

Town of Mansfield

FY 13/14 Council Adopted Budget

Public Information Session

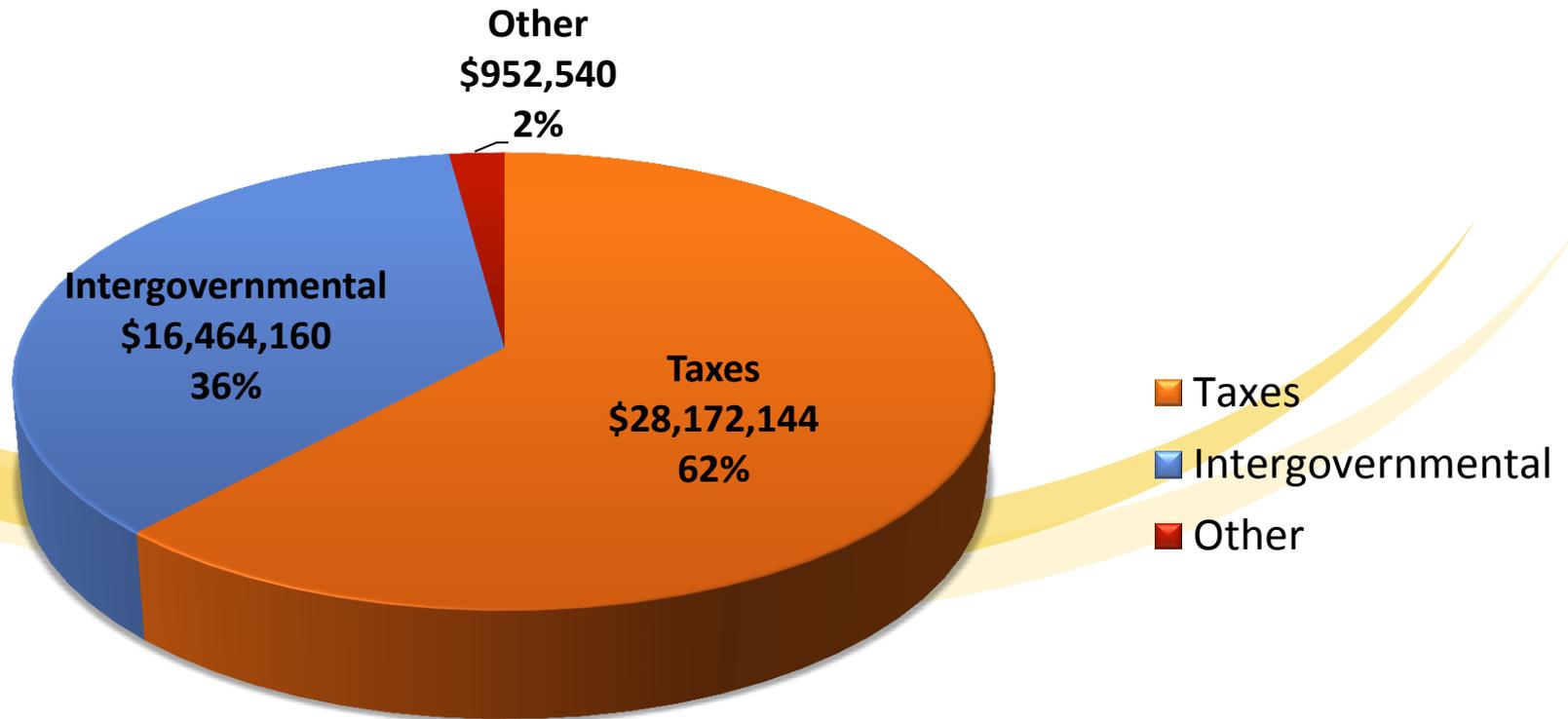
May 2, 2013



FY '14 Budget Overview

- General Fund \$45,488,884
 - Town and MBOE* \$35,483,330
 - Region 19 Contribution* \$10,005,514
- Capital Fund \$ 2,285,290
- Capital & Nonrecurring Fund \$ 1,194,860

FY '14 General Fund Revenues: \$45,588,844¹



¹Includes revenue raised for contribution to Fund Balance

FY '14 Revenue Outlook – Grand List

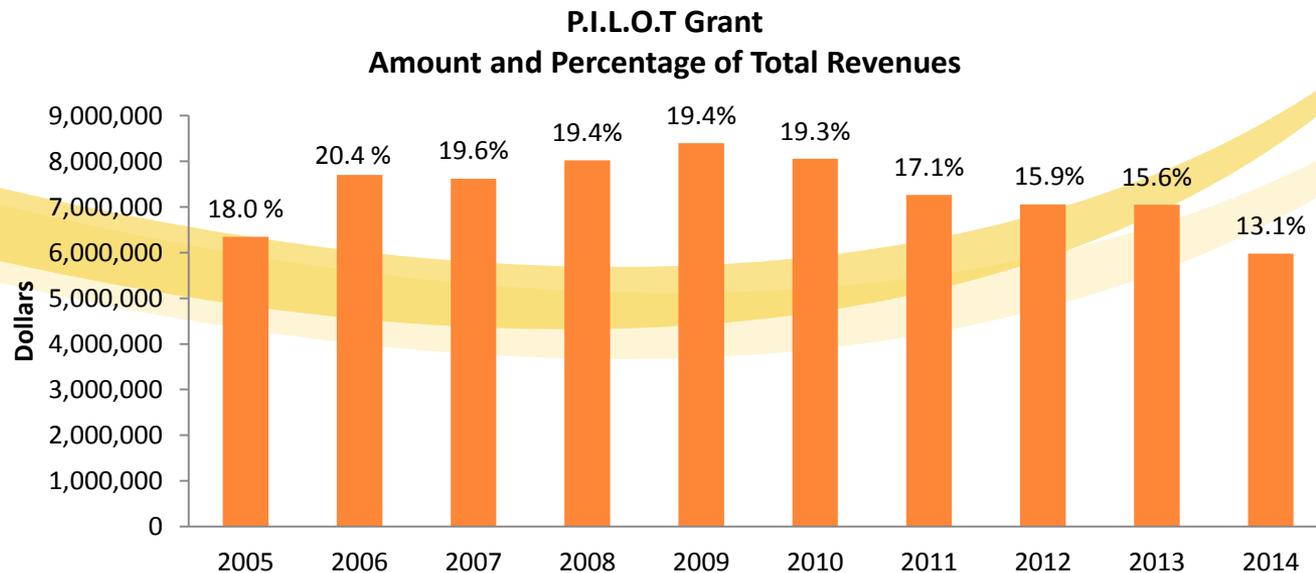
- Grand List increases by 3.55% from \$980,397,735 to \$1,015,190,044
- After Storrs Center abatement and new tax-exempt property, Grand Lists reflects a 2% increase to \$1,000,150,922
- Real estate increases by 3.47%
- Personal property increases by 12.13%
- Motor vehicle increases by 0.61%
- \$550,130 generated in new revenue from Grand List growth (after tax abatement)

FY '14 Revenue Outlook – Intergovernmental Revenues

- Impact of Appropriations Committee proposed budget
 - Decrease in intergovernmental revenue by \$1,178,200
 - Intergovernmental revenue has decreased from 43.17% of overall General Fund revenue in 2007 to 36.11% of General Fund revenue in 2014
 - Reflects a 7% decrease

FY '14 Revenue Outlook – Intergovernmental Revenues

- **Decrease in PILOT funding of \$1,072,250**
 - PILOT revenue has steadily decreased from 20.4% of overall General Fund revenue in 2006 to 13.1% of General Fund revenue in 2014
 - Reflects a 7.3% decrease



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.

28.41 mills

4.60% tax increase

Mill rate with Storrs Center

tax revenue -

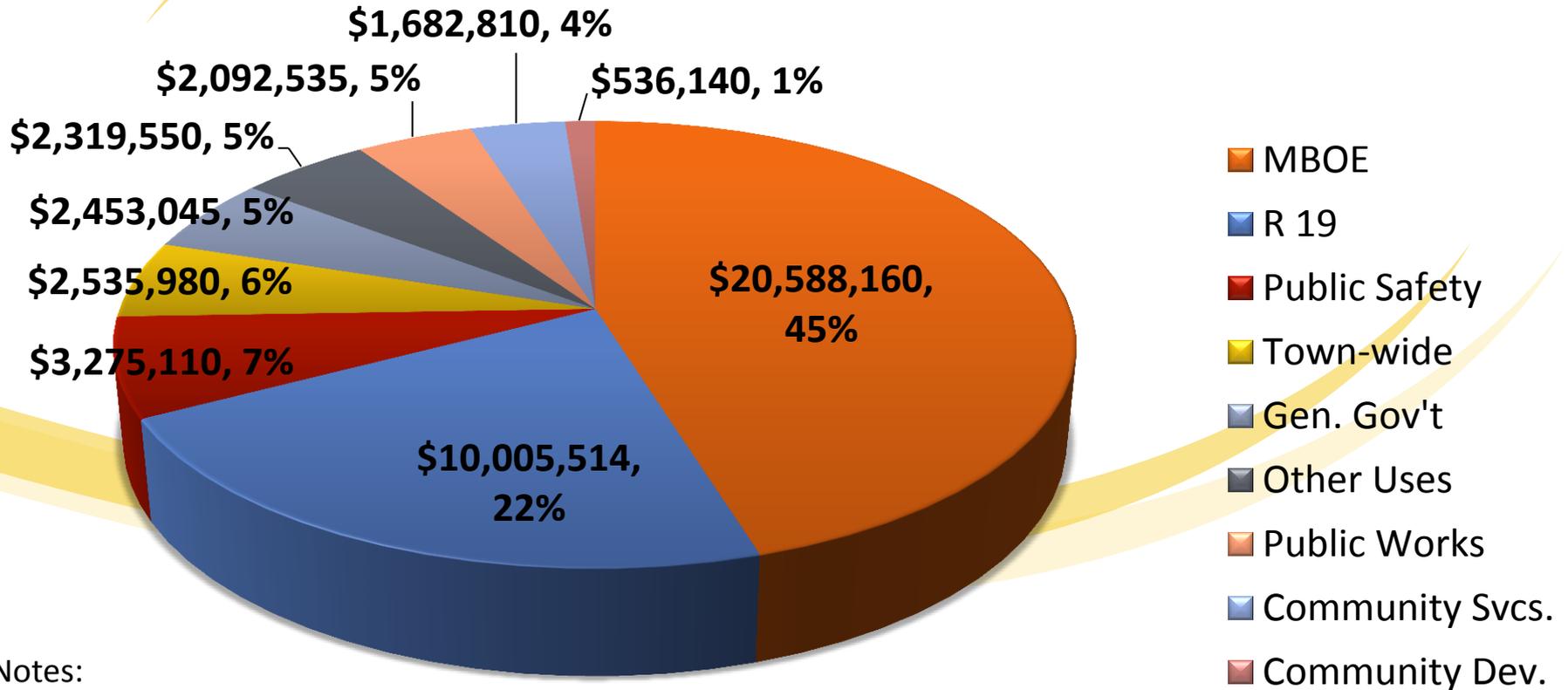
28.19 mills

3.78% tax increase

FY '14 Revenue Outlook – Storrs Center Revenues

Storrs Center Revenue: A Snapshot	
Estimated Tax Revenue	\$741,400
<i>Less Abatement</i>	<u><i>(321,000)</i></u>
Net Taxes	\$420,000
<i>Less Marginal Operating Costs</i>	<u><i>(82,000)</i></u>
Net Tax Revenue to Reserve Account	\$123,000
Net Tax Revenue to General Fund	\$215,000

FY '14 General Fund Expenditures: \$45,488,844



Notes:

- Town-wide includes employee benefits & insurance
- General government includes energy costs
- Other includes debt service and capital contribution
- Does not include contribution to Fund Balance

FY '14 General Fund Expenditures

General Fund	FY 2012/2013	FY 2013/2014	\$ Amt. Dec./Inc.	% Dec./Inc.
Town	\$14,945,330	\$14,895,170	\$ (50,160)	(0.3)%
MBOE	\$20,588,160	\$20,588,160	\$ 0	0.0%
Region 19	<u>\$ 9,503,550</u>	<u>\$10,005,514</u>	<u>\$ 502,210</u>	<u>5.3%</u>
General Fund Total	\$45,037,040	\$45,488,844 ¹	\$ 451,804	1.0%

¹Does not include contribution to Fund Balance

FY '14 Expenditure Trends

- **Maintains municipal services**
 - No service improvements
 - Reduction of 2.29 full-time equivalent (FTE) positions
 - No new policy initiatives
 - Does not fund Council policy initiatives
 - No funding for additional trooper
 - Does not increase contribution to fund balance
 - Does not increase contribution to capital fund
- **Funds \$125,000 Town contribution to MDP with Storrs Center revenue**

FY '14 Expenditure Trends

- \$150,000 decrease in debt service
- MBOE budget held flat
 - Due to inflation and other contractual increases, some service levels may decrease
- \$502,210 (5.3%) increase to R19
 - Reflects increase in Mansfield's student enrollment

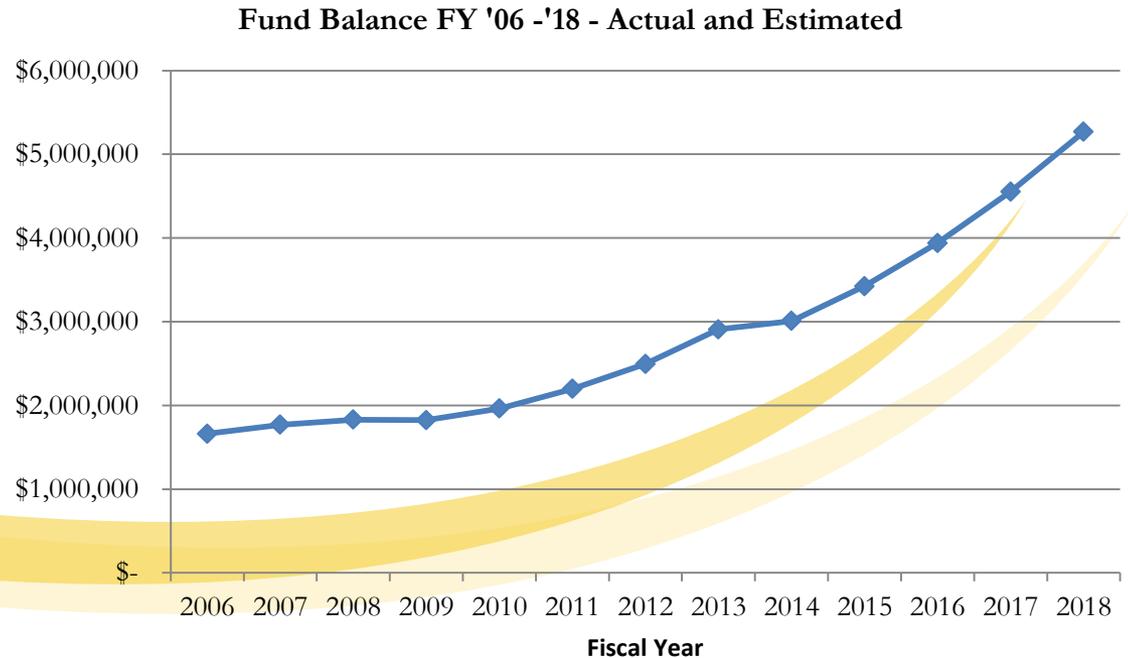
FY '14 Expenditure Trends

- **Fund Balance**
 - Estimated Fund Balance at June 30, 2013 is \$2,909,095, 6.46% of projected budget
 - Estimated Fund Balance for FY 13/14 is \$3,009,095, 6.6% of projected budget, an estimated increase of \$100,000

FY '14 Expenditure Trends

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.



FY '14 Capital & Non-Recurring Fund: \$1,194,860

- Planned uses:
 - Transfer to the Capital Fund, \$958,860
 - Management Services Fund technology replacement, \$175,000
 - Compensated Absences Fund, \$36,000
 - Property Tax Revaluation Fund, \$25,000
- Maintains effort to discontinue use of CNR Fund for recurring and non-capital expenditures

FY '14 Capital Fund Revenues: \$2,285,290

FY 13/14 Capital Budget Revenues		
CNR/GF Transfer In ¹	\$1,058,860	46.3%
Federal and State Grants	\$445,530	19.5%
LOCIP Grant	\$428,900	18.8%
Bonds	\$300,000	13.1%
Parks and Recreation Fund	<u>\$52,000</u>	<u>2.3%</u>
<i>TOTAL</i>	<i>\$2,285,290</i>	<i>100%</i>

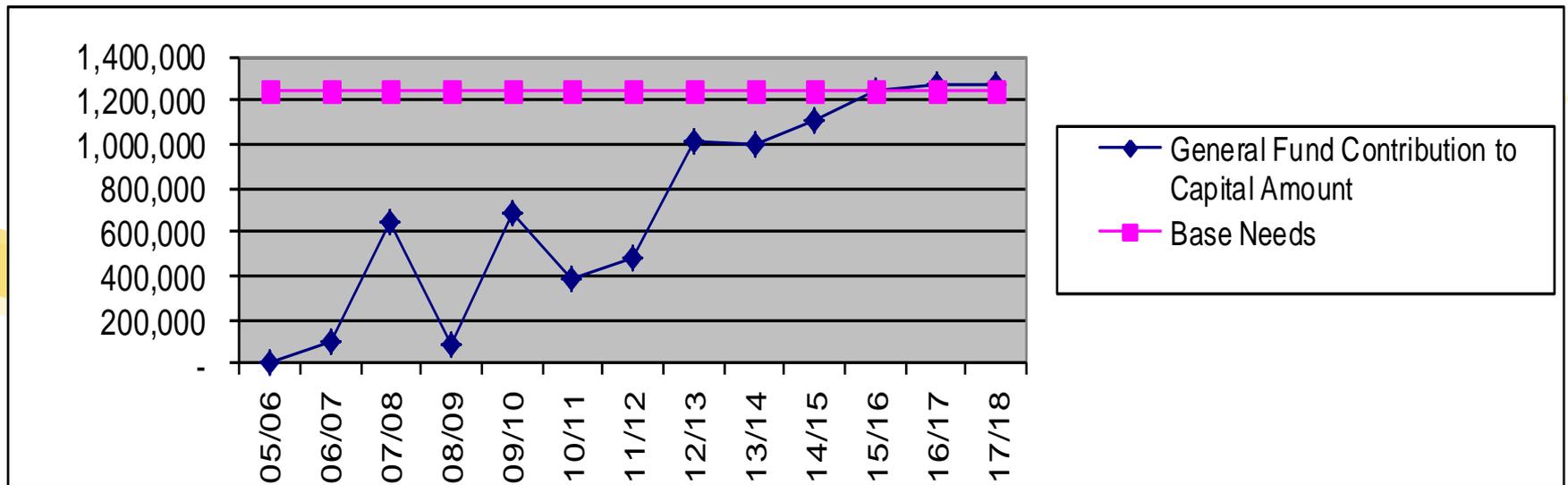
¹Includes General Fund contribution to capital, ambulance service fees

FY '14 Capital Fund Expenditures: \$2,285,290

FY 13/14 Capital Budget Expenditures		
Public Works	\$914,000	40.0%
Facilities Management (Town & Schools)	\$420,000	18.4%
Community Development	\$370,290	16.2%
Education Technology	\$200,000	8.8%
Community Services	\$132,000	5.8%
Public Safety	\$129,000	5.6%
General Government	<u>\$120,000</u>	<u>5.3%</u>
TOTAL	\$2,285,290	100%

Capital Fund

General Fund Contribution to Capital – Baseline Needs v. Actual and Projected Contributions



Capital Fund Major Projects

- Transportation projects (roads, bridges, walkways), \$578,000
- Public Works replacement equipment, \$321,000
- *Mansfield Tomorrow* Planning Grant, \$203,530
- Facilities improvements at schools, \$200,000
- Information technology equipment for schools \$200,000
- Public Safety replacement equipment, \$129,000

Impact on Taxpayer

Mill rate increase
of 1.03 mills
from 27.16 to
28.19 mills

Sample Tax Impact *On a Median Valued Home*

Current Valuation	\$169,400 ¹
Proposed Taxes	\$ 4,775
Current Taxes	<u>\$ 4,601</u>
Tax Increase	\$ 174
Percentage Increase	3.78%

¹Median home price, 100% of assessed value is \$242,000. \$169,400 reflects 70% of assessed value.

Impact on Taxpayer

Where do the Tax Dollars Go?

Education	\$3,205	67.1%
Public Safety	\$ 343	7.2%
Town-wide	\$ 266	5.6%
Government Operations (inc. energy)	\$ 257	5.4%
Other Financing Uses	\$ 243	5.1%
Public Works	\$ 219	4.6%
Community Services	\$ 176	3.7%
Community Development	\$ 56	1.2%
Fund Balance Reserve	<u>\$ 10</u>	<u>0.2%</u>
	TOTAL \$4,775	100%

Impact on Taxpayer

Mill Rate Increase - Major Components		
	<u>Amount</u>	<u>Mill Rate Change</u>
<u>Expenditures:</u>		
Region 19 Contribution	\$ 501,964	0.50
Police Services	93,790	0.09
Fire Services	48,195	0.04
PreK to 8 Education	-	0.00
Reduction in Debt Service	(150,000)	(0.15)
Net Expenditure Mill Rate Impact	493,949	0.48
Transfer to Fund Balance	(114,000)	(0.11)
<u>Revenues:</u>		
Loss in Intergov. Revenue	(1,178,200)	1.18
Loss in Other Revenues	(18,970)	0.02
Increase in Taxable Grand List *	535,809	(0.54)
Net Revenue Mill Rate Impact	(661,361)	0.66
Total Mill Rate Increase		1.03

* Estimated Storrs Center Tax Revenue = \$420,400 after abatement

Impact of Intergovernmental Revenues

- State Grant amounts are still very uncertain
- Town Council approved the proposed budget based on the Appropriations Committee proposed budget
- Current estimated tax levy is based on the April 24th estimates from CCM
- Council will defer setting the mill rate – anticipating a tax increase between .65 – 1.03 mills

Budget Summary

- **FY 13/14 Proposed Budget**
 - 1% increase in General Fund expenditures, including the Contribution to Region 19
 - Tax increase estimated between 0.65 mills (2.38%) and 1.03 mills (3.81%)
 - Funds current services
 - Unanimously approved by the 9-member Council

Looking Ahead

- Budget materials may be reviewed online at www.mansfieldct.gov, “Budget Information” web page
- **Annual Town Meeting**
 - Tuesday, May 14, 2013
 - 7pm
 - Mansfield Middle School Auditorium

Looking Ahead

- **At Town Meeting**

- General Fund – programs are defined as cost centers within functions of Government i.e. Town Clerk, Road Services, Senior Services
- Capital & Nonrecurring Fund – programs are defined by the recipient of the fund transfer i.e. Capital Fund, Management Services Fund (technology replacement)
- Capital Fund – programs are defined by the major functions of government i.e. Public Safety, Public Works

Looking Ahead

- **At Town Meeting – Voting on Programs**
 - Ability to increase or decrease program expenditures
 - What is a program?
 - Program based budget
 - Budgets established by program such as Police, Youth Services, Library
 - Program budgets will be clearly presented in the materials for Town meeting
 - Program budgets are currently reflected in the proposed budget document