Town of Mansfield &
Mansfield Board of Education

Citizen's Budget Guide

General Fund

What is the General Fund?

The General Fund provides for general purpose government services. In other words, the General Fund finances the regular daily operations of the Town.

What types of activities does the General Fund provide for?

Examples of what the General Fund provides for are services such as education, public safety, street maintenance, library services, senior services, and general administration.

Where does the money for the General Fund come from?

The money that funds the General Fund comes from a variety of sources. The primary sources of revenue are local property taxes and related items (64.7%) and state revenue, such as support for education and payment in lieu of taxes (33.5%). Other sources include inspection fees, fines, grants, licenses, permits and other revenue (1.8%). For Mansfield, the Governor's proposed budget includes a total decrease in aid of $610,689 from the 2018/2019 adopted Town budget. It proposes to reduce the Education Cost Sharing grant (ECS) by $446,175 from the adopted 2018/2019 Town budget.

Understanding Your Tax Calculation

What is a mill rate?

The mill rate is used to calculate the amount of taxes a property owner pays to the Town. The Town of Mansfield established a mill rate of 30.88 mills for Fiscal Year 2018/2019. Under the proposed Fiscal Year 2019/2020 budget the mill rate would increase to 31.87 mills for real estate, personal property, and motor vehicles. One mill produces one dollar for each $1,000 of property value. In other words, under the proposed budget, a property owner would pay $31.87 in property taxes for every $1,000 of "assessed" value.

How are my taxes calculated?

In Connecticut, your property taxes are calculated based on 70% of your home's current market value, or its "assessed" value. For example, the median single-family home price in Mansfield is $225,000. The assessed value of a $225,000 home is $157,000. Your tax bill is calculated as follows:

Open Mansfield

View the proposed budget on our website:
www.MansfieldCT.Gov

Residents can also view a hard copy of the budget at the Town Hall, Library, Community Center, and Senior Center during normal business hours.

Where does the money go?

FY 19/20 Proposed Operating Budget Expenditures

Mansfield Board of Education	$23,637,850
Region 19 Contribution	$11,238,560
Public Safety	$4,649,270
Government Operations	$2,071,050
Public Works	$3,374,020
Community Services	$1,816,150
Community Development	$782,230
Other/Town-Wide	$6,567,230
Total:	$54,136,360

(Assessed Value x Mill Rate)/1000 =
Amount Due in Taxes

Using the example of a home valued at the median single-family home price in Mansfield, a typical single family homeowner would pay this amount next fiscal year:

($157,000 x 31.87)/1000 = $5,004

Property taxes are generally perceived as a less progressive means of taxation than an income tax. Due to statutory limitations, the Town has a nearly impossible task of diversifying its revenue base in such a way that would create a more progressive tax structure.

Impact of Governor's Proposed Budget

The Governor's proposed budget includes a number of proposals that would significantly impact Mansfield and our taxpayers. His proposed budget reduces our overall state funding by $610,689. It is important to note that this is only a proposed budget. The state Appropriations Committee typically votes on the expenditure budget in late April and the state Finance Committee typically votes on the revenue budget the week thereafter.

Storrs Center Impact on Property Taxes

How are my taxes impacted by Storrs Center?

The Storrs Center development is generating revenue for the General Fund. Storrs Center revenues exceed Storrs Center related expenditures, providing a net gain in "new growth" tax revenue for the Town of $2,462,653. Without Storrs Center tax revenue, the proposed mill rate would be 34.10 mills, a tax increase of 10%. With Storrs Center tax revenue, the proposed mill rate is 31.87 mills, an increase of 0.99 mills, or a 3.22% increase. Tax revenue generated from the Storrs Center development lessens the burden on residential taxpayers to fund municipal services. Mansfield's share of the Downtown Partnership operating budget and the Transportation Center are funded with Storrs Center tax revenue.

Property Tax Relief

I need help paying my taxes. Where do I go for help?

Estimated Storrs Center Tax Revenue	$ 3,481,653
Less Abatement	*(554,000)*
Net Taxes	$ 2,927,653
Less Operating Costs	*(350,000)*
Less Transfer to Reserve Account	*(115,000)*
Net Tax Relief for General Fund	**$ 2,462,653**

Mansfield offers some property tax abatement programs. Taxpayers that may be eligible for property tax relief include veterans, seniors, disabled persons, and farm owners. Information about tax abatement programs in Mansfield, including eligibility requirements can be obtained by contacting our Assessor's Office at 860-429-3311, our Human Services Department at 860-429-3315 or online at www.mansfieldct.gov.

Capital Improvement Program

What's a capital improvement project?

It is construction, renovation or physical improvements, or equipment costing more than $5,000.

What's a capital improvement plan?

Annually, the Town prepares and revises a five-year plan for all capital projects. The plan accounts for anticipated revenues and expenditures that will be used to fund capital projects. A variety of revenue sources are used to fund projects in the plan, including monies from the General Fund, grants, and bond issues.

What's the Capital and Nonrecurring (CNR) Fund?

The CNR Fund is primarily used for conducting transfers to other funds. It has typically been used to fund capital projects and one–time expenditures.

What are some examples of our current and upcoming capital projects?

Examples of some upcoming capital projects include street resurfacing, Town Hall roof replacement, purchasing replacement apparatus for the Fire Department, and technology improvements for the elementary and middle schools.

Debt Management

Just like citizens often borrow money for large

purchases such as homes and vehicles, so do towns. Towns often borrow money for large purchases with useful lives exceeding 15 years. Money is usually borrowed by issuing bonds. Mansfield has, for example, issued bonds to pay for renovations to the Middle School gymnasium, for the sewer project and for open space.

Mansfield's debt is significantly less than its legally allowable debt limits. In fact, Mansfield has had one of the lowest debt per capita rates in the state; in 2017, Mansfield ranked 159 out of 168 towns at $127 per person (source: CT Office of Policy and Management, Municipal Indicators).

What is debt service?
Debt service provides for the payment of debt related expenses.

Why is it in the Town's interest to have a favorable bond rating?
Better bond ratings mean that the Town's bonds are considered to be a good investment. Good bond ratings are also evidence that the Town is financially healthy. A bond rating is the primary factor in determining the interest rate that the Town needs to pay on debt. The better the bond rating, the more likely it becomes that the Town will pay lower interest rates on debt. Both Standard and Poor's, and Moody's have given Mansfield very favorable bond ratings.

Fund Balance

What is a fund balance?
A fund balance is the excess of revenues over expenditures for a fund. A fund balance protects the Town against catastrophic revenue losses and major emergency expenditures. Examples include severe economic downturns and extreme weather conditions such as hurricanes and other natural disasters.

How much needs to be in the General Fund balance for the Town to be considered financially healthy?
A healthy fund balance contributes to the Town's favorable bond rating. Bond rating agencies advise that the General Fund reserve total at least 10 to 15% of the total general fund budget. Additionally, Mansfield has a fund balance policy goal of maintaining the unrestricted fund balance at 17% of the general fund operating budget. In keeping with the Council's financial policy goals, the Manager's proposed budget reflects a contribution to fund balance. It is estimated that on June 30, 2019 fund balance will be at 12.5% of the operating budget, and on June 30, 2020 fund balance will total 12.1% of the operating budget.

Annual Town Meeting

Each year the voters in Mansfield have an opportunity to vote to approve or reject the Town Council's proposed budget for the Town. The Mansfield Board of Education budget is also included in the proposed budget presented to the electors.

When is the Town Meeting held?
The Town Meeting will be held on Tuesday, May 14th, 2019 at 7:00pm at the Mansfield Middle School Auditorium. For the Town Meeting, the Town's Human Services makes childcare, hearing impairment, and transportation accommodations (elderly and disabled) for citizens upon request. **Persons with childcare, transportation, or sign language interpretation requests should contact the Human Services Office at 860-429-3315 by May 3, 2019.**

Who may vote at the Town Meeting?
Any person who is registered to vote and any citizen of the United States over the age of 18 who owns property (motor vehicle or land) in Mansfield valued at $1,000 or more may vote at the Town meeting. Citizens can register to vote by contacting the Registrars of Voters, Caroline Redding and Vera Ward at 860-429-3368.

How do I vote on the budget at the Town Meeting?
Electors have the ability to vote to accept, increase or decrease program expenditures. General Fund programs are defined as cost centers within a service unit of government e.g. Mansfield Board of Education, Fire Services, and Human Services. Capital Fund programs are defined by the major service unit of government e.g. General Government, Public Safety, Public Works, Facilities Management, Community Services, and Community Development. Capital & Nonrecurring Fund programs are defined by the recipient of the fund transfer e.g. management services fund. Mansfield utilizes program based budgeting so programs are clearly presented in the materials for the Town Meeting.

Board of Education Budget Process

Mansfield Board of Education (MBOE) provides for education of Mansfield students in grades PreK-8. MBOE has its own elected board of officials. In the fall, the Superintendent begins to prepare her proposed budget and submits it to the Board in January. After a series of meetings in the winter, the Board adopts a proposed budget that is then submitted to the Town Council for its consideration. Council has the ability to increase or decrease the MBOE budget as a whole; it cannot increase or decrease the MBOE budget by program or line item. The MBOE budget is then submitted with Council's proposed budget to the electors at the annual Town Meeting. Voters have the legal ability to approve, increase or decrease the MBOE budget as a whole.

Region 19 Budget Process

Regional School District 19 provides for education of Mansfield-Ashford-Willington students in grades 9-12. As a regional school district, Region 19 is a separate entity from the Town of Mansfield, with its own elected board of officials. Consequently, the Region's budget process and adopted budget are outside of the Town's legal control. The Superintendent submits his proposed budget to the Region Board during the winter. After a series of budget workshops, the Region 19 Board adopts a proposed budget that is then submitted to the voters of its three member towns. Registered voters in Mansfield-Ashford-Willington have an opportunity to vote on the Region's budget at a referendum held on May 7, 2019. Once the voters have approved a budget for the Region, Mansfield then has a legal obligation to appropriate funds for its proportionate share of the Region's budget. By state law, Mansfield's proportionate share is determined by the number of Mansfield students enrolled in classes at the Region.

Let your voice be heard!

Public Comment, Town Council Meetings, 7:00pm,
2nd & 4th Mondays of Every Month,
Council Chambers, 4 South Eagleville Road
Comments can be submitted in writing to Council members:
Via email at **TownCouncil@mansfieldct.org**
Hard copy in c/o of the
Town Manager's Office,
4 South Eagleville Road,
Mansfield, CT 06268

Upcoming Budget Dates

Public Information Session #1	April 1, 2019
Public Hearing	April 8, 2019
Council Adoption of Budget	April 25, 2019
Region 19 Referendum	May 7, 2019
Public Information Session #2	May 8, 2019
Annual Town Meeting	May 14, 2019

Dates & times subject to revision.
Check www.mansfieldct.gov for updates & other meeting information.