

# Town of Mansfield

FY 13/14 Council Adopted Budget

Annual Town Meeting

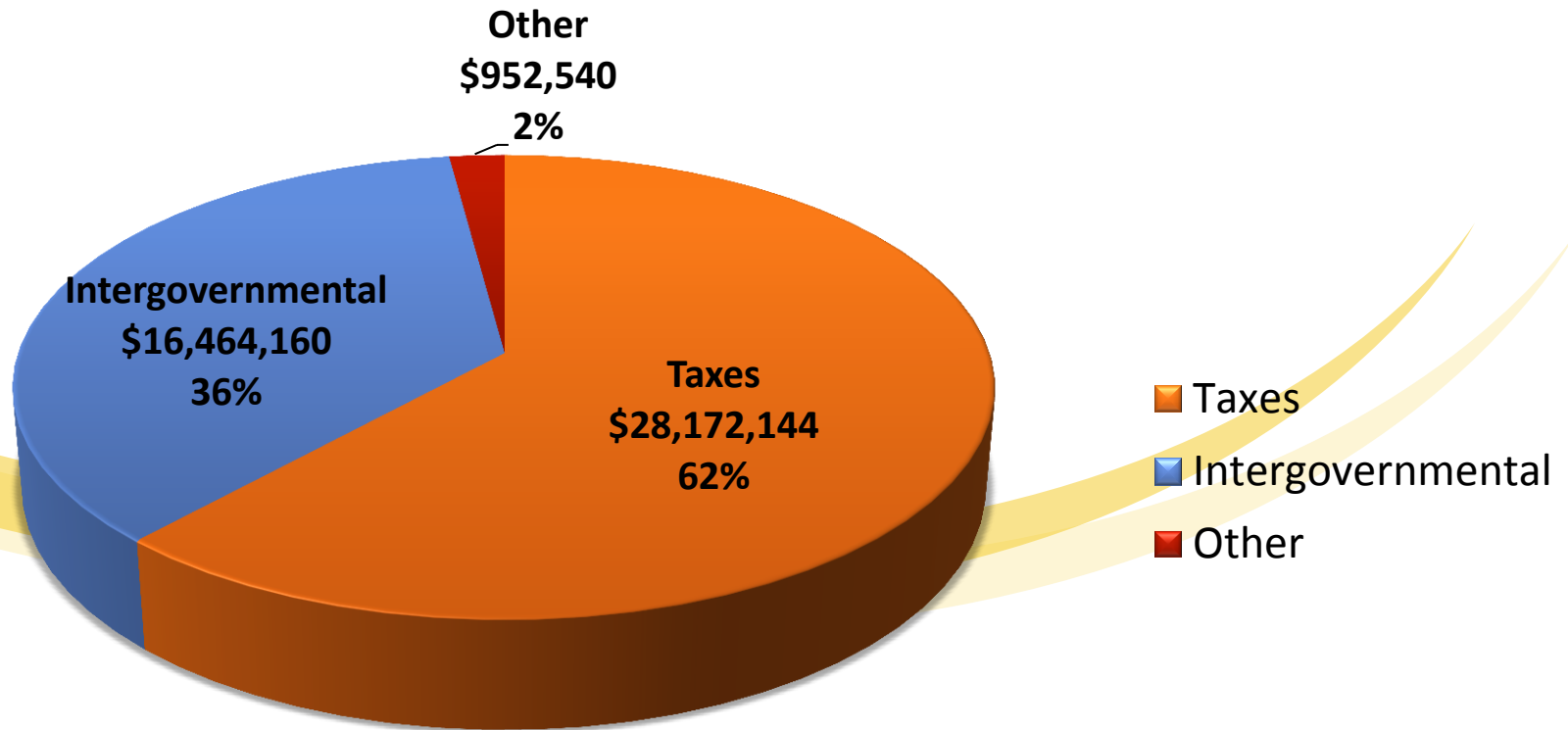
May 14, 2013



# 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: \$45,588,844<sup>1</sup>



<sup>1</sup>Includes revenue raised for contribution to Fund Balance

# FY '14 Revenue Outlook – Grand List

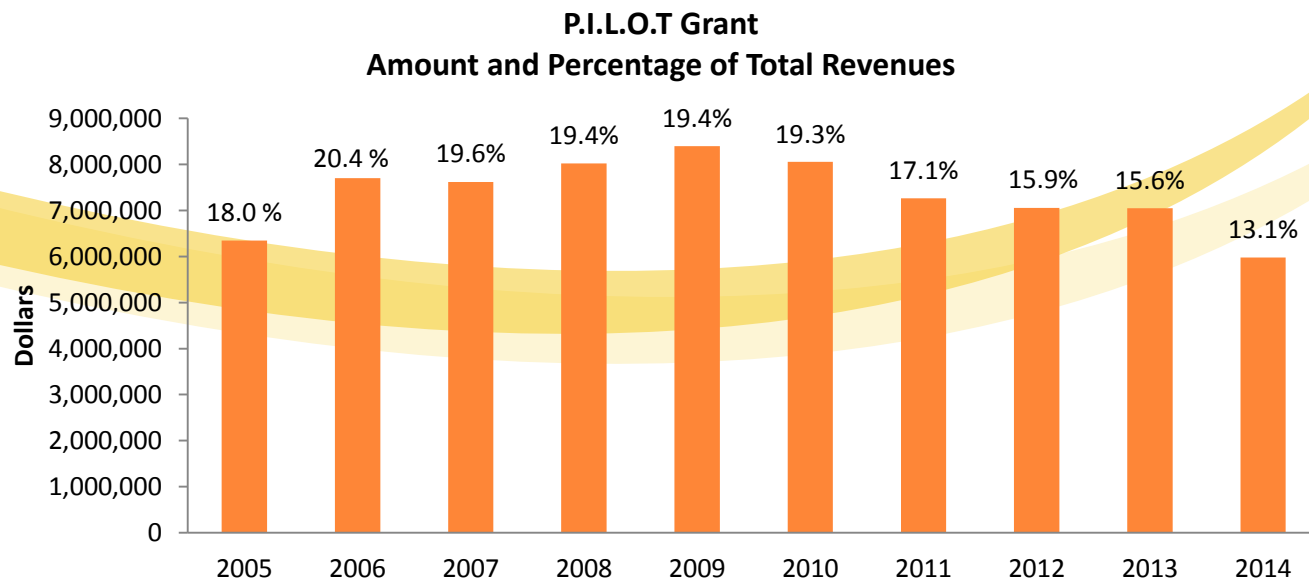
- Grand List increases by 3.55% from \$980,397,735 to \$1,015,190,044
- After Storrs Center abatement and new tax-exempt property, Grand Lists reflects a 2% increase to \$1,000,150,922
- Real estate increases by 3.47%
- Personal property increases by 12.13%
- Motor vehicle increases by 0.61%
- \$550,130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

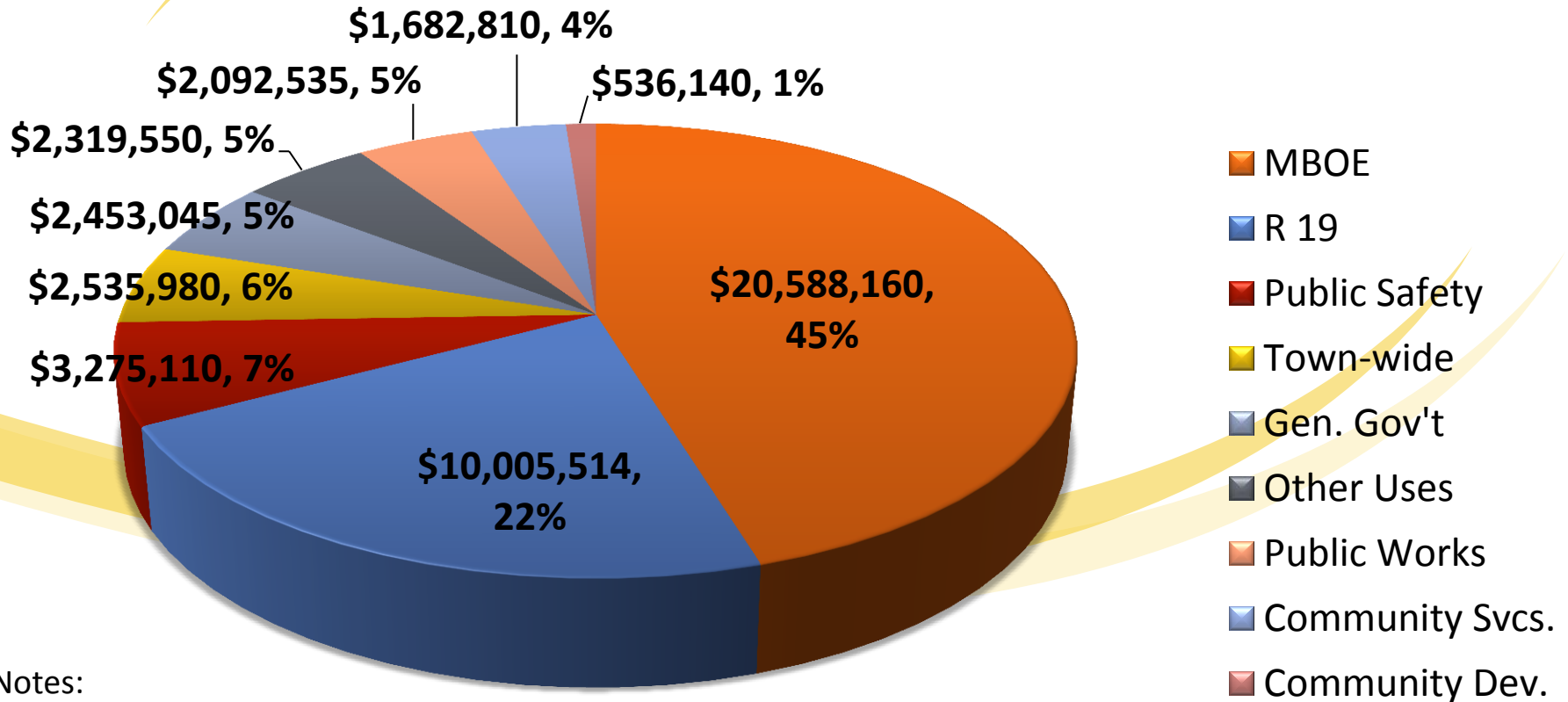
3.78% tax increase

# FY '14 Revenue Outlook – Storrs Center Revenues

<b>Storrs Center Revenue: A Snapshot</b>	
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
<b>Net Tax Revenue to General Fund</b>	<b>\$215,000</b>



# 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 <sup>1</sup>	\$ 451,804	1.0%

<sup>1</sup>Does 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
- \$502,210 (5.3%) increase to R19
  - Reflects increase in Mansfield's student enrollment
- MBOE budget held flat
  - Due to inflation and other contractual increases, some service levels may decrease

# FY '14 Mansfield Board of Education

- MBOE budget presented tonight:  
**\$20,588,160**
- 5<sup>th</sup> year in a row MBOE budget at **0%**
- Original budget adopted by MBOE for 13-14 fiscal year was \$20,941,020, an increase of 1.7%
- Budget reduced by Town Council by **\$352,860**

# FY '14 Mansfield Board of Education

## Prior 4 years

- Eliminated Asst. Superintendent
- Reduced technology budgets \$90K each year
- Eliminated Minority Internship program
- Reduced supply budgets \$55K each year
- Eliminated \$20K contribution to school lunch program

# FY '14 Mansfield Board of Education

## Prior 4 years

- Negotiated salary freezes and increased premium cost share with every bargaining unit.
- Reduced total number of buses contracted for by **three**.
- Eliminated Coordinator of English Language Learning Services.
- Staffing reduced by 8.5 full time positions

# FY '14 Mansfield Board of Education

## Prior 4 years

- Special Education – Significant \$\$ saved through keeping students in-district.
- Increase in MERS by over 100K per year
- Strategic use of reserve funds (medical insurance and special education)



# FY '14 Mansfield Board of Education

## New Mandates

- Common Core State Standards
- State mandated change to teacher/admin evaluations
- SRBI / RTI
- Smarter Balance Assessments

# FY '14 Mansfield Board of Education

## Original MBOE Adopted Budget

- Reduced staffing levels by 6.5 positions:
  - 3 Teachers – 2 at MMS, 1 at Elementary level
  - 3 Paraprofessionals (Reg Ed)
  - .5 Secretarial position – Central Office

# FY '14 Mansfield Board of Education

## Additional Cuts Made Last Week

Reduced staffing levels by 5 more positions:

- 1 Teacher – SE school
- 3 Paraprofessionals (Spec Ed)
- 1 Custodian
- Eliminated another bus
- Eliminated 1 Special Ed van
- Misc. smaller expenses

# Mansfield Board of Education

## Expenditure trends

- Declining enrollment
- CNR Budget includes security and technology improvements.
- CNR Budget includes minimum facility repairs
- Level funding does not equal level service.
- Future of maintaining 4 schools + inevitable cost increases?

Reduced programs

Increased class sizes

Closing 1 school

# Mansfield Board of Education

- 2009– 10 budget: \$20,588,160
- 2010– 11 budget: \$20,588,160
- 2011– 12 budget: \$20,588,160
- 2012– 13 budget: \$20,588,160
- 2013– 14 budget: \$20,588,160

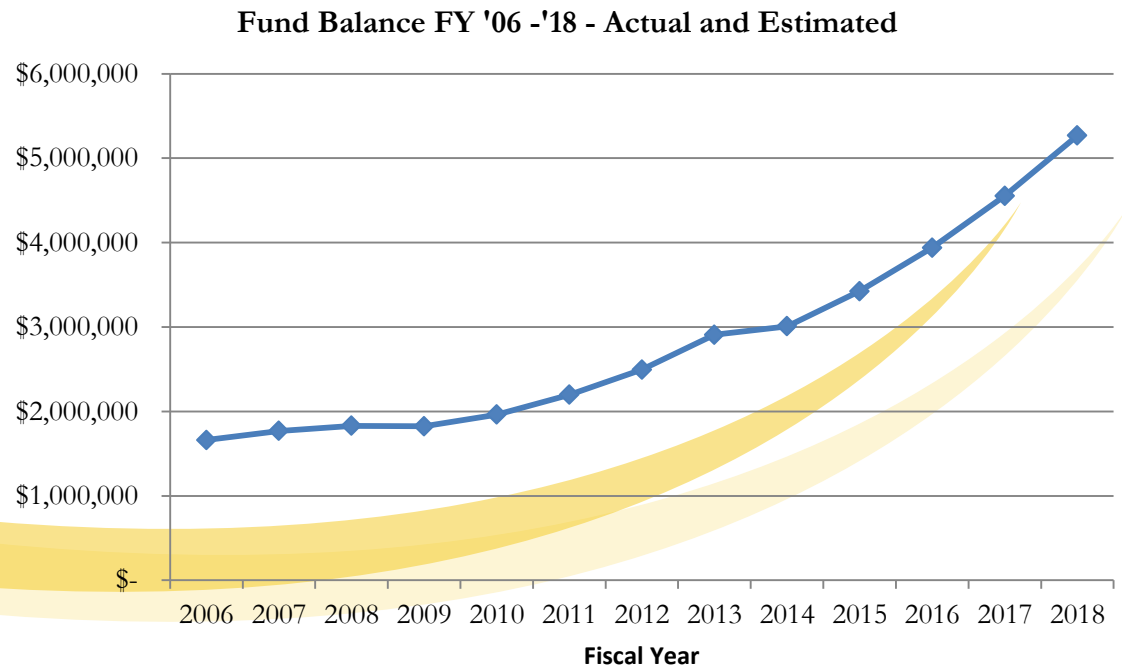
# FY '14 Expenditure Trends

- **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 <sup>1</sup>	\$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>
<b><i>TOTAL</i></b>	<b><i>\$2,285,290</i></b>	<b><i>100%</i></b>

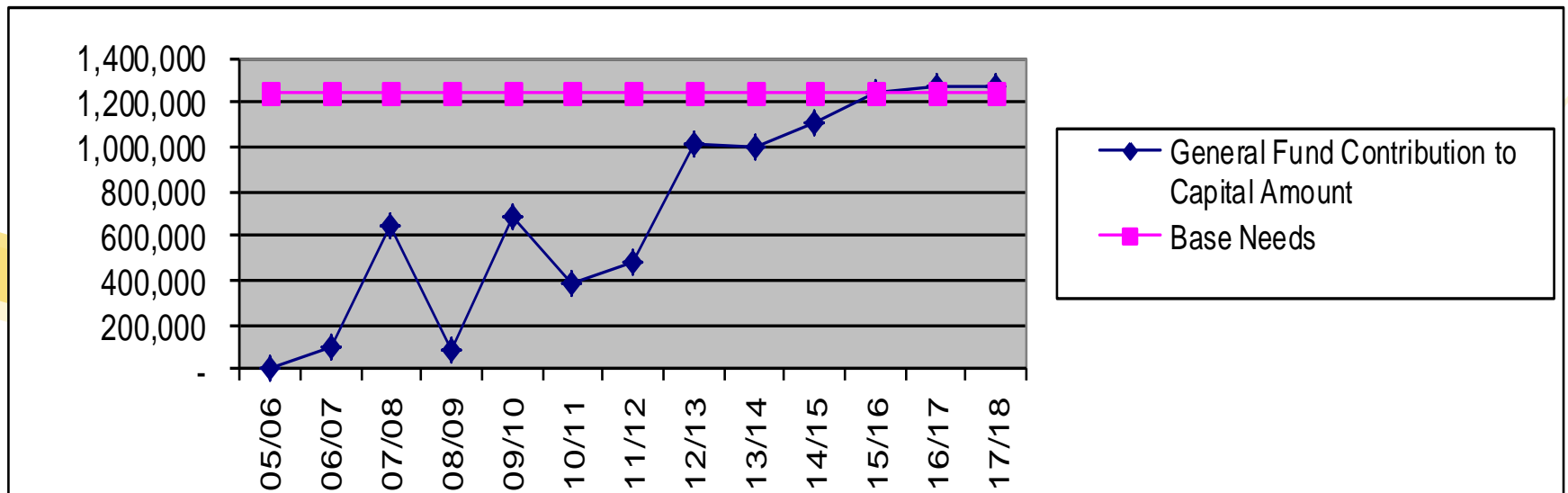
<sup>1</sup>Includes General Fund contribution to capital, ambulance service fees

# 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>
<b>TOTAL</b>	<b>\$2,285,290</b>	<b>100%</b>

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

<sup>1</sup>Median 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>
	<b>TOTAL \$4,775</b>	<b>100%</b>

# 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)
<b>Net Expenditure Mill Rate Impact</b>	<b>493,949</b>	<b>0.48</b>
<b>Transfer to Fund Balance</b>	<b>(114,000)</b>	<b>(0.11)</b>
<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)
<b>Net Revenue Mill Rate Impact</b>	<b>(661,361)</b>	<b>0.66</b>
<b>Total Mill Rate Increase</b>		<b>1.03</b>

\* 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 24<sup>th</sup> estimates from CCM
- Council prefers to defer setting the mill rate until the State finalizes their budget, hopefully early June
- Actual mill rate could be higher or lower than the 1.03 increase anticipated



# Budget Summary

- **FY 13/14 Proposed Budget**
  - 1% increase in General Fund expenditures, including the Contribution to Region 19
  - Funds current services
  - Unanimously approved by the 9-member Council

# 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
    - Program budgets can be found on pages **21 - 24**

# Appropriations Act:

RESOLVED: That the proposed General Fund Budget for the Town of Mansfield for fiscal year July 1, 2013 to June 30, 2014 in the amount of \$35,483,330 which proposed budget was adopted by the Council on April 24, 2013, be adopted and that the sums estimated and set forth in said budget be appropriated for the purpose indicated.

# Appropriations Act (con't):

RESOLVED: That in accordance with Connecticut General Statutes Section 10-51, the proportionate share for the Town of Mansfield of the annual budget for Regional School District No. 19 shall be added to the General Fund Budget appropriation for the Town of Mansfield for fiscal year July 1, 2013 to June 30, 2014 and said sums shall be paid by the Town to the Regional School District as they become available.

# Appropriations Act (con't.):

RESOLVED: That the proposed Capital Projects Budget for fiscal year July 1, 2013 to June 30, 2014 in the amount of \$2,285,290 be adopted provided that the portion proposed to be funded by bonds or notes shall, at the appropriate times, be introduced for action by the Town Council subject to a vote by referendum as required by Section 407 of the Town Charter.

# Appropriations Act (con't.):

RESOLVED: That the proposed Capital and Non-Recurring Reserve Fund Budget for fiscal year July 1, 2013 to June 30, 2014 in the amount of \$1,194,860 be adopted.