



## TOWN MANAGER PROPOSED BUDGET - FY 2023/24

March 29, 2023



## UPCOMING BUDGET DATES

Date	Topics include:	Time
April 5, Wednesday	Public Information Session – Town Manager’s Budget	6:30pm
April 6, Thursday	General Gov’t. Public Safety, Community Services, Comm. Development, Town-wide	6:30pm
April 10, Monday	Public Hearing – Submit for Regular Meeting	7:00pm
April 11, Tuesday	Public Works, Enterprise Funds, Other Funds	6:30pm
April 18, Tuesday	Board of Education, Shared Service Departments	6:30pm
April 20, Thursday	Discussion of flagged items	7:00pm
April 24, Monday	Adoption – prior to regular meeting	6:00pm
April 26, Wednesday	Adoption – if needed	6:30pm

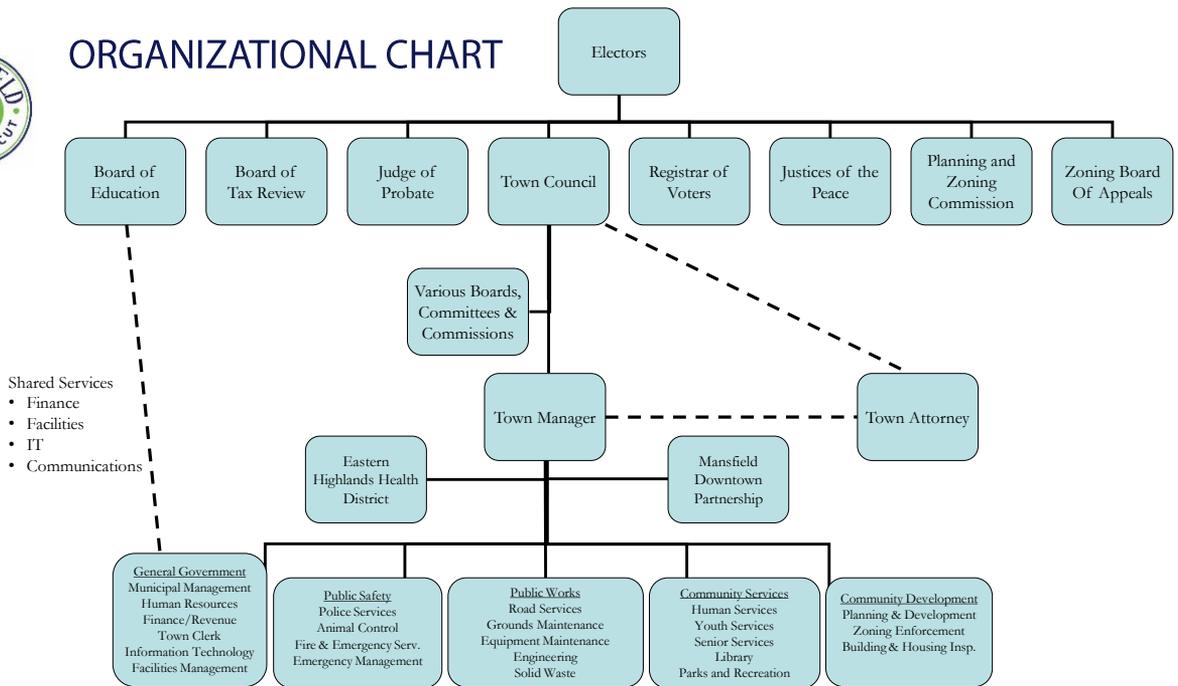


## GUIDING VALUES & PRINCIPLES (*Mansfield Tomorrow*)

- Community Resilience & Sustainability
- Open Space, Agriculture and Rural Character
- Economic Vitality
- Cultural Offerings and Amenities
- Multi-Modal Transportation Alternatives
- Sense of Place & Quality of Life
- Financial Stewardship & Affordability
- Diversity
- High-Quality Municipal Services



## ORGANIZATIONAL CHART





## MUNICIPAL SERVICES

- **General Administration:** Management, records, taxation, assessments, planning & zoning, environmental protection, information technology
- **Public Safety:** Police, fire/EMS, animal control, building/housing inspection
- **Public Works:** Highways, facilities, solid waste and recycling, public water and sewer systems, tree maintenance
- **Public Education:** Mansfield Public Schools (grades PK-8; municipal), Regional School District #19 (grades 9-12; regional)
- **Human Services:** Senior services, youth services, and social services
- **Library:** Access to a broad range of materials, youth and adult programs
- **Health:** COVID-19 local response, septic system inspections, well inspections and monitoring, food protection (Eastern Highlands Health District; regional)
- **Recreation:** Youth and adult leisure/fitness programs, parks and open space



## RECENT ACCOMPLISHMENTS (not an exhaustive list)

- **Affordability and Financial Condition**
  - Reduced tax rate (1.0 mill reduction) following a 4-year period of stable rates FY 2018/19 to FY 2021/22
  - Growth of General Fund unassigned fund balance (achieving the Council's 17% of operating budget goal)
- **Comprehensive Local Response to COVID-19 Pandemic**
  - Shifting Back to "Traditional" Operations While Using Technology to Enable "Contactless" Service Options
  - Vaccination Clinics; Public Health Guidance
- **Stakeholder Engagement, Outreach and Communications**
  - Use of ClearGov for Web-Based Budget Development to Gain Efficiencies and Improve Info Accessibility
  - Year 2 of Mansfield Local Government Academy (Expanded Program)
  - Town e-Newsletter; social media enhancements; website improvements
  - Planning Efforts: Parks & Recreation Master Planning, Municipal Facilities Master Plan (*in-progress*)
- **Planning & Development**
  - Affordable Housing – Project Planning, Committee Establishment
  - "The Standard" at Four Corners (and other large-scale proposals in review)
  - Strategic Plan for Downtown Storrs (collaborative effort with Mansfield Downtown Partnership)



## RECENT ACCOMPLISHMENTS (*continued*)

- **Capital Projects**
  - New Elementary School (Final Construction); Mansfield Middle School Roof Replacement/PV Array
  - Municipal Facilities Needs Assessment (Phase 1 - Conceptual Analysis; Phase 2 – Community Engagement);
- **Sustainability**
  - Green Energy Projects (i.e., Solar & Geothermal), Energy Efficiency Upgrades, SustainableCT Recertification
  - Mansfield Parks and Recreation – Comprehensive Financial Sustainability Strategy
- **Human Rights – Diversity, Equity and Inclusion**
  - Very Active and Assertive Human Rights Commission
  - Rural Welcoming Initiative
- **American Rescue Plan**
  - Public Health Response, Addressing Economic Impacts, Revenue Loss Replacement, Infrastructure
- **Town-University Relations**
  - “Resetting” the Relationship; Shared Economic Development Framework (ongoing)
  - Inclusion in the Search/Selection Process for the New University President
  - Collaboration on Efforts to Improve Pedestrian Safety



## RECENT ACCOMPLISHMENTS (*continued*)

- **Transportation & Infrastructure**
  - Extensive road resurfacing (catching up on many years of deferred needs)
  - Replaced numerous drainage structures
  - Road Safety Audit (Storrs Road/S. Eagleville Road)
  - Acquisition of significant grants for small bridge replacements
- **Public Safety**
  - Invested in additional staffing to improve police (RTO) and fire/EMS capacity and response
  - Progress on acquisition of new grant-funded “Quint” (aerial pumper)
  - Thorough reviews and inspections of ongoing development projects
- **Community Services**
  - Investments in programmatic and facility upgrades at Mansfield Public Library
  - Implementation of new Youth Diversion Program and expanded social service supports to local schools



## Council Goals – Part 1 of 3

1. **Economic Development:** Mansfield has a growing economy and diversified business base that helps to maintain the high-quality services desired by residents
2. **Financial Management:** Responsibly manage available financial resources to maintain quality services and projects that are responsive to community needs
3. **Housing:** Mansfield continues to improve the breadth, quality and diversity of housing types and develop new housing inventory, with a particular focus on affordable housing, to ensure that people of all economic means can secure housing that meets their needs
4. **Human Services:** Provide access to high quality human services programs and services for persons of all ages



## Council Goals – Part 2 of 3

5. **Municipal Facilities:** Mansfield maintains high-quality public facilities that support town goals and continues to develop a comprehensive facilities master plan to guide future investments in municipal facilities
6. **Open Space and Agriculture:** Preserve and maintain open space and viable working farms
7. **Public Safety:** Mansfield public safety services- police, fire and EMS- protect life and property through a robust program of education, enforcement and preparedness
8. **Diversity, Equity and Inclusion:** Ensure that municipal policies, programs and services reflect the community's deep commitment to the principles of diversity, equity, inclusion



## Council Goals – Part 3 of 3

9. **Town-University Relations:** Mansfield collaborates with UConn to achieve common goals, promote positive relationships with the student population, maximize the local economic benefits of the university's presence and address quality of life issues in off-campus neighborhoods
10. **Transportation:** Mansfield has a balanced, integrated transportation system that provides residents with viable options in getting from one place to another



## LOOKING AHEAD: CHALLENGES & OPPORTUNITIES (1 OF 2)

- **American Rescue Plan**
  - Continued implementation of the programs, initiatives and/or projects that the Town Council has authorized using the Town's American Rescue Plan Act (ARPA) funding
- **Local Business Recovery and Economic Growth/Development**
  - Promoting Existing Local Businesses and Attracting New Forms of Desired Development
  - Further Progress on Marketing & Branding Strategy (Emphasis on Wayfinding Program)
  - Mansfield is a Highly Desirable Community to Live, Do Business, Learn, Work, Play, and Visit
- **Exceptional Municipal Services**
  - Maintaining and Enhancing Service Levels in Cost-Effective Ways
- **Aging & Inadequate Town Buildings**
  - Successful Completion of Community Engagement RE: Municipal Facilities Needs Assessment
  - Proceeding with Schematic Design Phase of Municipal Facilities Master Plan
  - Ensuring Facilities Effectively Meet Present and Anticipated Future Community Needs
- **Mansfield Parks and Recreation**
  - Successful Completion of Master Plan and Financial Sustainability Strategy



## LOOKING AHEAD: CHALLENGES & OPPORTUNITIES (2 OF 2)

- **Addressing Infrastructure Needs and Associated Capital Investments**
  - Roads, Bridges, Storm Water/Drainage– Deferred Maintenance and Capital Improvements
  - Incorporating “Complete Streets” Design Elements into Public Works Projects
- **Affordable & Workforce Housing**
  - Ensuring Mansfield Has Housing Stock Availability for Everyone
- **Opening of the New Mansfield Elementary School**
  - “Net Zero” Building; Exceptional Facility for Future Generations of Children
- **Diversity, Equity & Inclusion**
  - Ensuring that Our Practices/Actions Reflect Our Core Values
- **Stakeholder Engagement & Open Government**
  - Continue Actively Enhancing Outreach & Communications; Website Redevelopment
- **Visioning for the Future**
  - Planning for and Implementing Updates to *Mansfield Tomorrow* (Strategic Plan and POCD), Including In-depth Community Engagement
  - Collaborating with UConn to Identify Shared Goals and a Framework for Future Development

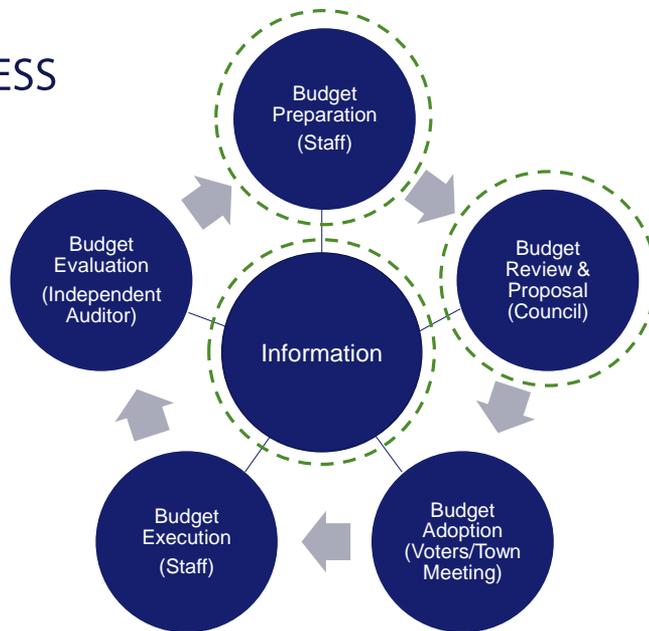


## MUNICIPAL BUDGETING

- **A public budget is a plan of expected revenues and expenditures for the upcoming fiscal year (FY), which is a 12-month period**
  - Mansfield and other municipalities in CT operate under a July 1-June 30 FY
- **A budget is a policy document (arguably the most important one)**
  - Weighs policy priorities against available public funding/resources
  - Overviews the ways and means of providing public programs and services
  - Establishes costs of programs
  - Indicates how revenues will be allocated
  - Articulates any pertinent spending limitations
  - Provides transparency and accountability
- **A budget is comprised of an operating budget and capital budget**



## BUDGET PROCESS



## BUDGET POLICY AND OBJECTIVES

- Proposed Budget is a starting point (confront tradeoffs)
- Advance the Town Council's fiscal goals and objectives
  - Preserve and maintain the quality of current programs and services
  - Continue wisely using/leveraging enhanced state aid funding
  - Maintain pay-as-you-go capital plan
  - Preserve/sustain the General Fund's presently healthy fund balance
  - Minimize any necessary increases in the mill rate and overall tax burden
  - Achieve efficiencies (cost savings, digital access/transactions, etc.)
  - Promote transparency and accessibility of local government
  - Plan for needed upgrades to municipal buildings and infrastructure
  - Advance the priorities, goals & objectives of *Mansfield Tomorrow*
  - Promote ongoing local economic stimulus/growth



## PROPOSED FY 2023/2024 BUDGET - SUMMARY

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### UPFRONT "BOTTOM LINE"

- The ensuing budget proposal calls for **maintaining existing services levels** (operating budget) while honoring the Town Council's previously expressed desire to sustain an **increased level of annual investment in capital improvement projects**
  - As the proposed operating budget contemplates very few "service improvements" (i.e., additional staffing), escalation in the Town's operating expenditures reflect pressures largely outside local control (i.e., **inflation**)
  - Due to rising operating costs, sustaining existing service levels and making significant progress on capital projects will necessitate a **mill rate increase**
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## FY 2023/24 BUDGET "SNAPSHOT"

Budget	Amount
Town and Mansfield Public Schools	\$51,856,840
Region 19 Contribution	\$11,951,245
General Fund	\$63,808,085
Capital and Non-Recurring Fund	\$4,803,050
Capital Fund	\$5,263,250



## FY 2023/24 BUDGET HIGHLIGHTS

- Provides funding to sustain service levels in all areas of municipal operations
- Essentially level Grand List (limited YOY growth)
- Assumes essentially level state aid
- Requires an increase in the tax rate of 1.50 mills (4.93%)
  - Mill rate of 31.88 is only 0.50 mills (1.6%) above the mill rate (31.38) in FY 2018/19, FY 2019/20, FY 2020/21, and FY 2021/22
- Meets contractual/non-discretionary obligations
- Continues pay-as-you-go capital plan (growing investment)
- Preserves a healthy/desired fund balance in the GF



## PROPOSED FY 2023/2024 BUDGET - REVENUES

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## REVENUES

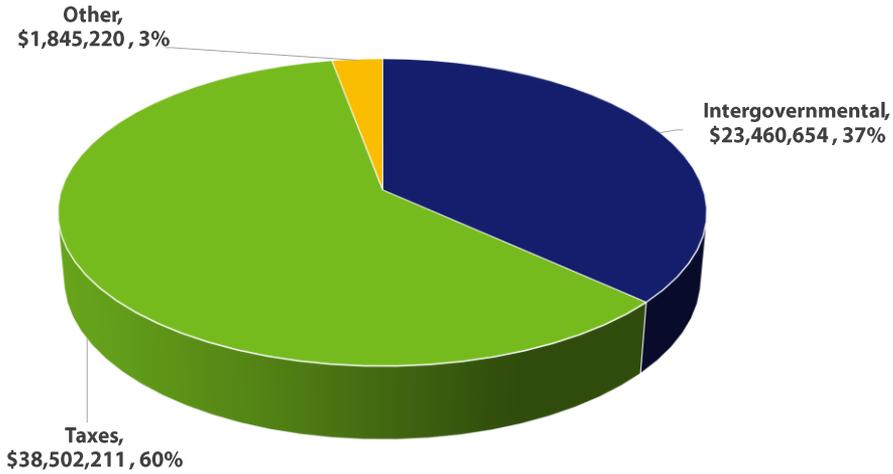
### Types of Revenue:

- Taxes
- State Aid
- Licenses & Permits
- Charges for Services
- Fines & Forfeitures
- Miscellaneous Revenues
- Transfers In from Other Funds



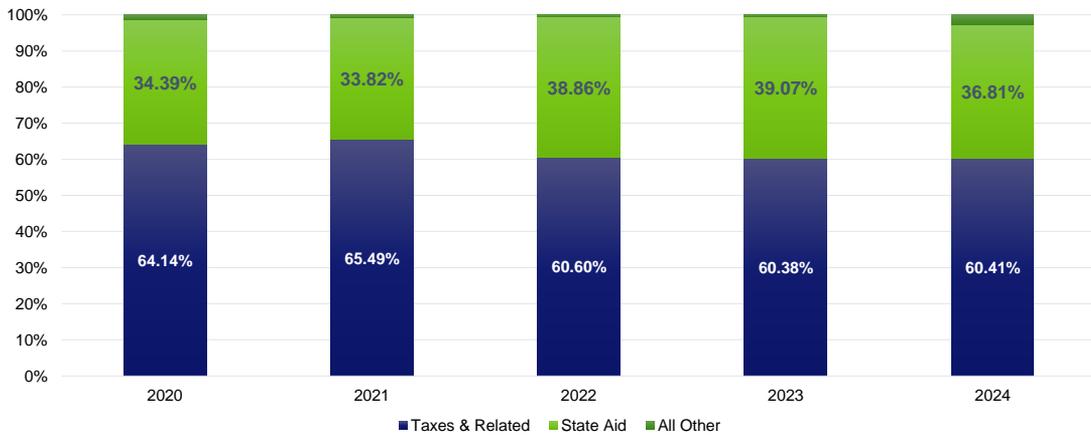
## GENERAL FUND REVENUES

Total \$63,808,085



## REVENUES

Five-Year Revenue Distribution Trend





## REVENUES

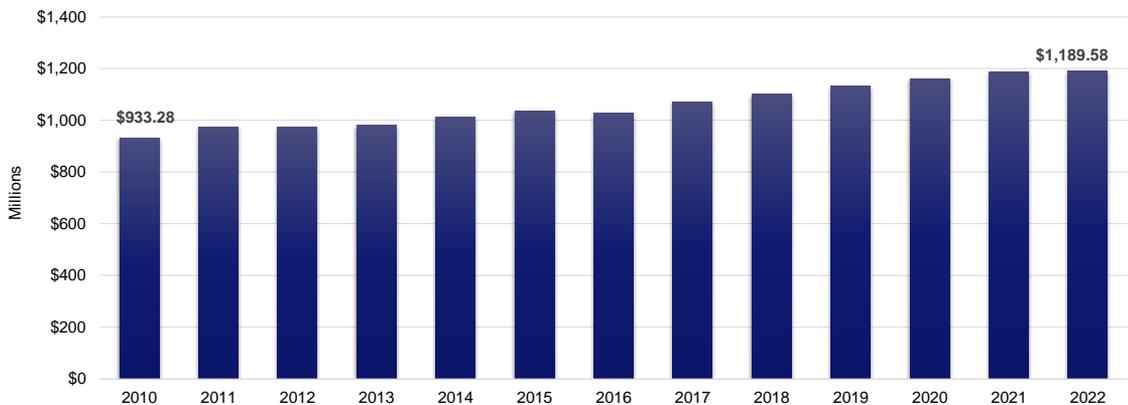
### Preliminary Grand List

	10/1/2021	10/1/2022	Change	% Change
Real Estate	\$ 979,252,644	\$ 977,487,344	(\$ 1,765,300)	(0.18%)
Pers. Property	\$ 101,986,715	\$ 100,392,328	(\$ 1,594,387)	(1.60)%
MV	\$ 107,298,855	\$ 111,699,670	\$ 4,400,815	4.10%
<b>Totals</b>	<b>\$1,188,538,214</b>	<b>\$1,189,579,342</b>	<b>\$1,041,128</b>	<b>0.09%</b>



## REVENUES

### Net Grand List





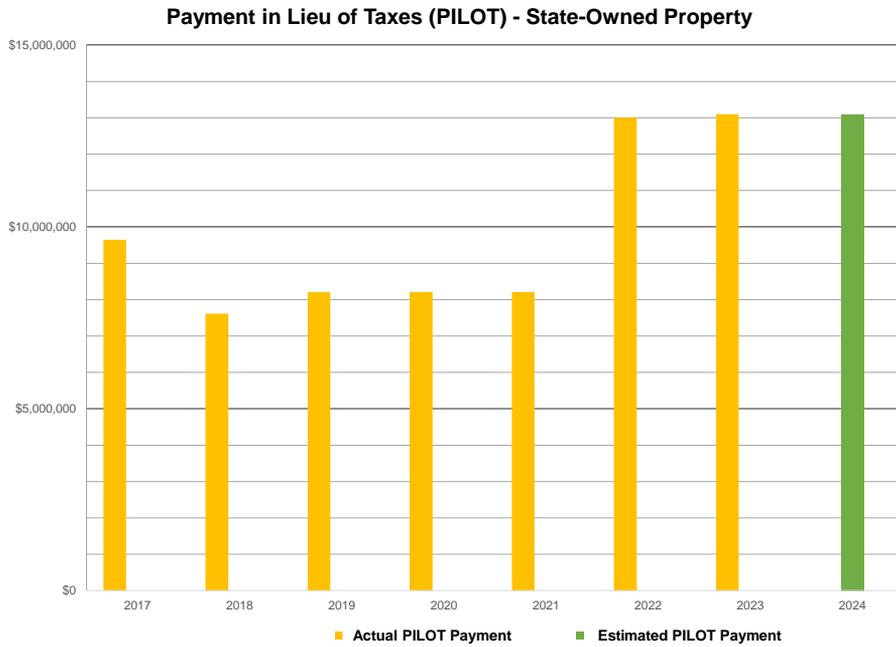
## REVENUE OUTLOOK - INTERGOVERNMENTAL

- The Governor's proposed biennial budget for FY 2023/24 and FY 2024/25 reflects a very modest increase in Mansfield's allocation of state aid relative to the current biennial budget (FY 22 to FY 23)
  - Payment in Lieu of Taxes (PILOT) – \$10,576,945
  - MV Tax Reimbursement Grant – N/A (Mansfield Mill Rate Below Statutory Cap)
  - Municipal Revenue Sharing (General Fund) – N/A
  - Municipal Stabilization Grant – Discontinued/Merged with Other
  - Supplemental Revenue Sharing – \$3,291,730
  - Pequot Grant – \$179,151
  - Town Aid Road – \$413,430
  - Local Capital Improvement Program (LoCIP) - \$190,197
  - Municipal Grants-in-Aid - \$6,841
  - Education Cost Sharing (ECS) - \$9,555,065



## PREVIOUSLY ENACTED CHANGES TO PILOT FORMULA

- In June 2021, new state law established three "Tiers" of PILOT funding based on relative per capita property value
  - Tier 1 is for municipalities with an equalized net grand list per capita of less than \$100,000 (this includes Mansfield)
  - The law sets payment levels to Tier 1 municipalities at 50% of the assessed value of tax-exempt property
- Mansfield's annual PILOT revenues increased from approximately \$8.2 million in FY 2020/2021 to roughly \$12.9 million (an approximately \$4.7 million or 57% increase) in FY 2021/22 and FY 2022/23
- Staff recommend basing the Town's FY 2023/24 revenue projections and longer-term revenue forecasting on a level of PILOT funding comparable to what was appropriated in FY 2022/23 and included in the Governor's proposed biennial budget beginning in FY 2023/24



## PROPOSED FY 2023/2024 BUDGET - EXPENDITURES



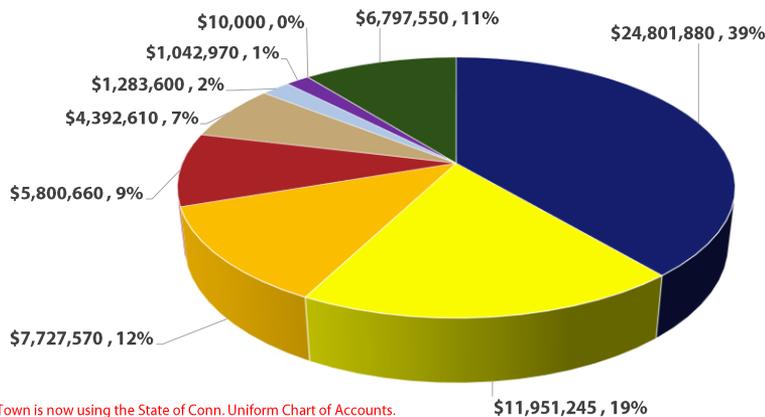
## BUDGET DRIVERS

- Employee Wages & Benefits
- Capital Projects
- "Interfund" Fiscal Support/Transfers
- Debt Service
- Cost Inflation for Goods and Services



## GENERAL FUND EXPENDITURES

Total \$63,808,085



- Mansfield Schools
- Region 19
- General Gov't.
- Public Safety
- Public Works
- Health & Welfare
- Culture & Recreation
- Contingency
- Other Uses

Note: The Town is now using the State of Conn. Uniform Chart of Accounts. The functional categories now include different departments than in the past. For example, there is no longer a Town-Wide category, employee benefits is now included in General Government

## GENERAL FUND EXPENDITURES



General Fund	FY 2022/23	FY 2023/24	\$ Change	% Change
<i>Municipal Operating</i>	\$20,273,190	\$21,471,060	\$1,197,870	5.9%
<i>Capital Contribution</i>	\$3,080,000	\$3,983,900	\$903,900	29.3%
<i>Debt Contribution</i>	\$1,361,390	\$1,600,000	\$238,610	17.5%
Total General Gov.	\$24,714,580	\$27,054,960	\$2,340,380	9.5%
Mansfield Public Schools	\$23,963,290	\$24,801,880	\$838,590	3.5%
Region 19	\$11,607,251	\$11,951,245	\$343,994	3.0%
<b>General Fund Total</b>	<b>\$60,285,121</b>	<b>\$63,808,085</b>	<b>\$3,522,964</b>	<b>5.8%</b>



## EXPENDITURE TRENDS

### ▪ Obligated/Non-discretionary Increases (Current Services)

○ Contracted Salary & Benefits	\$1,747,250
○ Debt Service	\$ 238,610
○ Energy	\$ 138,820
○ General Liability Insurance	\$ 39,200
○ Shared Finance/IT Services	\$ 31,220

*Total Obligated/Non-discretionary Increases* **\$2,195,000**

### ▪ Operating Expenses to Enhance Services

○ Transfer Out Capital (Continue pay-as-you-go)	\$ 903,900
○ Parks & Recreation and Downtown Partnership Support	\$ 69,850
○ Proposed Additional Staffing (2 PT Building Inspectors)	\$ 68,110
○ Aerial Pumper and Public Education Training	\$ 53,230
○ Contributions to Area Agencies	\$ 3,250

*Total Operating Expense Increases to Maintain Services* **\$1,098,340**

**Net Increase to Municipal Budget (Including \$952,960 in Reductions) → \$2,340,380 or 9.5%**



## EXPENDITURE TRENDS

- Employee Benefits Represent ~18% of Overall Town GF Budget
- Factors Driving Changes in Employee Benefits Expenditures (included under "General Government"):
 

○ MERS (Municipal EE Retirement System)	\$ 389,160
○ Medical Insurance Increases	\$ 46,660
○ Social Security/Medicare	\$ 72,530
○ Additional Benefits Costs	<u>(\$ 17,630)</u>
 Total proposed Employee Benefit Expenditures	 \$ 490,720



## EXPENDITURE TRENDS

- Overall Net Increase to Mansfield Public Schools - \$838,590 or 3.5%
 

○ Obligated salary & benefit increases	\$ 762,210
○ Additional Student Support Positions	\$ 305,030
○ End of ARP/ESSER III Funding	\$ 130,000
○ Pupil Transportation	\$ 47,250
○ Expanded Elementary School Programs	\$ 40,000
○ Curriculum & Assessments	\$ 33,200
○ Cost Savings Strategies (Energy, Outside Services, Stipends, Text Books)	(\$207,090)
○ Other Reductions	(\$ 43,360)

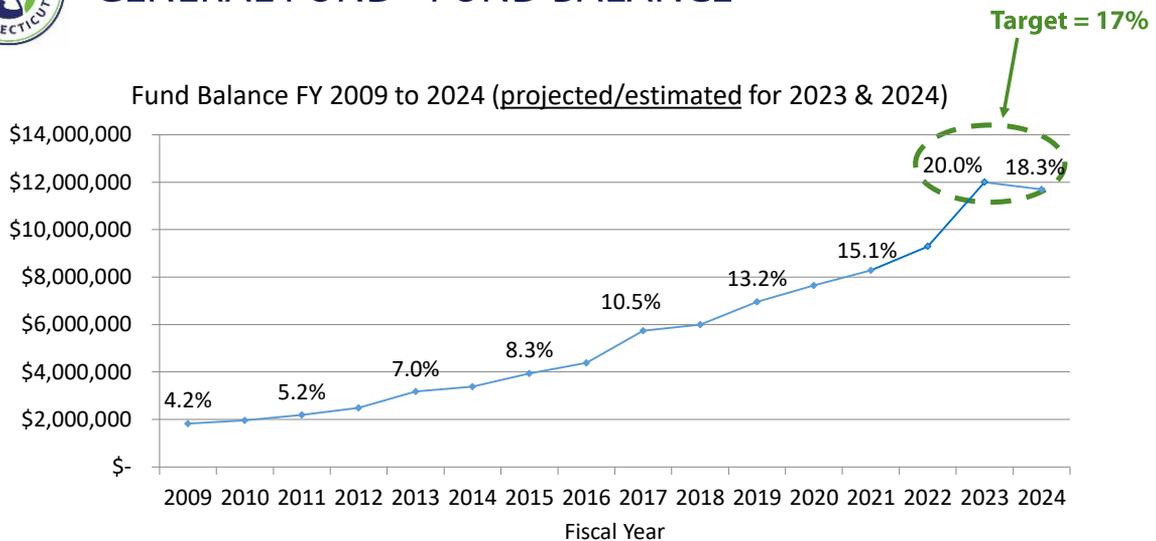


## FUND BALANCE – WHAT EXACTLY IS IT?

- Fund balance IS... an accumulation of revenues less expenditures in a governmental fund
- Fund balance IS... the aggregate difference between assets and liabilities in a governmental fund
- Fund balance IS NOT... the amount of cash we have on hand/in the bank
- Fund balance can be used in future years for purposes determined by Town Council (typically used to address one-time/non-recurring needs)
- Any surplus revenues in excess of expenditures at the end of a fiscal year become part of (i.e., get added to) fund balance within the corresponding fund



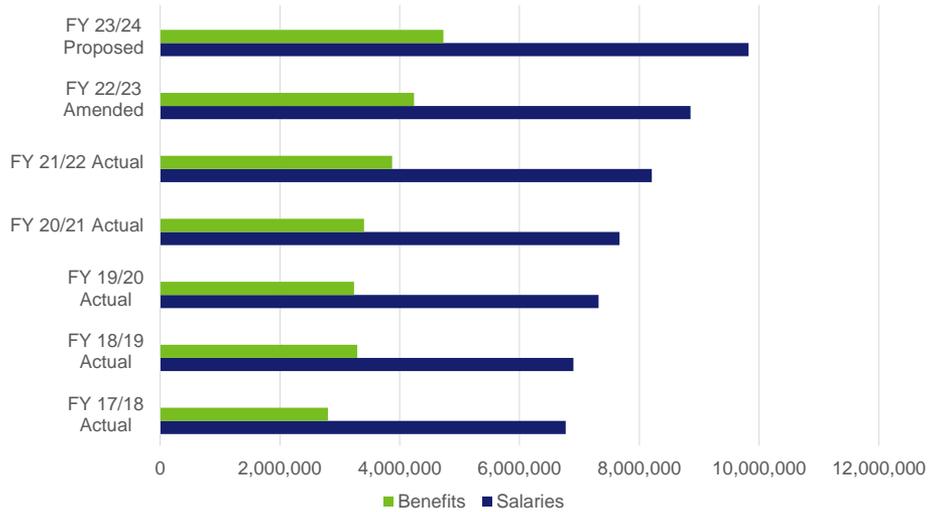
## GENERAL FUND - FUND BALANCE





## BUDGET DRIVERS

Employee Wages & Benefits

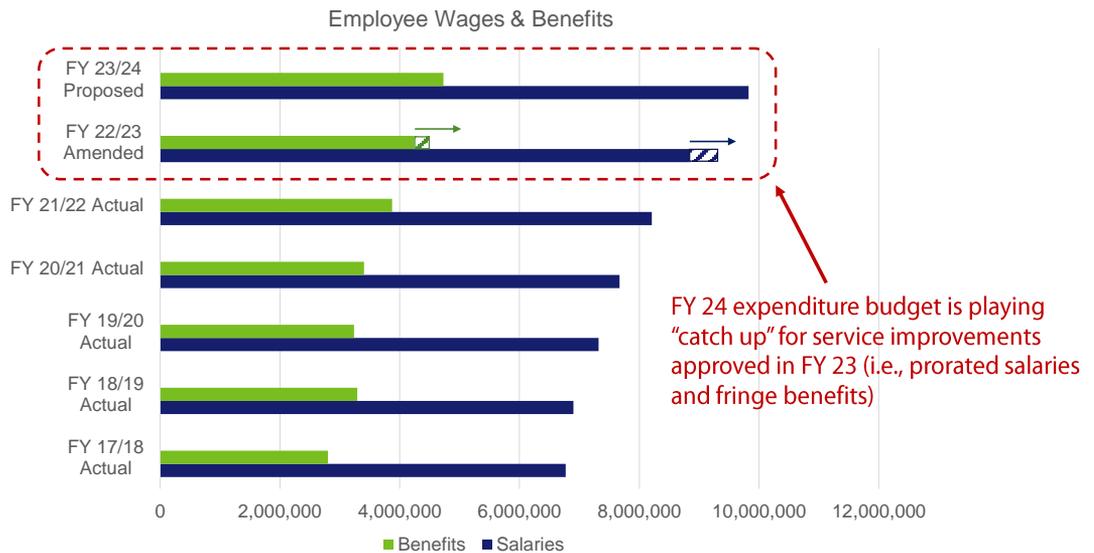


## RECAP - FY 22/23 SERVICE IMPROVEMENTS (APPROVED)

Department/Functional Area	Amount
Fire/EMS	\$328,200
Human Resources	\$48,470
Human Services	\$52,380
Town Manager's Office	\$18,572
Planning & Development	\$106,259
Police	\$154,070
Public Works	\$246,750
Facilities Management	\$41,990
<b>TOTAL</b>	<b>\$996,691</b>



## BUDGET DRIVERS



## BUDGET DRIVERS - SERVICE IMPROVEMENTS

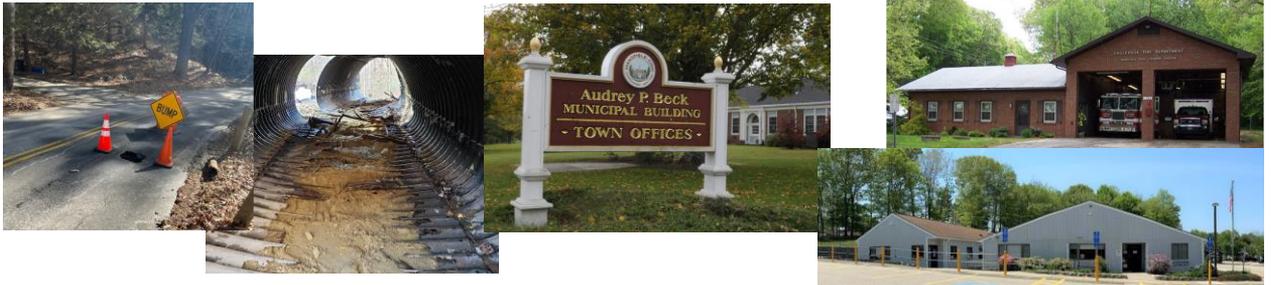
- Fire Dept: Aerial and Public Education Training:** To train 16 firefighters to the State of Conn. Certified Aerial Operator Level. To provide information on fire prevention and life safety to individuals and businesses in town. CPR/AED/First Aid classes will be provided that lead to certification. (\$53,230)
- Building Inspection:** Additional (2) Part-time Building Inspectors to handle workload on the large projects starting at 4 Corners (\$68,110)

**TOTAL COST OF PROPOSED SERVICE IMPROVEMENTS → \$121,340**

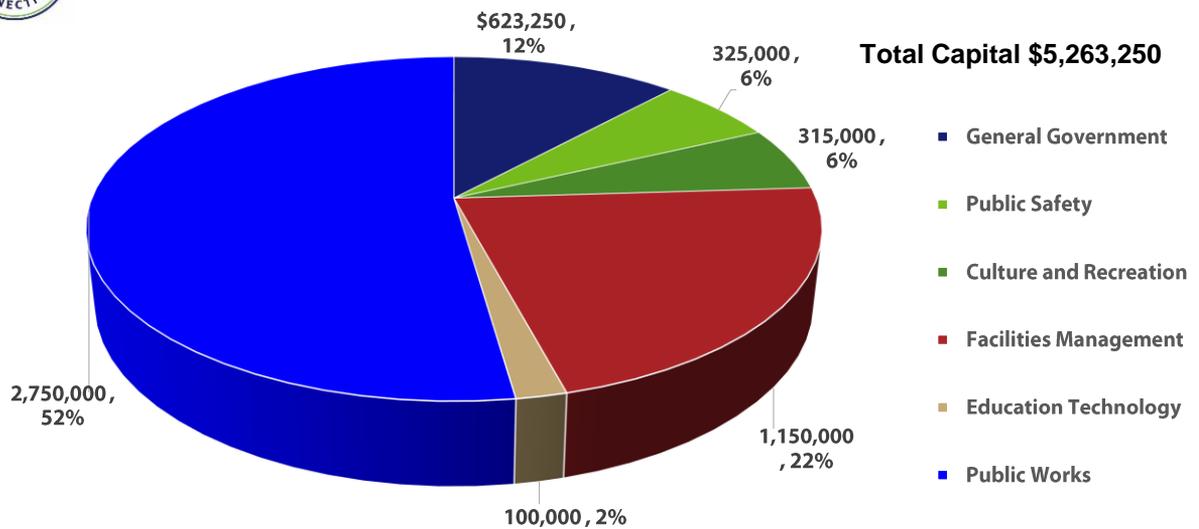


## BUDGET DRIVERS – CAPITAL PROJECTS

- Town Council has expressed a strong desire to accelerate progress on addressing aging/deteriorated roads, drainage and other infrastructure
- Multiple municipal facilities are aging, poorly laid out, undersized, or otherwise inadequate for their current and/or anticipated future uses
- Federal funding (i.e., ARPA and IIJA) may be able to help offset some of costs



## INVESTMENTS IN CAPITAL IMPROVEMENT PROJECTS





## CAPITAL FUND REVENUES

Sources of Funding	Amount	% of Total
Capital Nonrecurring Fund	\$4,803,050	91.3%
Infrastructure Grant (LoCIP)	\$190,200	3.6%
Parking Garage Reserve	\$80,000	1.5%
Town Aid Road Grant	\$150,000	2.8%
Other Funds	\$40,000	0.8%
<b>Total Revenues</b>	<b>\$5,263,250</b>	



## CAPITAL FUND EXPENDITURES

Department/Functional Area	Amount	% of Total
Public Works	\$2,750,000	52%
Facilities Management (Town & Schools)	\$1,150,000	22%
General Government (Including IT)	\$623,250	12%
Public Safety	\$325,000	6%
Culture & Recreation	\$315,000	6%
Education Technology	\$100,000	2%
<b>Total Expenditures</b>	<b>\$ 5,263,250</b>	



## CAPITAL AND NONRECURRING FUND

- Major Sources of Funding:
  - General Fund Contribution \$3,983,900
  - Ambulance User Fees \$ 325,000
  - Pequot/Mohegan Grant \$ 179,150
  - CNR Fund Balance \$ 315,000
  
- Proposed Usage:
  - Transfer to Capital \$4,803,050
  
- CNR Fund does not include recurring and non-capital expenditures



## CAPITAL FUND MAJOR PROJECTS

- Public Works (Total - \$2,750,000)
  - Road drainage and resurfacing - \$1,890,000
  - Transportation projects (walkways, guiderails, bridges) - \$180,000
  - Vehicle/equipment replacements - \$605,000
  - Tree removal - \$75,000



## CAPITAL FUND MAJOR PROJECTS (CONT'D)

- **Town Buildings (Total - \$785,000)**
  - Parking Garage repairs and security - \$105,000
  - Town Hall boiler replacement - \$95,000
  - Vehicle and equipment replacements - \$87,000
  - Library roof and chair replacements - \$75,000
  - Fire Station repairs - \$70,000
  - Senior Center ADA renovations - \$65,000
  - Community Center repairs - \$62,000
  - Town-wide furniture replacements - \$52,000
  - Roof repairs – all buildings - \$32,000
- **Education/School Buildings (Total - \$465,000)**
  - MMS 3<sup>rd</sup> Floor renovations - \$365,000
  - Information technology infrastructure - \$100,000



## CAPITAL FUND MAJOR PROJECTS (CONT'D)

- **Public Safety (Total - \$360,000)**
  - Self-contained Breathing Apparatus - \$40,000
  - Replacement Fire Apparatus (Rescue 207 and admin vehicle) - \$110,000
  - Extrication Equipment - \$55,000
  - Communication Equipment - \$50,000
  - Personal Protective Equipment & Life Safety Equipment - \$60,000
  - Fire Ponds - \$10,000
  - Animal Control Van Replacement - \$35,000
- **General Government (Total - \$538,250)**
  - DEI Organization Assessment & Management Team Training - \$15,000
  - Municipal Facilities Needs Assessment (Conceptual Design) - \$100,000
  - Fleet Vehicle Replacement - \$30,000
  - Wage Analysis Study - \$25,000



## CAPITAL FUND MAJOR PROJECTS (CONT'D)

- **General Government (*Continued*) - Planning & Development**
  - Plan of Conservation & Development (10 yr update) - \$110,000
  - Affordable Housing Trust Contribution - \$100,000
  - Wayfinding and Signage Implementation - \$100,000
  - Positioning and Marketing Plan - \$50,000
  - Interactive Zoning Map Software - \$8,250
- **Culture & Recreation (\$315,000)**
  - Invasive Plant Control and General Park Improvements- \$45,000
  - Open Space Acquisition – \$20,000
  - Improvement & Maintenance of Park Amenities - \$175,000
  - Replacement of Park Signs - \$20,000
  - MCC Aquatic Area Improvements - \$15,000
  - Playground Replacement and Repair - \$40,000



## CAPITAL PROJECTS – DEFERRED/"PAUSE"



- Due to budgetary constraints, a number of worthy projects requested by Departments had to be put "on hold" (i.e., deferred to a future FY)
  - Examples – Add'l Road Resurfacing (Cape Seal), Culvert Replacement, Fire/EMS Apparatus Replacement, Vehicle Replacements, etc.
- A portion of the Town's currently unappropriated American Rescue Plan Act (ARPA) allocation could be used in lieu of CIP (i.e., "General Revenue Loss Recovery" = \$766,250)
- Deferred FY 2023/24 capital projects that may be good candidates for ARPA funding will be brought to the Town Council for consideration/action in the future (separate from the current budget adoption process)



## BUDGET DRIVERS – GF TRANSFER TO PARKS & REC.

- The proposed Parks & Recreation budget projects a slight surplus (budgeted revenues > budgeted expenditures) for FY 2023/24; the approved P&R operating budgets for FY 2020/21, FY 2021/22, and FY 2022/23 all included deficits (\$344K, \$196K, and \$174K respectively).
- In recent years, the Town Council expressed support for the concept of lending greater financial support to Parks & Recreation via the General Fund (GF).
- Proposed FY 2023/24 budget increases financial support from the GF by 8% or \$54,850.



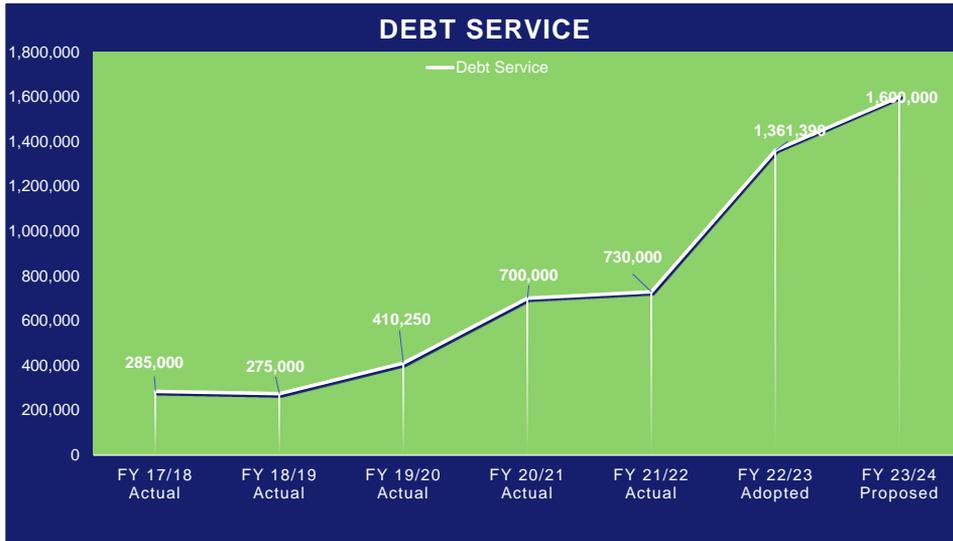
## BUDGET DRIVERS – DEBT SERVICE

- The Town's General Fund debt service obligations increased substantially (~\$600K) starting in FY 2022/2023 as we began to pay on the debt issued for the new MES and MMS roof/PV project (~\$15 million bonded; 20-yr payback)
- The FY 2023/24 budget reflects an additional increase of \$238,610 in debt service obligation (first year of new debt service was interest only payment)
- The Town must plan for the need to borrow additional funds in the years ahead pending the recommendations/outcomes of the ongoing municipal facilities needs assessment and other concurrent planning efforts





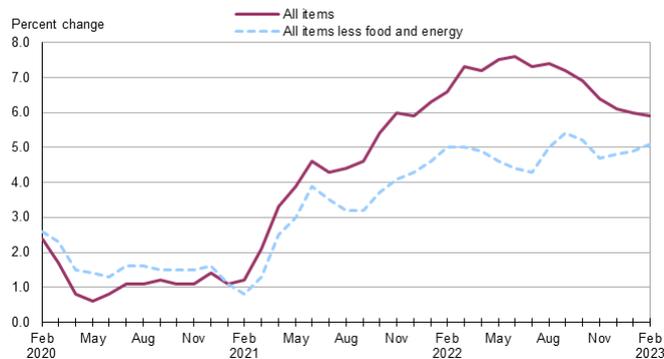
## BUDGET DRIVERS – DEBT SERVICE



## BUDGET DRIVERS – COST INFLATION (GOODS/SERVICES)

- All municipalities are presently grappling with a sustained period of historically **high inflation** and we cannot be certain how long this will continue

Chart 1. Over-the-year percent change in CPI-U, Northeast region, February 2020–February 2023



Source: U.S. Bureau of Labor Statistics.



## PROJECTED FY 2023/24 MILL RATE - BREAKDOWN



## IMPACT ON TAXPAYER – “OPTION 1” SUMMARY

### SAMPLE TAX IMPACT – MEDIAN HOME

	Value	Taxes
10/1/22 Median Home Value	\$160,200	
Current Taxes	30.38 mills	\$4,867
Proposed Taxes	32.13 mills	\$5,147
Annual <u>Increase</u>		\$280
Monthly <u>Increase</u>		\$23.33

	TM Proposed
FY 2022 Mill Rate – Adopted	31.38 mills
FY 2023 Mill Rate – Adopted	30.38 mills
FY 2024 Mill Rate - Proposed	32.13 mills
Difference (Increase) vs. FY 2023	1.75 mills
Percent Change (Increase)	5.77%

<sup>1</sup>Median home price, 100% FMV value is \$228,860. \$160,200 reflects 70% of the assessed value. Assumes **NO USE** of existing undesignated General Fund fund balance



## IMPACT ON TAXPAYER – “OPTION 2” SUMMARY

### SAMPLE TAX IMPACT – MEDIAN HOME

	Value	Taxes		TM Proposed
10/1/22 Median Home Value	\$160,200		FY 2022 Mill Rate – Adopted	31.38 mills
Current Taxes	30.38 mills	\$4,867	FY 2023 Mill Rate – Adopted	30.38 mills
Proposed Taxes	31.88 mills	\$5,107	FY 2024 Mill Rate - Proposed	31.88 mills
Annual <u>Increase</u>		\$240	Difference (Increase) vs. FY 2023	1.50 mills
Monthly <u>Increase</u>		\$20.00	Percent Change (Increase)	4.93%

<sup>1</sup>Median home price, 100% FMV value is \$228,860. \$160,200 reflects 70% or the assessed value. Assumes USE of \$300,000 of existing undesignated fund balance in the General Fund to specifically offset a portion of the GF transfer to CNR for the added investment in capital projects (29% increase YOY).



## IMPACT ON TAXPAYER – “OPTION 3” SUMMARY

### SAMPLE TAX IMPACT – MEDIAN HOME

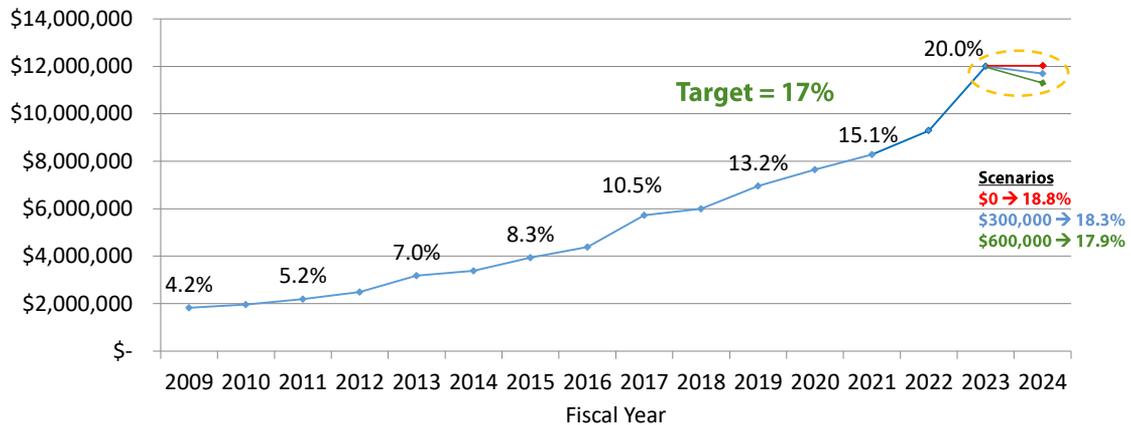
	Value	Taxes		TM Proposed
10/1/22 Median Home Value	\$160,200		FY 2022 Mill Rate – Adopted	31.38 mills
Current Taxes	30.38 mills	\$4,867	FY 2023 Mill Rate – Adopted	30.38 mills
Proposed Taxes	31.62 mills	\$5,066	FY 2024 Mill Rate - Proposed	31.62 mills
Annual <u>Increase</u>		\$199	Difference (Increase) vs. FY 2023	1.24 mills
Monthly <u>Increase</u>		\$16.58	Percent Change (Increase)	4.08%

<sup>1</sup>Median home price, 100% FMV value is \$228,860. \$160,200 reflects 70% or the assessed value. Assumes USE of \$600,000 of existing undesignated fund balance in the General Fund to specifically offset a portion of the GF transfer to CNR for the added investment in capital projects (29% increase YOY).



## GENERAL FUND - FUND BALANCE

Fund Balance FY 2009 to 2024 (projected/estimated for 2023 & 2024)



### RECOMMENDATION: OPTION 2

- Proposes use of **\$300,000** in existing undesignated fund balance in the General Fund to specifically **offset a portion of the increased transfer to CNR** for the added investment in capital projects
- Use of fund balance is sensible given that **GF fund balance is projected to approach 20% by end of FY2022/23** (3% above Council's target per policy) and the Town will soon experience a dramatic increase in Grand List value
- Results in a mill rate of 31.88; **increase of 1.50 mills (4.93%)**



## WHERE DO YOUR TAX DOLLARS GO (OPT. 2)?

	Amount	%
Education	\$2,942	58%
General Government (Incl. employee benefits)	\$ 619	12%
Other Financing Uses (includes capital)	\$ 544	11%
Public Safety	\$ 464	9%
Public Works	\$ 352	7%
Health & Welfare	\$ 103	2%
Culture & Recreation	\$ 83	1%
<b>Total</b>	<b>\$5,107</b>	



## COMPARATIVE MILL RATES

TOWN	MILL RATE
Ashford	32.27
Bolton	39.99
Chaplin	34.50
Coventry	31.15
Ellington	32.50
Glastonbury	37.30
Manchester	31.42
Simsbury	38.63
South Windsor	38.77
Tolland	36.58
West Hartford	40.68
Willington	31.27
Windham	35.51
Windsor	33.27

### Mansfield Mill Rate

FY2023 = 30.38

FY2024 = 31.88  
(as proposed)

### Comp. Town Average

35.28

Source:  
State of CT Office of Policy and  
Management (OPM)



## FY 2023/24 BUDGET SUMMARY (RECAP)

- Provides funding to sustain service levels in multiple priority areas
- Grand list is essentially level (limited growth), but we know this will change substantially within the next 1-2 years
- Assumes essentially level state aid funding
- Requires a 4.93% increase in the mill rate (1.50 mills) if \$300K of GF fund balance is used to offset additional GF transfer to capital
- Meets contractual/non-discretionary obligations
- Continues pay-as-you-go capital (growing investment)
- Preserves a healthy/desired fund balance in the GF



## BUDGET WORK SESSIONS

- Hybrid meeting format
- Agenda outline will be provided before the meetings. Council members are encouraged to send questions to the Town Manager prior to the meeting to expedite responses
- Appropriate Town staff will either be available in-person or via remote connection to answer Council member questions
- Work Sessions will be live streamed for public viewing at <https://www.mansfieldct.gov/video>
- Citizens may submit questions via email to: [Budget2024@Mansfieldct.org](mailto:Budget2024@Mansfieldct.org)
- Public comment will be accepted by USPS mail prior to the meeting or by email to: [Pub\\_Comm@Mansfieldct.org](mailto:Pub_Comm@Mansfieldct.org)



## UPCOMING BUDGET DATES

Date	Topics include:	Time
April 5, Wednesday	Public Information Session – Town Manager’s Budget	6:30pm
April 6, Thursday	General Gov’t. Public Safety, Community Services, Comm. Development, Town-wide	6:30pm
April 10, Monday	Public Hearing – Submit for Regular Meeting	7:00pm
April 11, Tuesday	Public Works, Enterprise Funds, Other Funds	6:30pm
April 18, Tuesday	Board of Education, Shared Service Departments	6:30pm
April 20, Thursday	Discussion of flagged items	7:00pm
April 24, Monday	Adoption – prior to regular meeting	6:00pm
April 26, Wednesday	Adoption – if needed	6:30pm



## *A NOTE OF APPRECIATION*

The preparation of the annual budget requires a great deal of time and effort. I would like to thank our various department heads and the following members our staff team that worked hard – during what was incredibly trying circumstances at various times – to help assemble this year’s comprehensive budget book:

- Alicia Ducharme (Budget Manager)
- Cherie Trahan (Interim Finance Director)
- Additional Finance Staff
- Margaret Chatey (Communications Specialist)
- Kylee Dostie (UConn MPA Intern)

***THANK YOU!***