



Town of Glastonbury

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Richard J. Johnson
Town Manager

January 20, 2017

The Glastonbury Town Council
2155 Main Street
Glastonbury, CT 06033

Re: Town Manager's Report

Dear Council Members:

The following will keep you up-to-date on various topics.

1. **Municipal Spending Cap.**

At the January 10th meeting, Councilmember Byar asked for a summary of the municipal spending cap.

Effective 2018, OPM will place a cap on municipal spending to limit adopted municipal budget expenditures to 2.5% above the previous year, or the rate of inflation, whichever is greater. For Glastonbury, this involves Town operations, Education and Debt & Transfer. There are a number of exemptions to the cap as follows:

Debt Service; Special Education; expenditures implementing Court orders; arbitration awards; expenditures related to a major disaster or emergency declaration by the President or issued by the Governor under the Civil Preparedness Law; any MRSA revenue sharing grant distributed to a special taxing district; budgeting for an audited deficit; non-recurring grants; Capital expenditures defined as non-recurring Capital expenditures of \$100,000 or more; payments towards unfunded pension liabilities.

The penalty for exceeding the 2.5% cap will be \$0.50 from the MRSA Revenue Sharing Grant (\$754,546) for every dollar the municipality spends over the cap. OPM will require each municipality to provide information on whether or not it has exceeded the cap and by how much. This will be done through a form created by OPM.

In the opinion of cities and towns, there are serious flaws with this legislation and CCM will work to have the cap rescinded.

2. **Budget Schedule.**

The following times and dates are suggested for Council of the Board of Education budget proposal.

Monday, March 6th
Tuesday, March 7th
Wednesday, March 8th

Meeting location(s) will be available Tuesday evening (RCC or Council Chambers) based on current room uses. A start time of 6 or 7 PM is suggested.

3. **Plan of Conservation and Development.**

The attached page summarizes the schedule for TP&Z work to update the Plan of Conservation and Development. Meetings will be held in Town Hall, Meeting Room A.

Sincerely,

A handwritten signature in blue ink, appearing to be "Richard J. Johnson", is written over the word "Sincerely,".

Richard J. Johnson
Town Manager

RJJ:yo