	<u>16.41%</u>
GRAND TOTAL	<u>\$317,177,779</u>	<u>\$335,485,642</u>	<u>\$18,307,863</u>	<u>5.77%</u>

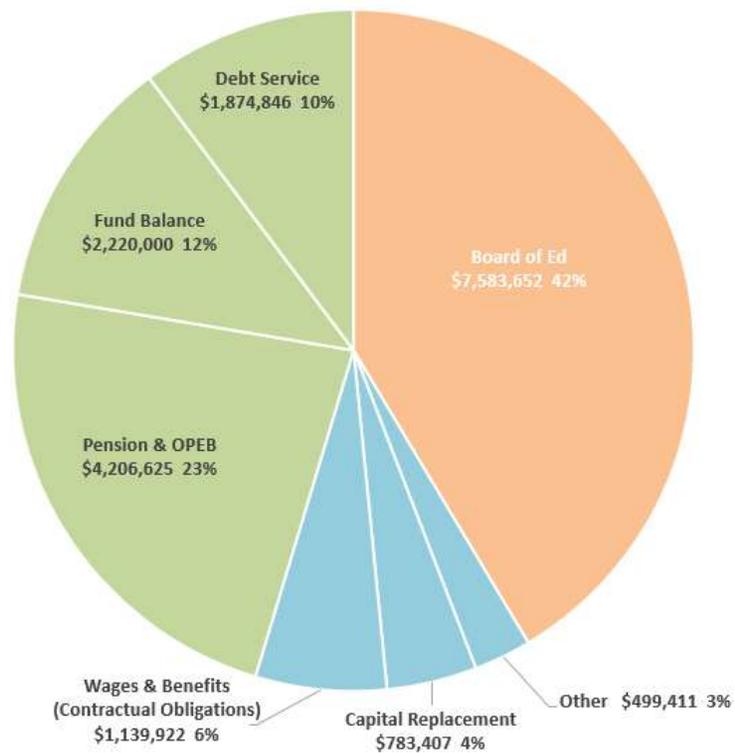
*Excluding OPEB Retiree Health Benefits Cliff Funding – Town Spending Increase Is 2.37%

Spending Comparison



- The overall budget includes:
 - Town Budget
 - Education expenses paid by the town (debt service on capital projects, nurses etc.)
 - Board of Education Budget
- The Board of Education budget plus the education expenses paid by the Town, totals 65% of the Town of Fairfield's Budget.

FY22 Budget Increases by Dollars & Percentage



87% of FY22 increases are to fund education and long-term liabilities

DOING MORE, WITH LESS

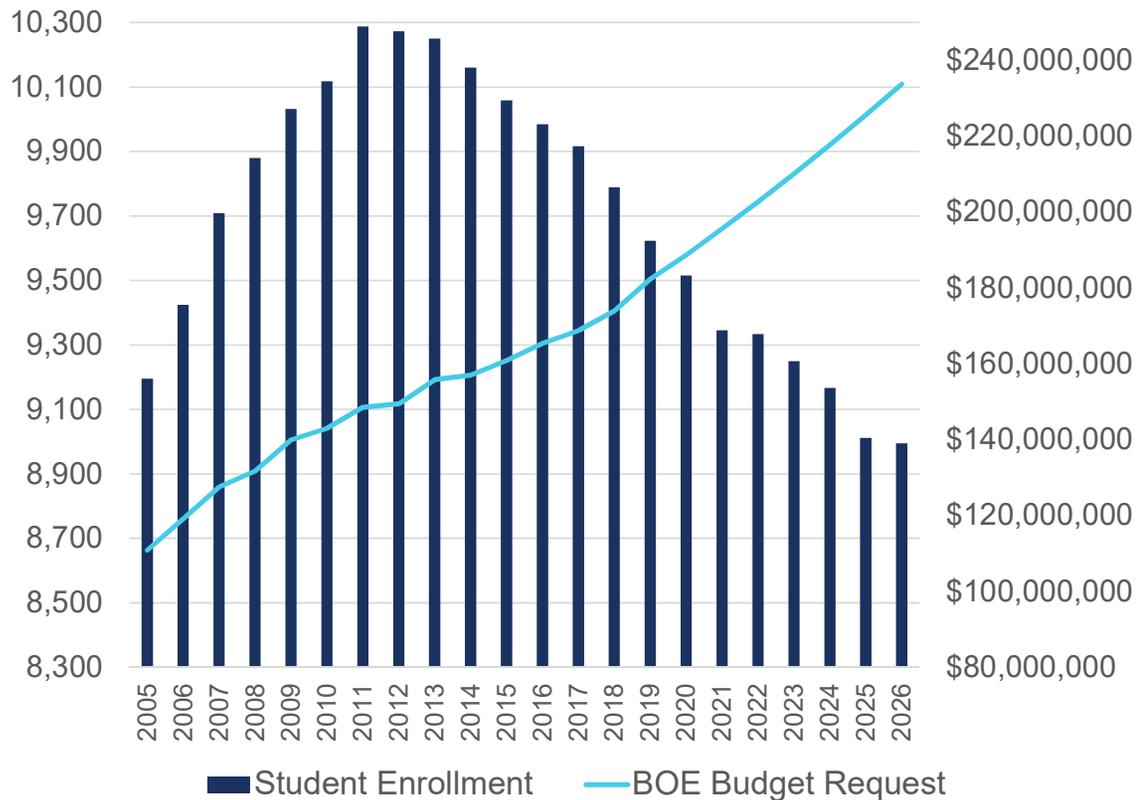
The First Selectwoman's budget efficiently utilizes just 13% to provide funding for:

- Investments in technology
- Safety and training equipment for law enforcement and firefighters
- Service vehicles and equipment for Public Works
- A redesigned Town website that allows us to communicate and interact with residents more efficiently
- Salary & Wage Reserves for Unsettled Contracts

LEGEND

- Education (42%)
- Current Town Operations (13%)
- Long-term Contractual Obligations (45%)

BOE BUDGET REQUESTS & STUDENT ENROLLMENT



The projected budget requests are based on a continued 3.63% average yearly increase.

The cost per pupil, including town spending: 2011: \$16,633.21 (highest student enrollment), 2020: \$22,423.42

BUDGET RECOMMENDATION - BOE

- Board of Education budget request is \$194,084,220 (5.19%)

- \$2 million reduction to the \$9.6 million BOE requested increase:
 - \$2 million is less than one percent of total education expenditures
 - Budget increase of more than \$7.5 million over last year
 - BOE health insurance increase of 11.25%*
 - 10 years since the last BOE operating audit
 - All education-related expenses represent 65% of total town budget.
 - This continues the Town's commitment to education

IMPROVE TOWN SERVICES & EFFICIENCIES BY MODERNIZING TOWN GOVERNMENT

- ❑ Online Permitting Software to offer one point of entry to interact with departments:
 - Planning & Zoning, Conservation, Historic District, Engineering, Health, Sewer, Building, Fire Marshal, Tax Collector, Tax Assessor
- ❑ Automated Time & Attendance/ Workforce Management: Automated system to monitor employee time, control labor costs, and minimize compliance risk, while improve workforce productivity and service to the public
- ❑ Digital Transformation: Upgrade conference rooms to allow for virtual meetings

IN SUMMARY

Fiscally Responsible Budget:

- Protects Taxpayers
- Enables Growth
- Significantly Increases Education Spending
- Provides Critical Maintenance for Town Infrastructure
- Limits Mill Rate Increase Despite Impact of the Pandemic
- Funds Long Term Contractual Obligations
- Preserves AAA Credit Rating & Long-Term Fiscal Health of the Town