

Town of Mansfield

FY 2014/15 Proposed Budget

Public Information Session

April 3, 2014



Budget Policy Objectives

Four Primary Objectives:

- **Maintain current services and programs**
 - All core services – education, general government, community services, community development, public safety and public works – remain intact
- **Support Council's financial management goals:**
 - Increase fund balance – fifth installment for \$100,000
 - Maintain General Fund contribution to Capital Fund - \$1,599,880 including cash-to-capital funding for school building infrastructure & technology

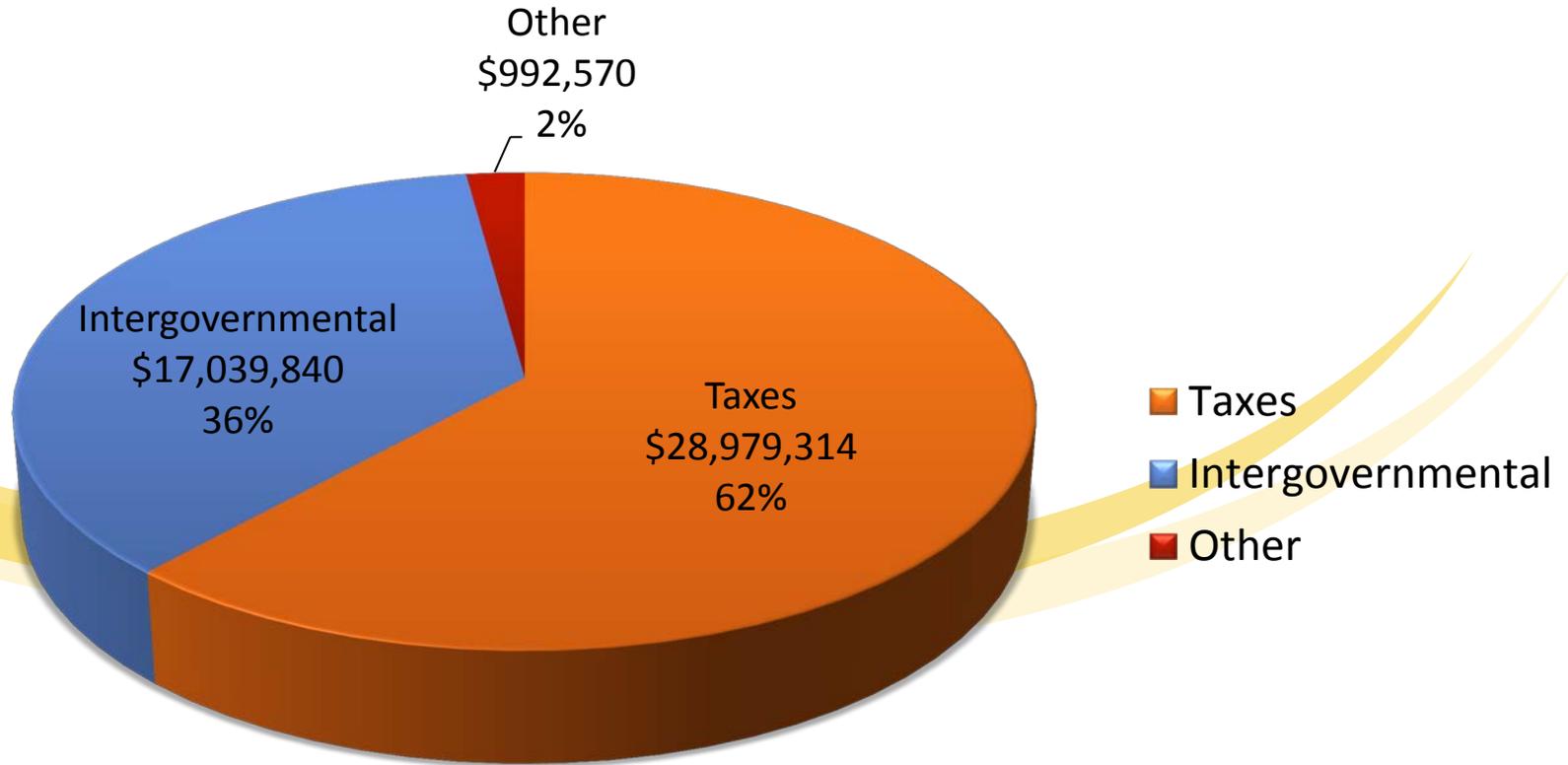
Budget Policy Objectives (cont'd)

- **Promote key Council policy goals & initiatives**
 - Commitment to program evaluation and best practices – enhance performance measurement program and develop evaluation template
 - Modest funding for economic development services
 - Storrs Center – one-time and marginal operating costs funded through project revenue
- **Correct key structural deficiencies within the spending plan**
 - Mitigate overtime for fire and emergencies services
 - Provide more stable funding to Cemetery Fund
 - Re-designate annual contribution to the property tax revaluation account as operating expense

FY '15 Budget Overview

- General Fund \$46,911,724
 - Town and MBOE* \$36,847,734
 - Region 19 Contribution* \$10,063,990
- Capital & Nonrecurring Fund \$ 2,114,600
- Capital Fund \$ 6,654,020

FY '15 General Fund Revenues: \$47,011,724



FY '15 Revenue Outlook – Grand List

- Grand List increases by 2.46% from \$1,011,715,713 to \$1,036,651,539
- Real estate increases by 2.2%
- Personal property increases by 10.46%
- Motor vehicle increases by 1.61%
- \$421,740 generated in new revenue from Grand List growth (after tax abatement)

FY '14 Revenue Outlook – Storrs Center Revenues

- Storrs Center development is generating revenue for the General Fund
 - Storrs Center tax revenue lessens the burden on residential taxpayers to fund services

Mill rate without Storrs

Center tax revenue – v.

29.17 mills

4.36% tax increase

Mill rate with Storrs Center

tax revenue -

28.71 mills

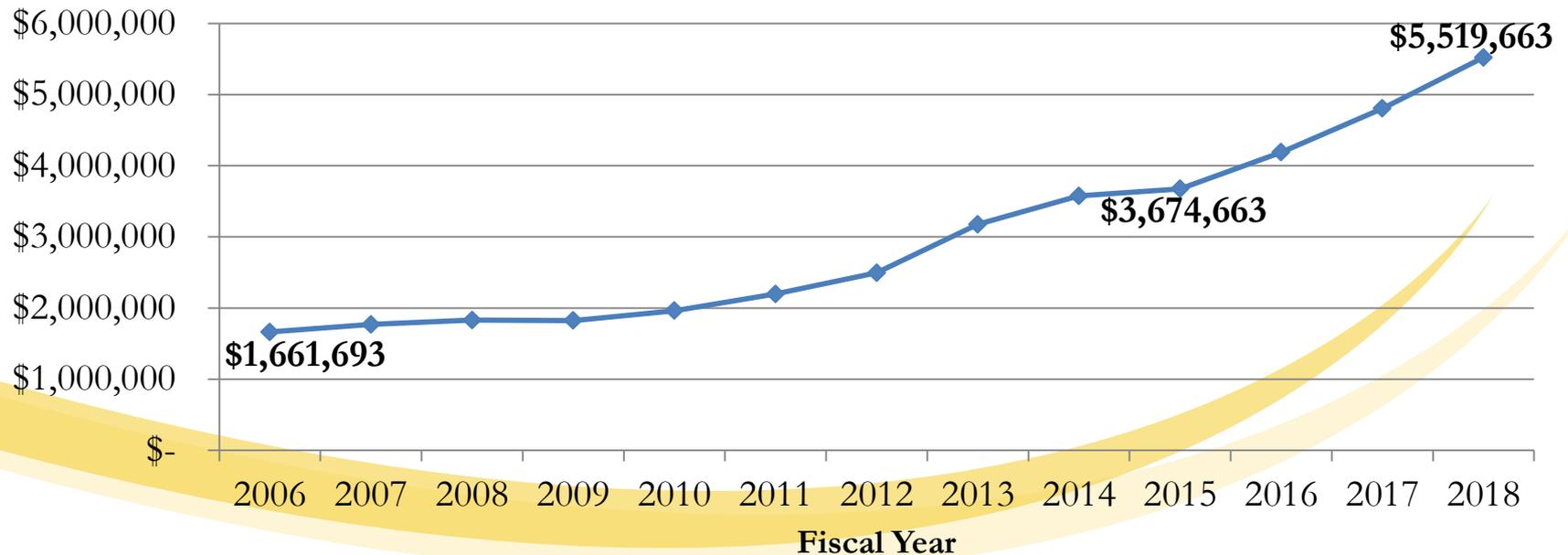
2.71% tax increase

FY '15 Revenue Outlook – Intergovernmental Revenues

- Governor's proposed budget reflects a decrease in total intergovernmental revenue of \$746,717 below current year
 - Decrease in PILOT funding of \$467,073 or 6.9%
 - PILOT as % of General Fund revenue has decreased by 7% from FY 05/06 (20.4%) to FY 14/15 (13.4%)
 - Decrease in Municipal Aid Adjustment of \$312,772 or 50%
 - Reduction from current *budget* is \$194,230 or 1.1% reflecting the concern of mid-year rescissions
 - Continuing decline in State aid = significant burden on our taxpayers

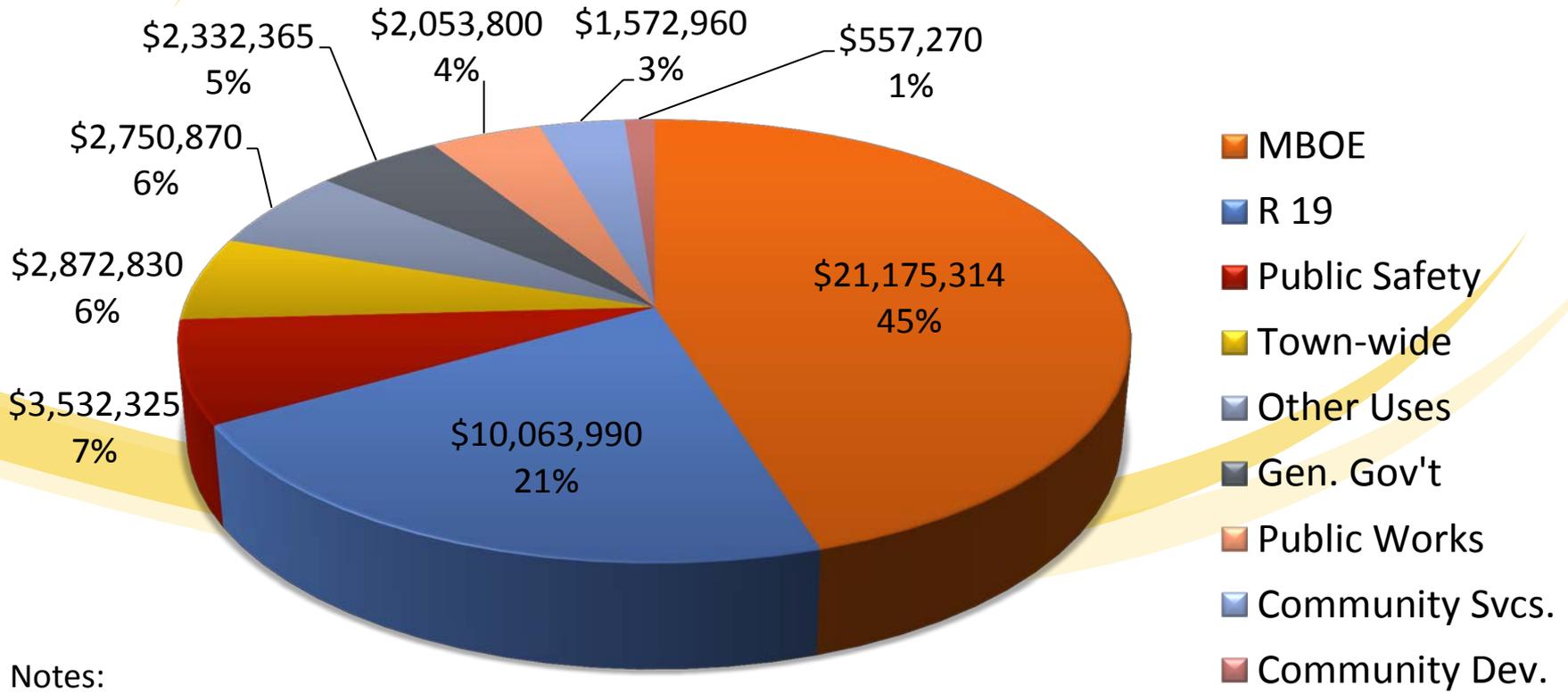
FY '15 Fund Balance

Fund Balance FY '06 -'18 - Actual and Estimated



Fund balance recommended by bonding agencies is 10-15% of General Fund budget.
Long-term plan to increase contributions to Fund Balance to reach recommended levels.
Budgeted Fund Balance for FY 14/15 totals \$3,674,663, 7.7% of projected budget.

FY '15 General Fund Expenditures: \$46,911,724



Notes:
 Town-wide includes employee benefits & insurance
 General government includes energy costs
 Other includes debt service and capital contribution
 Doesn't include fund balance contribution

FY '15 General Fund Expenditures

General Fund	FY 2013/2014	FY 2014/2015	\$ Amt. Dec./Inc.	% Dec./Inc.
Town	\$15,203,170	\$15,672,420	\$ 469,250	3.1%
MBOE	\$20,688,160	\$21,175,314	\$ 487,154	2.4%
Region 19	<u>\$10,005,514</u>	<u>\$10,063,990</u>	<u>\$ 58,476</u>	<u>0.6%</u>
General Fund Total	\$45,896,844	\$46,911,724 ¹	\$1,014,880	2.2%

¹Does not include contribution to Fund Balance.

FY '15 Expenditure Trends

- **\$469,250 (3.1%) increase to Town**
 - \$144,050 increase for Resident Trooper Program
 - \$32,590 increase for firefighter staffing
 - \$176,860 increase in contingency (unsettled union contracts, unanticipated needs)
 - \$150,290 increase for health insurance
 - \$36,000 contribution to Cemetery Fund
 - \$25,000 contribution to Property Tax Revaluation Fund
 - \$13,250 for Graduate Assistant

FY '15 Expenditure Trends

- \$325,000 decrease in debt service
- \$245,800 decrease in energy costs
- \$487,154 (2.4%) increase to MBOE
 - Projected decrease in enrollment
 - Maintains district-approved class sizes
 - Maintains current instructional programs and proposes minimal new initiatives in light of budget constraints
- \$58,476 (0.6%) increase to R19
 - Mansfield student enrollment decreases
 - Increase reflects Mansfield's proportional share of the overall budget increase

FY '15 Capital & Non-Recurring Fund: \$2,114,600

- **Planned uses:**
 - Transfer to Capital Fund, \$1,878,600
 - Management Services Fund technology replacement, \$200,000
 - Compensated Absences Fund, \$36,000
- **Maintains effort to discontinue use of CNR Fund for recurring and non-capital expenditures**
 - \$25,000 contribution to fund property revaluation moved to General Fund

Capital Fund Revenues: \$6,654,020

FY 14/15 Capital Budget Revenues		
Bonds	\$4,000,000	60.1%
CNR Transfer In ¹	\$1,878,600	28.2%
Town Aid Road Grant	\$242,000	3.7%
Federal and State Grants	\$233,530	3.5%
LOCIP Grant	\$192,490	2.9%
Other ²	<u>\$107,400</u>	<u>1.6%</u>
TOTAL	\$6,654,020	100%

¹Includes General Fund contribution to capital, ambulance service fees.

²Includes revenues from Parks and Recreation Fund, Management Services Fund and Storrs Center Reserve

FY '15 Capital Fund Expenditures: \$6,654,020

FY 14/15 Capital Budget Expenditures		
Community Development	\$4,495,320	67.6%
Public Works	\$804,500	12.1%
Public Safety	\$506,000	7.6%
Facilities Management	\$420,000	6.3%
Education	\$200,000	3.0%
Community Services	\$128,200	1.9%
General Government	<u>\$100,000</u>	<u>1.5%</u>
TOTAL	\$6,654,020	100%

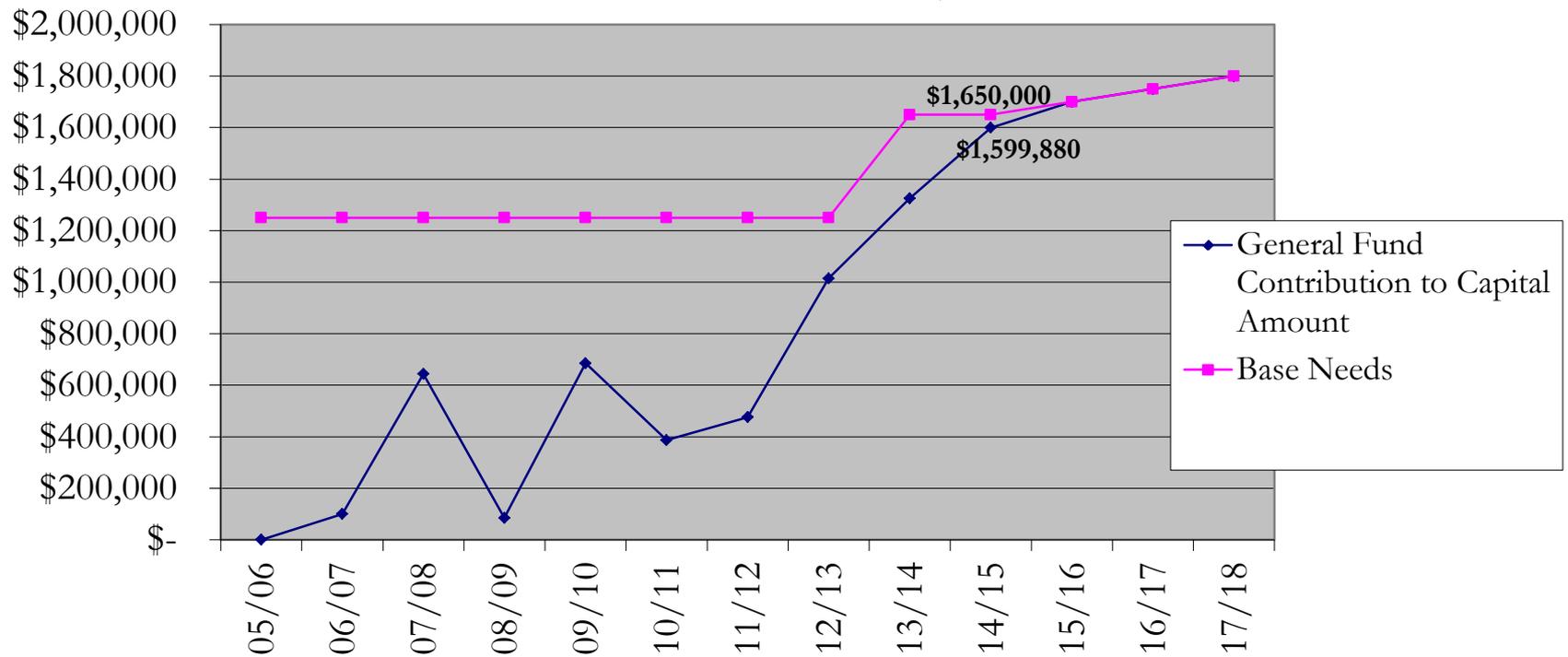
Capital Fund Major Projects

- Four Corners Sewer/Water System, \$4,000,000
- Transportation projects (roads, bridges, walkways, drainage), \$513,500
- Public safety replacement equipment, \$389,000
- HUD Community Challenge Planning Grant, \$206,720
- Public works replacement equipment, \$206,000
- Facilities improvements at schools, \$200,000
- Information technology equipment for schools \$200,000
- Parks and recreation uses, \$128,200

Capital Fund

General Fund Contribution to Capital –

Baseline Needs v. Actual and Projected Contributions



Impact on Taxpayer

Mill rate increase
of 0.76 mills
from 27.95 to
28.71 mills

Sample Tax Impact *On a Median Valued Home*

Current Valuation	\$169,900 ¹
Proposed Taxes	\$ 4,878
Current Taxes	<u>\$ 4,749</u>
Tax Increase	\$ 129
Percentage Increase	2.71%

¹Median home price, 100% of assessed value is \$242,700. \$169,900 reflects 70% of assessed value.

Impact on Taxpayer

Where do the Tax Dollars Go?

Education	\$3,241	66.5%
Public Safety	\$ 367	7.5%
Town-wide	\$ 298	6.1%
Government Operation	\$ 242	5.0%
Other Financing Uses	\$ 285	5.9%
Public Works	\$ 213	4.4%
Community Services	\$ 163	3.3%
Community Development	\$ 58	1.2%
Fund Balance Reserve	<u>\$ 10</u>	<u>0.2%</u>
TOTAL	\$4,878	100%

Impact on Taxpayer

- Appropriations Committee has proposed increasing intergovernmental revenue to Mansfield by approx. \$617,385 for FY 14/15
- If Mansfield receives the additional \$617,385 in revenue, the tax increase on a median single family home would be 0.57% or \$27
 - Mill rate would increase from 27.95 to 28.11 mills, an increase of 0.16 mills

Impact on Taxpayer

Intergovernmental Revenue Estimates (April 2, 2014)			
	Manager's Proposed 2015	State Est. 3/27/14 Approp. Com 2015	Chg. State Est Over Manager's Proposed 2015
Grant			
Pequot Grant	232,978	229,261	(3,717)
PILOT	6,317,790	7,240,205	922,415
ECS	10,178,230	10,186,654	8,424
Transportation	120,790	120,786	(4)
Town Aid	423,030	423,034	4
LoCIP	189,460	192,489	3,029
State Rev Sharing	6,430	6,434	4
Municip. Aid Adjust.	<u>312,770</u>	<u>--</u>	<u>(312,770)</u>
Total Actual	\$17,781,478	\$18,398,863	\$617,385
\$ Incr (Decr) from Prior Yr	(749,756)	(132,371)	
% Incr (Decr) from Prior Yr	-4.0%	-0.7%	

Impact on Taxpayer

Impact of Increased State Revenue on Mill Rate & Taxes		
	Governor's Proposed	Appropriations Committee
Proposed Mill Rate	28.71	28.11
Current Mill Rate	<u>27.95</u>	<u>27.95</u>
Increase/(Decrease)	0.76	0.16
% Increase/(Decrease)	2.72%	0.57%
<i>Median Home Assessment of \$169,900</i>		
Proposed Taxes	\$4,878	\$4,776
Current Taxes	<u>\$4,749</u>	<u>\$4,749</u>
Increase/(Decrease)	\$129	\$27

Budget Summary

- **FY 14/15 Proposed Budget**
 - 2.2% increase in General Fund expenditures
 - Tax increase of 0.76 mills or approximately 2.71% on median assessed home
- **Responsible budget**
 - Funds current services
 - Advances Council goals and initiatives
 - Fund balance and capital contributions provide long-term financial benefits to the Town and its taxpayers

Budget Dates

Town Council Budget Review	March 24 - April 22, 2014	Varies
Public Information Session	April 3, 2014	7:00pm
Public Hearing	April 15, 2014	7:30pm
Council Adoption of Budget	April 28-30, 2014	6:00pm
Region 19 Budget Referendum	May 6, 2014	6am-8pm
Public Information Session	May 7, 2014	7:00pm
Annual Town Meeting	May 13, 2014	7:00pm

Dates & Times Subject to Revision

Check www.mansfieldct.gov for locations & other meeting information

Budget workshops and public information sessions will be televised on our Government Access Channel and the Town's website when meetings are held in Council Chambers