Budget Policy Objectives

• Maintain current services and programs
• Support Council’s financial management goals
  • Increase fund balance
  • Increase contribution to the capital fund
• Promote key Council policy goals & initiatives
  • Enhance the Resident Trooper program
  • Storrs Center – one-time and marginal operating costs funded through project revenue
  • Funding for senior volunteer transportation program and Youth Services Summer Challenge
Budget Policy Objectives (cont’d)

• Leverage new revenue and declining expenditures to mitigate overall tax impact
  • Education costs have increased by approx. $900,000 or .9 mills
  • General Gov’t costs have increased by $161,430 or 0.16 mills
  • Utilize savings in debt service, state grants to fund CIP and Storrs Center revenue to cover project costs to lower proposed tax increase to .69 mills, an increase of 2.52%
FY ‘14 Budget Overview

• General Fund $46,053,540
  - Town and MBOE $36,047,780
  - Region 19 Contribution $10,005,760

• Capital Fund $2,400,290

• Capital & Nonrecurring Fund $1,309,860
FY ‘14 General Fund Revenues: $46,367,540

- Taxes: $27,822,600 (60%)
- Intergovernmental: $17,596,900 (38%)
- Other: $948,040 (2%)
<table>
<thead>
<tr>
<th>Description</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grand List increases by 3.55% from $980,397,735 to $1,015,190,044</td>
<td></td>
</tr>
<tr>
<td>After Storrs Center abatement and new tax-exempt property, Grand Lists</td>
<td></td>
</tr>
<tr>
<td>reflects a 2% increase to $1,000,150,922</td>
<td></td>
</tr>
<tr>
<td>Real estate increases by 3.47%</td>
<td></td>
</tr>
<tr>
<td>Personal property increases by 12.13%</td>
<td></td>
</tr>
<tr>
<td>Motor vehicle increases by 0.61%</td>
<td></td>
</tr>
<tr>
<td>$550,130 generated in new revenue from Grand List growth (after tax abatement)</td>
<td></td>
</tr>
</tbody>
</table>
FY ‘14 Revenue Outlook – Intergovernmental Revenues

- Impact of Governor’s proposed budget
  - Decrease in intergovernmental revenue by $68,930
  - Elimination of PILOT and reallocation of funds to ECS
  - MV property tax exemption for 1st $20,000 in assessed value beginning FY 14/15
    - Estimated impact approx. $2M loss in tax revenue or 2 mills
FY ’14 General Fund Expenditures: $46,053,540

Notes:
Town-wide includes employee benefits & insurance
General government includes energy costs
Other includes debt service and capital contribution
# FY ‘14 General Fund Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Town</td>
<td>$14,945,330</td>
<td>$15,106,760</td>
<td>$161,430</td>
<td>1.1%</td>
</tr>
<tr>
<td>MBOE</td>
<td>$20,588,160</td>
<td>$20,941,020</td>
<td>$352,860</td>
<td>1.7%</td>
</tr>
<tr>
<td>Region 19</td>
<td>$9,503,550</td>
<td>$10,005,760</td>
<td>$502,210</td>
<td>5.3%</td>
</tr>
<tr>
<td>General Fund Total</td>
<td>$45,037,040</td>
<td>$46,053,540</td>
<td>$1,016,500</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

^1Does not include contribution to Fund Balance.
FY ‘14 Expenditure Trends

• Service Improvements
  • $60,000 for additional 9-mo Resident Trooper and $30,000 for PT Firefighter/EMT (funded w/Storrs Center revenue)
  • $5,670 to enhance the senior services transportation program (increase coordinator’s hrs from 10 to 15/week)
  • $6,000 for Youth Services Summer Challenge Program
  • $18,550 for part-time systems librarian to meet library technology demands, and to improve communications
  • $18,820 in municipal management for communications and project staff support
FY ‘14 Expenditure Trends

• Other Policy Initiatives
  • Fund $125,000 Town contribution to MDP with Storrs Center revenue
  • $314,000 contribution to Fund Balance, a $100,000 increase over FY 12/13
    • Estimated Fund Balance at June 30, 2013 is $2,909,095, 6.46% of projected budget
    • Budgeted Fund Balance for FY 13/14 is $3,223,095, 6.95% of projected budget
  • $1,007,550 General Fund contribution to the Capital Fund for capital needs
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 Expenditure Trends

• $502,210 (5.3%) increase to R19
  • Reflects increase in Mansfield’s student enrollment

• $352,860 (1.7%) increase to MBOE
  • Slight decrease in enrollment
  • Maintains district-approved class sizes
  • Maintains current instructional programs, but proposes no new initiatives in light of budget constraints

• $150,000 decrease in debt service
FY ‘14 Capital & Non-Recurring Fund: $1,309,860

• Planned uses:
  • Transfer to the Capital Fund, $1,073,860
  • 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
Capital Fund Revenues: $2,400,290

<table>
<thead>
<tr>
<th>FY 13/14 Capital Budget Revenues</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CNR Transfer In(^1)</td>
<td>$1,073,860</td>
<td>44.7%</td>
</tr>
<tr>
<td>Other(^2)</td>
<td>$452,000</td>
<td>18.8%</td>
</tr>
<tr>
<td>Federal and State Grants</td>
<td>$445,530</td>
<td>18.6%</td>
</tr>
<tr>
<td>LOCIP Grant</td>
<td>$428,900</td>
<td>17.9%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,400,290</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

\(^1\)Includes General Fund contribution to capital, ambulance service fees.

\(^2\)Includes revenues allocated for education related technology and building needs; Parks and Recreation Fund revenues.
FY ‘14 Capital Fund Expenditures: $2,400,290

<table>
<thead>
<tr>
<th>FY 13/14 Capital Budget Expenditures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>$914,000</td>
</tr>
<tr>
<td>Facilities Management</td>
<td>$460,000</td>
</tr>
<tr>
<td>Community Development</td>
<td>$370,290</td>
</tr>
<tr>
<td>Public Safety</td>
<td>$204,000</td>
</tr>
<tr>
<td>Education</td>
<td>$200,000</td>
</tr>
<tr>
<td>Community Services</td>
<td>$132,000</td>
</tr>
<tr>
<td>General Government</td>
<td>$120,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,400,290</strong></td>
</tr>
</tbody>
</table>
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
- HUD Community Challenge Planning Grant, $203,530
- Public Safety replacement equipment, $204,000
- Facilities Improvements at schools, $200,000
- Information technology equipment for schools, $200,000
Sample Tax Impact
On a Median Valued Home

Current Valuation  $169,400\textsuperscript{1}
Proposed Taxes  $ 4,718
Current Taxes  $ 4,601
Tax Increase  $ 117
Percentage Increase  2.52%

\textbf{Impact on Taxpayer}

Mill rate increase of 0.69 mills from 27.16 to 27.85 mills

\textsuperscript{1}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?**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount ($)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>$3,149</td>
<td>67%</td>
</tr>
<tr>
<td>Public Safety</td>
<td>$343</td>
<td>7%</td>
</tr>
<tr>
<td>Town-wide</td>
<td>$263</td>
<td>6%</td>
</tr>
<tr>
<td>Government Operation</td>
<td>$253</td>
<td>5%</td>
</tr>
<tr>
<td>Other Financing Uses</td>
<td>$238</td>
<td>5%</td>
</tr>
<tr>
<td>Public Works</td>
<td>$213</td>
<td>5%</td>
</tr>
<tr>
<td>Community Services</td>
<td>$172</td>
<td>4%</td>
</tr>
<tr>
<td>Community Development</td>
<td>$55</td>
<td>1%</td>
</tr>
<tr>
<td>Fund Balance Reserve</td>
<td>$32</td>
<td>1%</td>
</tr>
</tbody>
</table>

**TOTAL** $4,718 **100%**
Budget Summary

• FY 13/14 Proposed Budget
  • 2.3% increase in General Fund expenditures
  • Tax increase of 0.69 mills or approximately 2.5% 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  April 1 - 22, 2013  Varies
Public Information Session  April 4, 2013  7:00pm
Public Hearing  April 8, 2013  7:30pm
Council Adoption of Budget  April 22, 2013  6:30pm
Public Information Session  May 2, 2013  7:00pm
Region 19 Budget Referendum  May 7, 2013  6am-8pm
Annual Town Meeting  May 14, 2013  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