

Town of Thomaston



Proposed Budget *July 1, 2006-June 30, 2007*

Board of Finance:

Michael Burr, Chairman
George Counter
Marie Galbraith
Edmond Mone
John Scheppard
Kristin Mosimann O'Sullivan

Board of Selectmen:

Maura E. Martin, First Selectman
Jeremiah Scully
Kenneth Hopkins

Town Meeting May 17, 2006

Budget in Brief

The operating budget of \$24,617,482 represents a \$1,451,450 or 6.27% increase from the previous year's budget of \$23,166,032. Forty percent of the increase has been funded by the use of \$587,800 in fund balance reserves. The mill rate has been increased to 39.62 from 38.66, (a .96 mill rate increase) resulting in a 2.48% tax increase.

Debt Service – Fiscal year 06/07 is Thomaston's peak year with regards to debt service payments. This is a result of the Town's first principal payment on the second bond issuance associated with the high school and center school renovation project. Debt service represents 11% of the total budget.

Out of the \$2,721,708 of scheduled payments for 06/07, the debt associated with this project is \$950,228. If one were to remove the \$950,228 of scheduled principal and interest payments from the budget, the Town's mill rate would have decreased 1.5 mills and taxes would have gone down 4%.

Fund Balance – One measure of a Town's financial strength is the level of its fund balances (i.e. revenues exceed expenditures). We estimate that the Town's unrestricted general fund balance, monies that help finance general Town operations, will amount to \$1.8 million at the end of fiscal year 2005-2006. Moody's bond rating agencies consider a 5-10% ratio of fund balance to general fund revenues to be deemed a healthy financial cushion allowing the Town to be in a position to adequately address potential fiscal emergencies. The Town has used \$587,800 of fund balance reducing the fund balance levels to 4.9%.

Revenue - The Board of Finance uses a collection rate of 96.5% for taxes based on past collection rate experience. Also included in the property tax revenue is an estimated \$150,000 for motor vehicle supplement and an additional \$100,000 for anticipated additions to the grand list. State aid has increased by \$77,344, which is up only 1.3%. Property taxes make up nearly 64% of budgeted revenues. The value of 1 mill equals \$381,179 using a collection rate of 96.5%.

Expenditures – Thomaston's increase in expenditures are primarily contractual and fixed costs. These costs include debt service, contractual wage increases, health & dental insurance premiums, social security and pension contributions and utilities.

Wages - The Town negotiated four union contracts during fiscal 05/06, which were effective July 1, 2005. When the budget was prepared last year, the anticipated wage increases were included in the contingency line instead of the departmental budgets, therefore the departmental budgets will appear to have inflated increases because the salary lines were adjusted to reflect two years of wage increases. Most unions received 4% wage increases, with concessions made in healthcare. The unions include the sewer, highway, police, and town hall workers. The Board of Education clerical, nurses, secretaries and custodians are still in negotiations. The Teacher's union is in year 3 of a 3-year contract and will receive 3.9% increases.

Budget in Brief

Health care benefits – Health care spending continues to rise at the fastest rate in our history. In 2005, national health care expenditures rose three times the rate of inflation. The average annual premium for the Town's health plan covering a family costs \$19,600. In order to address the health care crisis, the Town negotiated with the unions a change in health plan and drug coverage and increased premium shares to the employee to 10% by year three of the contracts. Because of this change, the Town's fringe benefit line decreased by \$125,901 in 06/07. Had this change not occurred, the Town's burden would have increased by at least 9% or \$62,000. The Town of Thomaston's health care and dental premiums including the Board of Education is \$3.17 million (12.9% of the total budget).

Capital improvements – Over the past two years, the Town has been able to take care of the Town's aging fleet of vehicles through lease financing arrangements. Purchases include 3 dump trucks, a sweep-vac truck, fire truck, and 4 police cruisers. The scheduled payments for these vehicles are included in debt service.

The Town's commitment to fund infrastructure improvements to roads has also been accomplished by funding \$200,000 per year for the past two years. The Town is also committed to technology and realizes its importance. In fiscal 06/07, a new web based accounting and HR system will be installed as well as an upgrade to the Tax Assessor and Tax collector software. The Town also committed \$10,000 toward the Board of Education's school district technology plan.

Town Management – The Town's elected officials were forced to make tough decisions and look at efficiencies and deficiencies in Town operations. As a result, the Board of Selectmen voted to eliminate the inmate custodial program in order to gain a long-time needed facility maintenance coordinator. They also believe in supporting the revenue generating departments and are providing additional clerical staff to assist the building department and assessor. The reestablishment of the economic development commission and reorganization of planning & zoning and inland wetlands divisions is also on the list of priorities for fiscal 06/07.

During fiscal year 05/06, the Town implemented a new fee schedule at the transfer station and disallowed demolition materials that did not have a proper permit. This has reduced the Town's tonnage by 60% (a cost savings of \$30,000) since implementation and the increased fees help offset the cost of refuse and recyclable pickup.

The Town's management continues to seek efficiencies in Town government in several areas through proper bidding and procurement, evaluating self-insurance options, implementation of new accounting programs, and evaluating staffing.

TOWN OF THOMASTON
 ANNUAL BUDGET SUMMARY
 For the year Ending June 30, 2007
Based on 39.62 Mill Rate
 Tax Rate Increase of 2.48% (.96 mill rate increase)

	ACTUAL 2004-2005	BUDGETED 2005-2006	PROPOSED 2006-2007	
REVENUES:				
Property Taxes.....	\$ 13,900,260	\$ 14,827,726	\$ 15,767,370	6.34%
Charges for services.....	381,122	307,658	325,927	5.94%
Intergovernmental.....	6,012,057	5,983,326	6,124,112	2.35%
Investment Income.....	143,934	100,000	284,000	184.00%
Other income.....	145,705	126,053	144,073	14.30%
* Other financing sources.....	1,158,069	1,821,269	1,972,000	8.28%
TOTAL REVENUES	21,741,147	23,166,032	24,617,482	6.27%
EXPENDITURES:				
General Government.....	2,877,278	3,333,243	3,261,020	-2.17%
Public Safety.....	1,305,327	1,227,740	1,253,393	2.09%
Public Works.....	1,303,322	1,309,261	1,554,456	18.73%
Health & Welfare.....	116,645	127,262	112,094	-11.92%
Culture and recreation.....	445,735	442,366	476,936	7.81%
Housing & Development.....	103,077	138,659	147,450	6.34%
Education.....	11,968,284	12,629,787	13,133,133	3.99%
Debt service.....	1,899,272	2,307,638	2,721,709	17.94%
** Other financing uses.....	1,585,667	1,650,076	1,957,291	18.62%
TOTAL EXPENDITURES	21,604,607	23,166,032	24,617,482	6.27%
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	\$ 136,540	\$ -	\$ -	

*Other financing sources include \$587,800 of prior year fund balance in proposed budget.

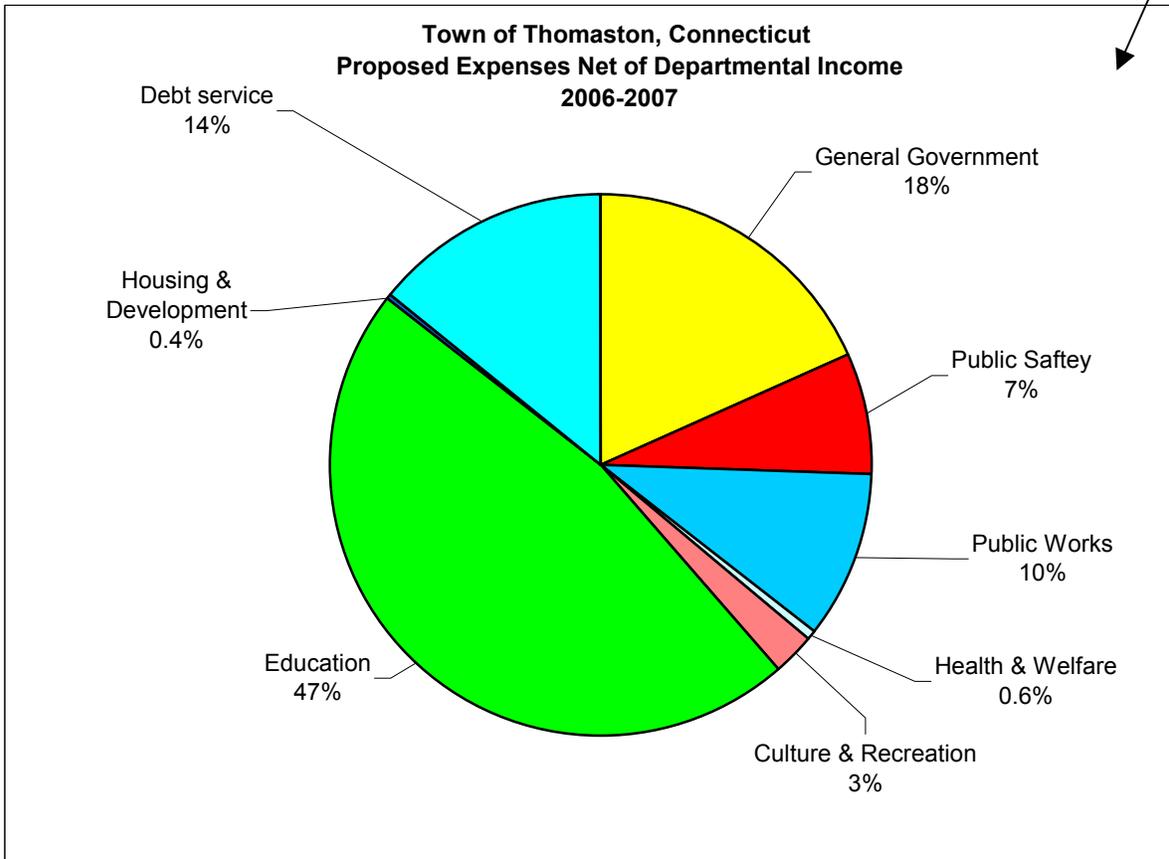
** Other financing uses include operating budgets for Dog Warden, the WPCA, Hillside Cemetery, the Opera House and transfers to the Capital or nonrecurring fund.

Net Expenditures By Function

	Total Expenditures including Capital Costs	Less Charges for services	Less Grants	Equals Net Expenditures by Function	Percent to total
General Government	\$ 3,336,870	\$ 82,500	\$ -	\$ 3,254,370	18.5%
Public Safety	\$ 1,304,716	\$ 44,689	\$ -	\$ 1,260,027	7.2%
Public Works	\$ 1,920,456	\$ 70,946	\$ 108,544	\$ 1,740,966	9.9%
Health & Welfare	\$ 112,094	\$ 2,225	\$ -	\$ 109,869	0.6%
Culture & Recreation	\$ 476,936	\$ 30,200	\$ -	\$ 446,736	2.5%
Housing & Development	\$ 161,450	\$ 90,000	\$ -	\$ 71,450	0.4%
Education	\$ 13,224,133	\$ -	\$ 4,964,160	\$ 8,259,973	46.9%
Debt Service	\$ 2,721,709	\$ 8,867	\$ 235,916	\$ 2,476,926	14.1%
WPCA	\$ 923,002	\$ 923,002	\$ -	\$ -	0.0%
Opera House	\$ 436,116	\$ 436,116	\$ -	\$ -	0.0%
	<u>\$ 24,617,482</u>	<u>\$ 1,688,545</u>	<u>\$ 5,308,620</u>	<u>\$ 17,620,317</u>	100.0%

Other Income:

Property taxes	\$ 15,767,370
Payments in lieu of taxes (PILOT)	\$ 698,526
Use of Fund Balance	\$ 587,800
Investment income	\$ 305,582
Mashantucket Pequot, LOCIP & revenue sharing grants	\$ 172,966
Cell tower rental	\$ 88,073
	<u>\$ 17,620,317</u>

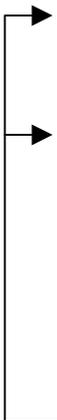


TOWN OF THOMASTON
REVENUE BUDGET
For the year Ending June 30, 2007
Based on 39.62 Mill Rate
Tax Rate increase of 2.48%

	ACTUAL 2004-2005	BUDGETED 2005-2006	PROPOSED 2006-2007	Increase (Decrease)
PROPERTY TAXES:				
1 Property Tax - Current.....	\$ 13,479,616	\$ 14,517,726	\$ 15,357,370	\$ 839,644
2 Property Tax - Prior Years.....	268,017	210,000	280,000	70,000
3 Interest and lien fees.....	152,627	100,000	130,000	30,000
TOTAL PROPERTY TAXES	13,900,260	14,827,726	15,767,370	939,644
CHARGES FOR SERVICES:				
22 Building permits.....	87,485	80,000	80,000	-
23 Conveyance tax.....	103,658	96,000	80,000	(16,000)
24 Special duty police.....	6,660	7,200	20,000	12,800
25 Transfer station fees.....	53,267	45,000	67,000	22,000
26 Accident reports.....	479	500	500	-
27 Gun permits.....	315	500	500	-
28 Vendor permits.....	600	400	400	-
29 Parking meter.....	6,214	5,500	5,500	-
30 Zoning and land use fees.....	10,391	10,000	10,000	-
31 Minibus fares.....	1,669	2,000	2,225	225
32 Recreation commission.....	25,000	25,000	25,000	-
33 Nystrom's park.....	5,200	5,200	5,200	-
35 Other fines and fees.....	1,556	1,000	2,500	1,500
36 Fingerprinting.....	1,023	500	500	-
37 Town of Litchfield sewer upgrade.....	41,206	8,867	8,867	-
54 Dam Patrol-Law Enforcement.....	11,289	11,289	11,289	-
95 Nitrogen Credit.....	6,093	5,202	3,946	(1,256)
151 Alarm violations.....	1,300	1,500	1,500	-
152 Parking fines.....	2,401	2,000	1,000	(1,000)
216 Tuition for out of district students.....	15,316	-	-	-
TOTAL CHARGES FOR SERVICES	381,122	307,658	325,927	18,269
INTERGOVERNMENTAL REVENUE:				
51 Education of handicapped Blind Children..	6,338	-	-	-
52 Boating Safety.....	1,131	1,131	1,131	-
59 Commitments for school construction.....	247,470	241,828	235,916	(5,912)
60 Education cost sharing.....	4,676,379	4,764,072	4,777,023	12,951
65 School transportation -public.....	111,306	188,117	187,137	(980)
68 Special education excess.....	123,384	-	-	-
78 Town aid road.....	72,220	101,224	108,544	7,320
79 Land authorization.....	837	819	819	-
83 Local capital improvement program (LOCII)	-	53,458	53,812	354
84 Mashantucket pequot.....	58,265	59,671	65,485	5,814
86 PILOT-Elderly freeze.....	9,551	9,705	7,803	(1,902)
87 PILOT-Elderly homeowner.....	55,847	61,647	64,226	2,579
88 PILOT-Manufacturing Machinery & Equipr	549,548	430,300	488,182	57,882
89 PILOT-State owned property.....	62,550	60,847	67,876	7,029
90 PILOT-Totally disabled.....	1,001	1,560	1,546	(14)
91 PILOT-Veterans.....	9,449	8,947	10,943	1,996
101 Revenue sharing grant.....	-	-	53,669	53,669
104 Emergency Operation Planning.....	26,781	-	-	-
TOTAL INTERGOVERNMENTAL	6,012,057	5,983,326	6,124,112	140,786

TOWN OF THOMASTON
REVENUE BUDGET
For the year Ending June 30, 2007
Based on 39.62 Mill Rate
Tax Rate increase of 2.48%

	ACTUAL 2004-2005	BUDGETED 2005-2006	PROPOSED 2006-2007	Increase (Decrease)
181 INVESTMENT INCOME.....	143,934	100,000	284,000	184,000
OTHER INCOME:				
206 Taxes from Housing Authority-P.I.L.O.T.....	4,596	9,200	16,000	6,800
207 Telecommunication property tax.....	75,533	70,000	40,000	(30,000)
208 Restitution Payments.....	12,400	6,200	-	(6,200)
214 Rent.....	40,119	40,653	88,073	47,420
215 Miscellaneous.....	13,057	-	-	-
TOTAL OTHER INCOME	145,705	126,053	144,073	18,020
OTHER FINANCING SOURCES:				
222 Hillside Cemetery.....	9,000	-	-	-
223 Sewer use fees.....	769,689	729,701	923,002	193,301
225 Dog fines & fees.....	-	3,500	3,500	-
227 Capital or nonrecurring fund.....	16,294	10,500	21,582	11,082
230 Surplus prior years.....	-	670,000	587,800	(82,200)
237 Opera House.....	363,086	407,568	436,116	28,548
TOTAL OTHER FINANCING SOURCES	1,158,069	1,821,269	1,972,000	150,731
TOTAL GENERAL FUND REVENUE AND OTHER FINANCING SOURCES	\$ 21,741,147	\$ 23,166,032	\$ 24,617,482	\$ 1,451,450



Note: Sewer Use fees and Opera House revenues are turned over to the Town to fund the operating expenses. Aside from debt associated with the sewer plant, the operating costs of the WPCA and Opera House have no impact on the mill rate.

TOWN OF THOMASTON
EXPENDITURES BUDGET
For the year Ending June 30, 2007
Based on 39.62 Mill Rate
Tax Rate increase of 2.48%

	ACTUAL 2004-2005	BUDGETED 2005-2006	PROPOSED 2006-2007	Increase (Decrease)
GENERAL GOVERNMENT				
100 Board of Selectmen.....	\$ 93,001	\$ 95,721	\$ 98,565	\$ 2,844
102 Elections.....	22,378	21,275	22,575	1,300
104 Board of Finance.....	1,356	2,400	1,400	(1,000)
106 Treasurer / Town technology.....	138,960	136,000	176,993	40,993
108 Independent audit.....	37,000	37,000	38,800	1,800
110 Legal.....	80,825	56,000	80,000	24,000
114 Tax Collector.....	91,445	94,508	100,336	5,828
116 Property Tax Rebates.....	24,240	25,000	25,000	-
118 Tax Assessor.....	63,592	77,717	96,654	18,937
120 Board of Assessment Appeals.....	3,000	3,450	3,450	-
122 Insurance.....	374,903	415,688	437,628	21,940
124 Town Hall operations & Maintenance.....	134,081	136,468	192,000	55,532
126 Town Clerk.....	52,290	48,750	52,018	3,268
128 Probate court.....	2,398	2,500	2,800	300
130 Social security.....	217,752	244,200	218,116	(26,084)
132 Pension - Town Employees.....	510,746	539,478	560,178	20,700
133 Pension - Volunteer Firefighters and Ambulance.....	104,434	136,300	121,500	(14,800)
134 Medical / Life insurance.....	551,547	684,490	558,589	(125,901)
136 Retirees Medical Insurance.....	307,000	368,511	365,567	(2,944)
138 Council of governments.....	30,019	3,276	3,374	98
140 CT Conference of Municipalities.....	4,375	4,511	4,652	141
141 CT Council of Small Towns.....	-	-	825	825
142 Contingency.....	31,936	200,000	100,000	(100,000)
TOTAL GENERAL GOVERNMENT	2,877,278	3,333,243	3,261,020	(72,223)
PUBLIC SAFETY				
200 Police.....	880,445	800,635	888,695	88,060
202 Inmate custodial/maintenance program.....	28,794	29,100	-	(29,100)
204 Parking meters.....	239	1,700	1,300	(400)
206 Communications & dispatch.....	186,906	196,225	217,318	21,093
208 Fire Protection.....	116,999	117,080	117,080	-
210 Fire Marshal.....	18,709	19,000	19,000	-
212 Ambulance.....	63,635	54,400	-	(54,400)
214 Tree Removal.....	9,600	9,600	10,000	400
TOTAL PUBLIC SAFETY	1,305,327	1,227,740	1,253,393	25,653
PUBLIC WORKS				
300 Highways.....	437,138	459,414	539,700	80,286
302 Town Aid Road.....	72,220	101,224	108,544	7,320
304 Snow & ice removal.....	111,974	70,436	95,000	24,564
306 Street lighting.....	68,162	78,700	84,760	6,060
308 Fire hydrants.....	119,480	121,997	131,477	9,480
310 Solid Waste & Recycling.....	491,548	474,690	592,175	117,485
312 St Thomas Cemetery.....	2,800	2,800	2,800	-
TOTAL PUBLIC WORKS	1,303,322	1,309,261	1,554,456	245,195

TOWN OF THOMASTON
EXPENDITURES BUDGET
For the year Ending June 30, 2007
Based on 39.62 Mill Rate
Tax Rate increase of 2.48%

	ACTUAL 2004-2005	BUDGETED 2005-2006	PROPOSED 2006-2007	Increase (Decrease)
HEALTH AND WELFARE				
400 Vital statistics.....	946	1,000	1,000	-
402 Visiting nurse.....	8,000	16,000	8,000	(8,000)
404 Torrington Area Health District.....	29,899	30,249	33,184	2,935
406 Northwest Regional Mental Health Board.....	854	864	869	5
408 Social Services.....	60,589	60,415	48,416	(11,999)
410 Elderly Nutrition.....	1,371	1,371	2,707	1,336
412 Susan B Anthony Project.....	1,500	1,500	2,000	500
414 Senior Advisory Board.....	-	200	-	(200)
416 Minibus.....	12,486	14,663	14,918	255
418 Veterans Administration.....	1,000	1,000	1,000	-
TOTAL HEALTH AND WELFARE	116,645	127,262	112,094	(15,168)
CULTURE AND RECREATION				
500 Recreation programs.....	108,500	106,888	122,237	15,349
502 Memorial Day.....	1,500	1,500	1,500	-
504 Nystroms Park.....	12,784	13,700	15,350	1,650
506 Police Explorers.....	4,105	2,500	2,500	-
508 Public Library.....	318,846	317,778	335,349	17,571
TOTAL CULTURE AND RECREATION	445,735	442,366	476,936	34,570
HOUSING & DEVELOPMENT				
600 Conservation Commission.....	1,500	1,500	1,500	-
602 Inlands/Wetlands Commission.....	14,589	18,815	16,960	(1,856)
604 Building Inspector.....	39,521	62,521	70,520	7,999
606 Town Engineer.....	-	2,500	2,500	-
608 Naugatuck Vally Brownsfield Pilot.....	800	-	-	-
610 Planning & Zoning.....	31,941	33,353	34,856	1,503
612 Zoning Board of Appeals.....	14,726	19,970	18,115	(1,856)
614 Economic Development.....	-	-	3,000	3,000
TOTAL HOUSING & DEVELOPMENT	103,077	138,659	147,450	8,791
EDUCATION				
700 EDUCATION.....	11,968,284	12,629,787	13,133,133	503,346
DEBT SERVICE (See Schedule B)				
800 Principal - Bonds, notes & leases	1,192,696	1,428,366	1,876,530	448,164
800 Interest - Bonds, notes & leases.....	706,576	879,272	845,179	(34,093)
TOTAL DEBT SERVICE	1,899,272	2,307,638	2,721,709	414,071
OTHER FINANCING USES				
900 Animal Control Officer-Dog fund.....	38,866	45,907	51,323	5,416
902 WPCA -Sewer Use fund.....	668,108	719,701	913,002	193,301
903 WPCA - Repair & Replacement fund.....	101,581	10,000	10,000	-
904 Hillside Cemetery.....	35,000	16,500	17,000	500
908 Capital or Nonrecurring (See Schedule A)....	379,026	450,400	519,850	69,450
910 Opera House.....	363,086	407,568	436,116	28,548
914 Seth Thomas/Bradstreet House.....	-	-	10,000	10,000
TOTAL OTHER FINANCING USES	1,585,667	1,650,076	1,957,291	307,215
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 21,604,607	\$ 23,166,032	\$ 24,617,482	\$ 1,451,450

TOWN OF THOMASTON
EXPENDITURES BUDGET
For the year Ending June 30, 2007
Based on 39.62 Mill Rate
Tax Rate increase of 2.48%

	ACTUAL 2004-2005	BUDGETED 2005-2006	PROPOSED 2006-2007
TRANSFER TO CAPITAL OR NONRECURRING FUND			
1 Assessor/Tax Collector Software Upgrade.....	-	-	10,350
2 Assessors revaluation.....	\$ -	\$ 52,000	\$ 24,000
3 BOE: School district technology plan.....	-	-	10,000
4 BOE: TCS Sidewalks.....	22,000	-	-
5 BOE: Textbooks.....	45,000	45,000	45,000
6 BOE: THS Gym Dividing Curtain.....	-	-	16,000
7 BOE: THS Rubber roof.....	20,000	-	20,000
8 DEP Mandate - Stormwater Tracking.....	30,000	-	-
9 Finance: Accounting & HR software upgrade.....	-	-	14,500
10 Fire Dept: Repair Engine No. 3.....	-	11,000	-
11 Fire Dept: Truck Reserve.....	50,000	-	-
12 Groundwater remediation-Town Garage.....	40,000	21,000	104,000
13 LIB: Library rubber roof.....	-	36,000	-
14 PD: Police cruisers.....	-	48,400	-
15 PWD: Equipment Trailer.....	-	-	20,000
16 PWD: Road work.....	100,000	200,000	200,000
17 PWD: Sidewalks.....	-	-	25,000
18 REC: Infield groomer.....	11,300	-	-
19 REC: Tennis Courts.....	-	5,000	-
20 Retirement costs: Police and Highway.....	60,726	17,000	-
21 SEL: Town Hall Building repair & renovations.....	-	-	15,000
22 Technology upgrade-town hall.....	-	5,000	12,000
23 Town Hall Building: Repair/renovate roof.....	-	10,000	-
24 Wide format copier.....	-	-	4,000
	\$ 379,026	\$ 450,400	\$ 519,850

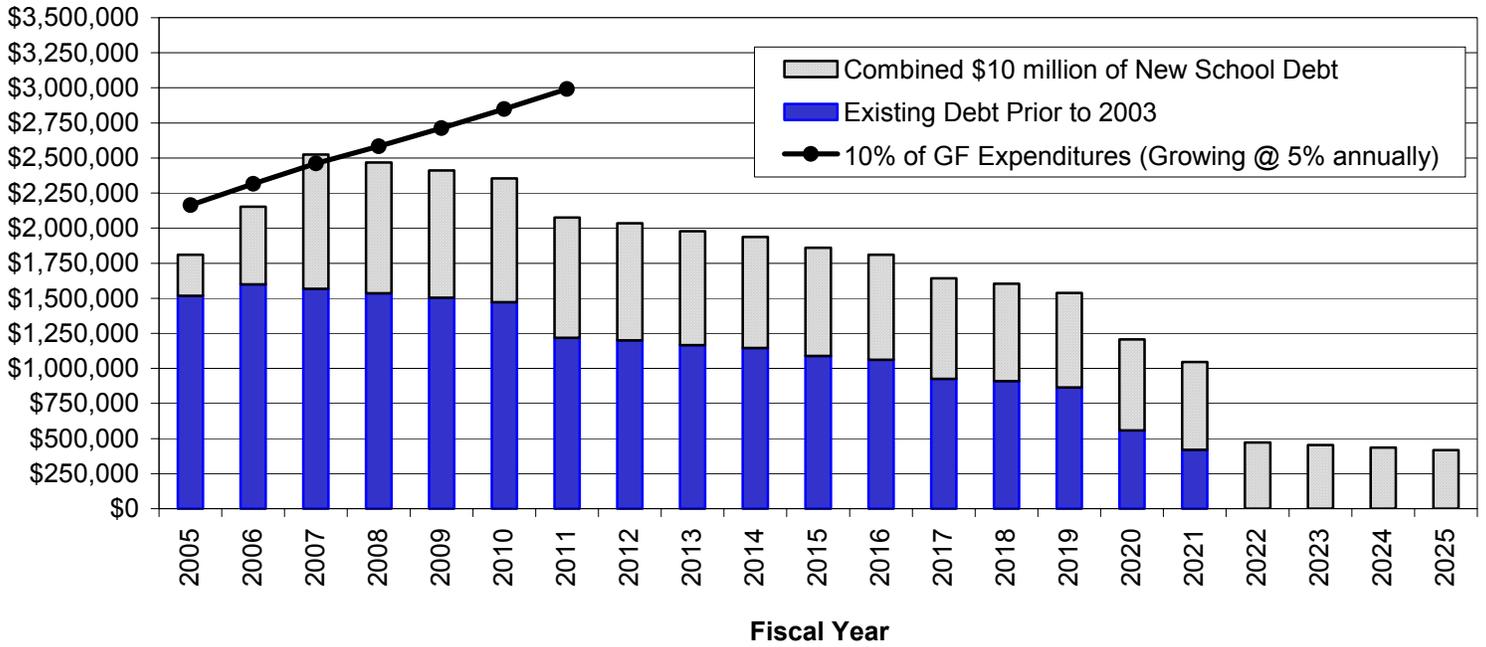
Projects totaling \$519,850 include:

- commitments to technology & software upgrades
- mandates associated with groundwater remediation and the assessor's revaluation
- infrastructure improvements to roads and sidewalks
- ongoing replacement of textbooks for students
- safety related maintenance items

**Town of Thomaston
Schedule of Debt Service
For the year ending June 30, 2007**

Due Date	Name of Loan	Original Debt	Outstanding Principal	Scheduled Payment			Ending Balance
				Principal	Interest	Total	
08/01/06	General Obligation Bond 1990-2009	4,960,000	840,000	210,000	27,300	237,300	630,000
02/01/07	General Obligation Bond 1990-2009				20,475	20,475	
Monthly	Clean Water 1997 - 2016	1,077,413	577,994	53,728	11,069	64,797	524,266
Monthly	Clean Water 2001 - 2021	9,091,656	6,979,313	410,952	135,833	546,785	6,568,361
09/15/06	General Obligation Bond 1998-2019	7,380,000	4,100,000	325,000	87,119	412,119	3,775,000
03/15/07	General Obligation Bond 1998-2019				80,619	80,619	
09/01/06	General Obligation Bond 2003-2020 (THS)	2,300,000	2,025,000	135,000	42,559	177,559	1,890,000
03/01/06	General Obligation Bond 2003-2020 (THS)				39,774	39,774	
09/01/06	General Obligation Bond 2003-2020 (Refunding)	1,615,000	1,450,000	155,000	29,706	184,706	1,295,000
03/01/07	General Obligation Bond 2003-2020 (Refunding)				26,509	26,509	
10/15/06	General Obligation Bond 2005-2025 (THS/TCS)	7,700,000	7,700,000	410,000	161,448	571,448	7,290,000
04/15/07	General Obligation Bond 2005-2025 (THS/TCS)				161,448	161,448	
	SUBTOTAL		23,672,307	1,699,680	823,858	2,523,538	21,972,627
	Bank Administration				4,000	4,000	
	TOTAL BONDS AND NOTES		23,672,307	1,699,680	827,858	2,527,538	21,972,627
Scheduled Lease Payments:							
07/01/06	Dump trucks	166,500	84,237	41,588	2,149	43,737	42,649
09/26/06	Fire Truck-Chassis	102,000	50,043	11,917	1,626	13,544	38,126
09/26/06	Fire Truck-Upon Delivery	143,000	143,000	33,801	5,363	39,163	109,199
10/26/06	Sweep/Vac Truck	190,000	149,707	35,386	5,614	41,000	114,321
07/01/06	Police cruisers	45,067	45,067	22,534	1,086	23,620	22,534
07/01/06	Dump truck	126,500	126,500	31,625	1,481	33,106	94,875
	SUBTOTAL		598,555	176,851	17,320	194,171	421,704
	TOTAL DEBT SERVICE		24,270,862	1,876,530	845,178	2,721,709	22,394,331

**Town of Thomaston, Connecticut
Existing Annual Debt Service
With \$10 Million of New School Debt Separate**



Through referendum on November 5, 2002, the citizens of Thomaston authorized the issuance of up to \$10,000,000 in bonds and an appropriation of \$16,280,000 for the purpose of funding renovations and/or additions to the Thomaston High School and Thomaston Center School.

On August 26, 2003, the Town issued \$2,300,000 towards the first phase of this project. On April 15, 2005 the Town issued the remaining \$7,700,000 to complete the High School and begin renovations on the Center School. As a result of these new bonds, the Town has an additional \$950,228 of scheduled debt service payments budgeted for fiscal 06/07. This amount equates to 2.49 mills.

Explanation of variances by line for expenditures

General Government – Total Decrease of (\$72,223) (2.2%):

Line 106 – Treasurer/Town Technology – Increase \$40,993. The finance director's salary was split 50/50 with the Board of Education for the prior two fiscal years. Ms. Whitney no longer works for the Board of Education and therefore, the salary is now all on the Town side. A one-time wage adjustment was also made for the Accounts payable clerk at union negotiations and other members in the department received 4% in wage increases. Additional data processing costs were increased as a result of the software licensing which services the Town Hall network and IT consulting services were increased based on the past year's experience. This department will oversee implementation of three software upgrades for the assessor, tax collector, revaluation software and finance and HR programs.

Line 110 – Legal - Routine legal representation is budgeted at \$30,000, which has been the same since 2004. Anticipated litigation and tax and sewer lien foreclosures are estimated to be \$40,000. Legal advise related to labor relations and policy development is estimated at \$10,000.

Line 118 – Tax Assessor – As recommended by the Board of Selectmen, the assessor will be allowed to increase the hours for the part-time clerk, on a trial basis, in order to concentrate on correcting inequities in the grand list and performing field inspections. The assessor was also allowed \$2000 for audits. An additional \$100,000 has been added to the property tax revenue for anticipated corrections to the grand list.

Line 122 – Insurance - This budget accounts for the Town's Liability Automobile and property insurances. This line has increased for any additional exposures, such as new vehicles, and the incremental increase for worker's compensation, which is based on salaries. The Town is evaluating the option of self-insurance for worker's compensation.

Line 124 – Town Hall Operation – As recommended by the Board of Selectmen, a reorganization of staffing included a full-time maintenance coordinator to perform custodial functions of town hall and coordinate facility maintenance of Town owned buildings. In order to fund this, the inmate program (line 202) was eliminated. Other increases in this budget are utilities - Water is expected to increase 20% in the latter half of 06/07, and electricity and heating were increased \$30,152.

Line 130 Social Security – The decrease is due to the Board of finance moving the social security and medicare expense for sewer employee's salaries to the WPCA's budget, amounting to \$26,525. This will be absorbed into the WPCA's budget.

Line 132 & 133 – Pension – This is the required contribution to the pension plans based on the annual actuarial report, using 30-year amortization. The Board of Education's required contribution of \$215,000 is included in the Board of Education operating budget.

Line 134 & 136 – Medical / Life Insurance (Active & retirees) – The Town negotiated with the unions a change in health plan and drug coverage. In addition, the premium shares to the employee increased to 10% by year three of the contracts. Because of this change, the Town's fringe benefit line decreased by \$125,901 in 06/07. Had this change not occurred, the Town's burden would have

increased by at least 9%. The Board of Finance also pushed the responsibility of retiree health care cost of its sewer employees to the WPCA's budget, which totaled \$54,024 for four employees.

Line 142 – Contingency – In the prior year, \$75,000 was added for contractual wage increases associated with union negotiations. All the union contracts have been settled and therefore, those wage increases are now reflected in the salary lines within the departmental budgets. The Board normally budgets \$125,000 on this line.

Public Safety - Total Increase \$25,653 (2.1%):

Line 200 – Police – The police budget has an increase of \$88,060, however the total budget is only a \$8,250 increase over 2004/2005 actual spending. The Chief of Police implemented a new staffing arrangement with the union, which is lessening the impact of overtime. The overtime costs for fiscal years 2004 and 2005 was approximately \$165,000 per year. For 2005/2006 we project costs of \$94,000. The Chief has budgeted \$66,000 for 2006/2007.

Line 202 – Inmate custodial/maintenance program – In order to obtain the full-time maintenance coordinator position, as described in Line 124, the Board of Selectmen voted to eliminate the inmate program. Inmates from the Department of Correction were transported to town hall to perform custodial and maintenance work in town hall and at the schools. During fiscal 2005/2006, the DOC was unable to provide inmates on a consistent basis, leaving the town hall in disrepair.

Line 206 – Communication & Dispatch – The increase of \$21,093 in dispatch is primarily the result of union negotiations. Thomaston dispatchers were undercompensated in comparison with dispatchers in Litchfield county and appropriate wage adjustments were bargained over the three-year contract.

Line 212 – Ambulance – The Board of Selectmen voted to eliminate the subsidy to the Ambulance Corps until an agreement between the Town and the Corps can be reached. The Corps bills the insurance companies for EMS services and in turn pays for day-time coverage. The Corps has accumulated approximately \$200,000 in funds and is therefore capable of funding its own operations for fiscal 2006/2007.

Public Works – Total Increase \$245,195 (18.7%):

Line 300 – Highway – \$8500 of the increase is due to DEP mandated storm-water tracking. These costs were included in the capital or nonrecurring fund in the prior year, but it has been determined that this cost would continue indefinitely, therefore, these costs were made a part of the operating budget. The cost of street signs and line painting of \$8,000 was moved from the Police budget to the Highway budget. An additional \$8000 was added to the gas, diesel & oil line. The remaining increase is due to contractual wage increases.

Line 304 – Snow & Ice – There is no way to predict the amount of overtime employees will work, associated with the removal of snow & ice. The Superintendent of Highway proposed an average

over three years including wage adjustments as bargained. This original proposal was reduced \$14,510 by the Board of Finance.

Line 306 – Street Lights—Cost of electricity is driven by the price of natural gas and CLP has been approved for a 20+% increase. The street light component is billed under a different rate structure and pricing plan than that of other energy users, therefore, an 8% increase has been budgeted.

Line 308 – Fire Hydrants – The Connecticut Water Company is pursuing an increase of 20%, which would take effect in January 2007. The Company has not pursued an increase in 15 years. This budget covers the cost of 126 hydrants and 1,057,066 lf of pipe throughout town.

Line 310 – Solid Waste and Recycling –The Town bid out for refuse material and recycling collection. The Town provides curbside pickup for approximately 2700 units at a cost of \$7.08 per household per month. The Town also has budgeted \$69 a ton for municipal solid waste (a \$1 decrease from the prior year). The Town pays for approximately 3100 tons to the CRRA per year. In addition, non-processable waste (i.e bulky waste) is billed to the Town per unit or \$85 a ton based on the items. The Town will actively pursue educating Town residents in recycling in order to further reduce tonnage in fiscal 2006/2007.

Health & Welfare – Total Decrease (\$15,168) (11.9%):

Line 402 – Visiting Nurse – The Board of Finance reduced the proposal of \$16,000 in half based on the actual costs of 2004-2005.

Line 408 – Social Services – Due to the retirement of the social services director in the prior fiscal year, the Board of Selectmen reorganized the department. The director’s qualification requirements were reduced and wages were adjusted accordingly. The office is staffed with a full-time director and a part-time assistant. A licensed social worker/counselor is now contracted out.

Culture & Recreation – Total Increase \$34,570 (7.8%):

Line 500 Recreation programs – The increase in recreation is strictly contractual wage increases.

Line 508 Public Library – Aside from increases in utilities and wages, repairs and maintenance increased \$6,000. All other lines stayed flat.

Housing & Development – Total Increase \$8,791 (6.3%):

Line 602, 604, 610, 612 – The cost of a full-time clerk to serve Planning & Zoning, Inland/Wetlands, Zoning Board of Appeals and the Building Inspector has been split among these four departments.

The building official serves the community by performing inspections and issuing permits and protects the Town from liability. Permits generate revenue for the Town in two ways – permit fees and added assessments to the grand list. The Zoning Department, Building Department and Assessor work together as a unit to bring in more revenue for the Town.

Line 614 Economic Development Commission – The Board of Selectmen reestablished the Economic Development Commission. A budget of \$3,000 was appropriated for advertising, memberships, supplies, postage and other professional costs.

Education – Total Increase \$503,346 (3.9%):

The education budget as originally proposed included contractual wage increases of \$243,000; utility increases of \$210,000 and medical & dental insurance cost increases of \$205,000. These total fixed costs of \$658,000 exceed the total increase of \$503,346 provided to the Board of Education. The education budget as originally proposed is available for download on the town website at <http://www.thomastonct.org>.

Debt Service (see page 11-12) – Total increase \$414,071 (17.9%):

Line 800 – Principal and Interest – This is the scheduled payments on bonds and lease-purchases. The Town issued \$7.7 million of new debt for the High School/Center School renovations on April 15, 2005 and the first principal payment of \$410,000 is reflected in this increase.

Other Financing Uses – Total Increase \$307,215 (18.62%):

Line 902 and 903 – WPCA – The WPCA is its own taxing authority and recoups its operating costs through sewer use fees. Aside from debt associated with the sewer plant, the operating costs of the WPCA has no impact on the mill rate. All costs of the WPCA are offset by revenue of the same amount included on Line 223 Sewer Use Fees in the revenue budget. This year's increase is based on the needs of the Commission as well as additional costs moved to the WPCA by the Board of Finance. Additional costs transferred from the general fund to the special revenue fund include retiree fringe benefits of \$54,024 and Social Security and Medicare of \$26,525.

Line 908 – Capital or Nonrecurring fund – The details of this fund can be found on Schedule A on page 10.

Line 910 – Opera House – The Opera House is a special revenue fund like that of the WPCA. The Opera House generates its own revenue through box office sales and the sale of program advertisements, which is used to offset their operating expenses. The operating costs of the Opera House has no impact on the mill rate and the increase is based on the needs of the Commission. All costs are offset by revenue of the same amount included on Line 237 in the revenue budget.

Line 914 – Seth Thomas/Bradstreet House - The Town of Thomaston purchased, through a grant, the historic Seth Thomas/Bradstreet House directly across the street from the Town Hall. The house and its contents have historical significance. A committee has been formed by the Board of Selectmen to determine the house's economic development potential for the Town and the means to operate and fund the costs associated with the building. This new line item in the budget is a subsidy to pay for utilities and minor maintenance items.