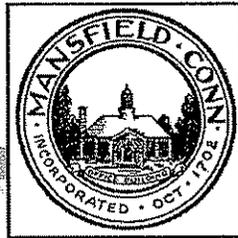


Town of Mansfield

FY 2014/15 Proposed Budget

March 24, 2014



Budget Policy Objectives

Four Primary Objectives:

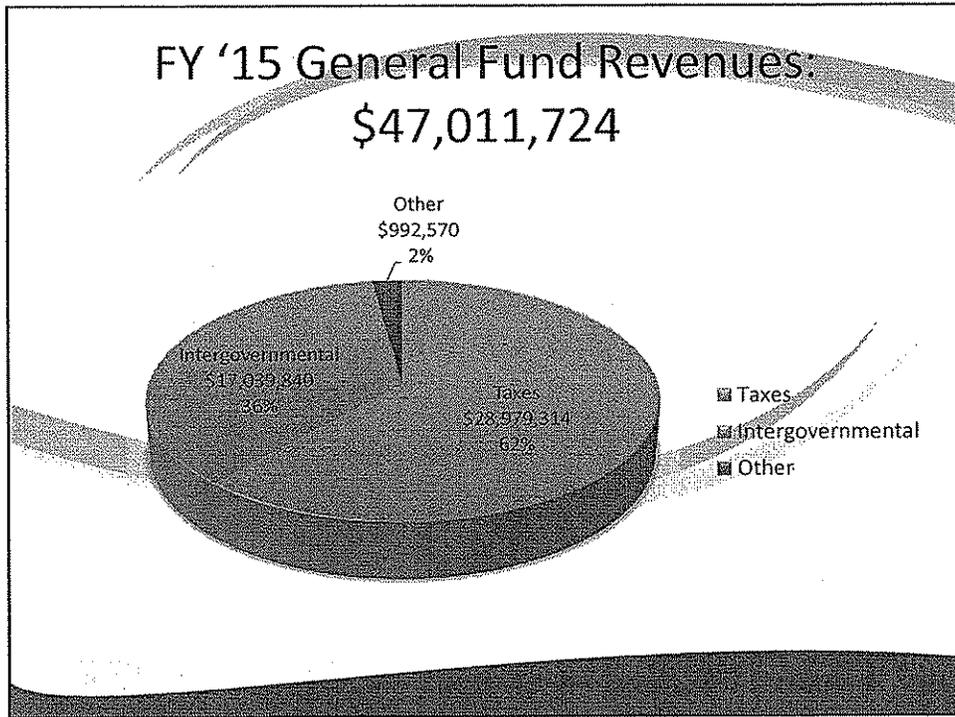
- **Maintain current services and programs**
 - All core services – education, general government, community services, community development, public safety and public works – remain intact
- **Support Council's financial management goals:**
 - Increase fund balance – fifth installment for \$100,000
 - 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 |
| <i>Town and MBOE</i> | <i>\$36,847,734</i> |
| <i>Region 19 Contribution</i> | <i>\$10,063,990</i> |
| • Capital & Nonrecurring Fund | \$ 2,114,600 |
| • Capital Fund | \$ 6,654,020 |



- ### 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

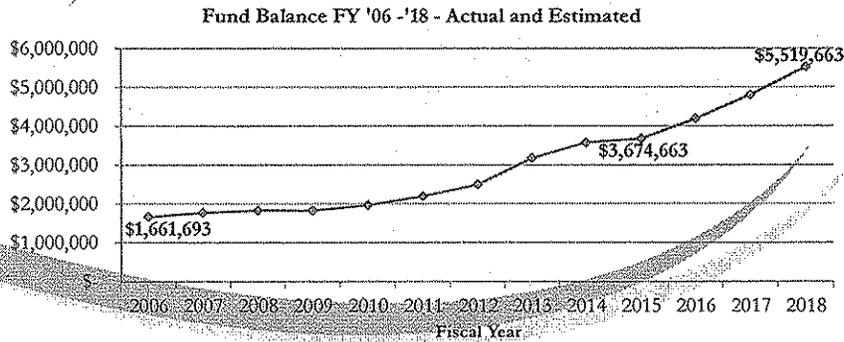
- Storrs Center development is generating revenue for the General Fund
 - Storrs Center tax revenue lessens the burden on residential taxpayers to fund services

Mill rate without Storrs Center tax revenue –	v.	Mill rate with Storrs Center tax revenue -
29.17 mills		28.71 mills
4.36% tax increase		2.71% tax increase

FY '15 Revenue Outlook – Intergovernmental Revenues

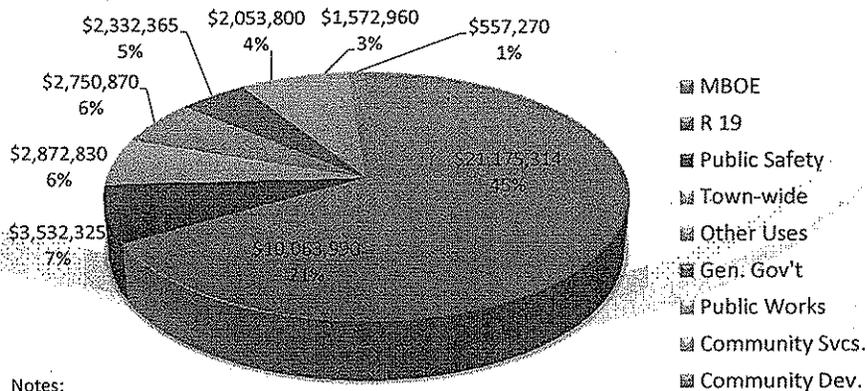
- Governor's proposed budget reflects a decrease in total intergovernmental revenue of \$746,717 below current year
 - Decrease in PILOT funding of \$467,073 or 6.9%
 - PILOT as % of General Fund revenue has decreased by 7% from FY 05/06 (20.4%) to FY 14/15 (13.4%)
 - Decrease in Municipal Aid Adjustment 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 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	\$10,005,514	\$10,063,990	\$ 58,476	0.6%
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	\$107,400	1.6%
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	\$100,000	1.5%
TOTAL	\$6,654,020	100%

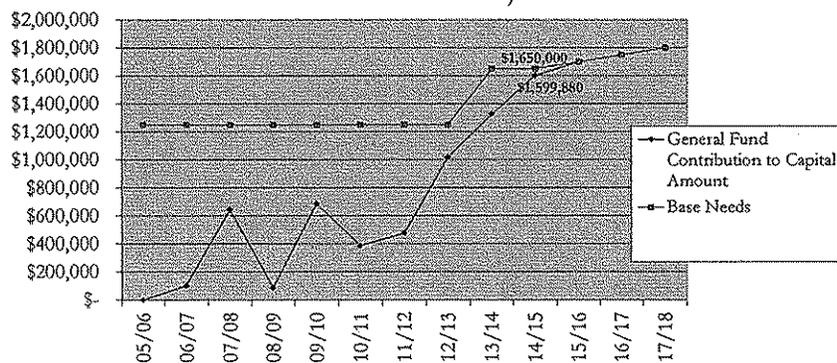
Capital Fund Major Projects

- 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%

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 Workshops

Council members are encouraged to:

- ✓ Ask questions
 - When possible, send questions to the Town Manager in advance of the workshop (helps to expedite responses)
- ✓ Flag items for further discussion

Budget Dates

Town Council Budget Review	March 24 - April 22, 2014	Varies
Public Information Session	April 3, 2014	7:00pm
Public Hearing	April 14, 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