

# **Town of Tolland Town Council's Annual Budget Presentation**

## **Fiscal Year 2019-2020**

**Presented by  
Bill Eccles  
Chairman, Tolland Town Council**

**April 22, 2019 – Library Program Room  
April 23, 2019 – Senior Center**

# What's This Meeting For?

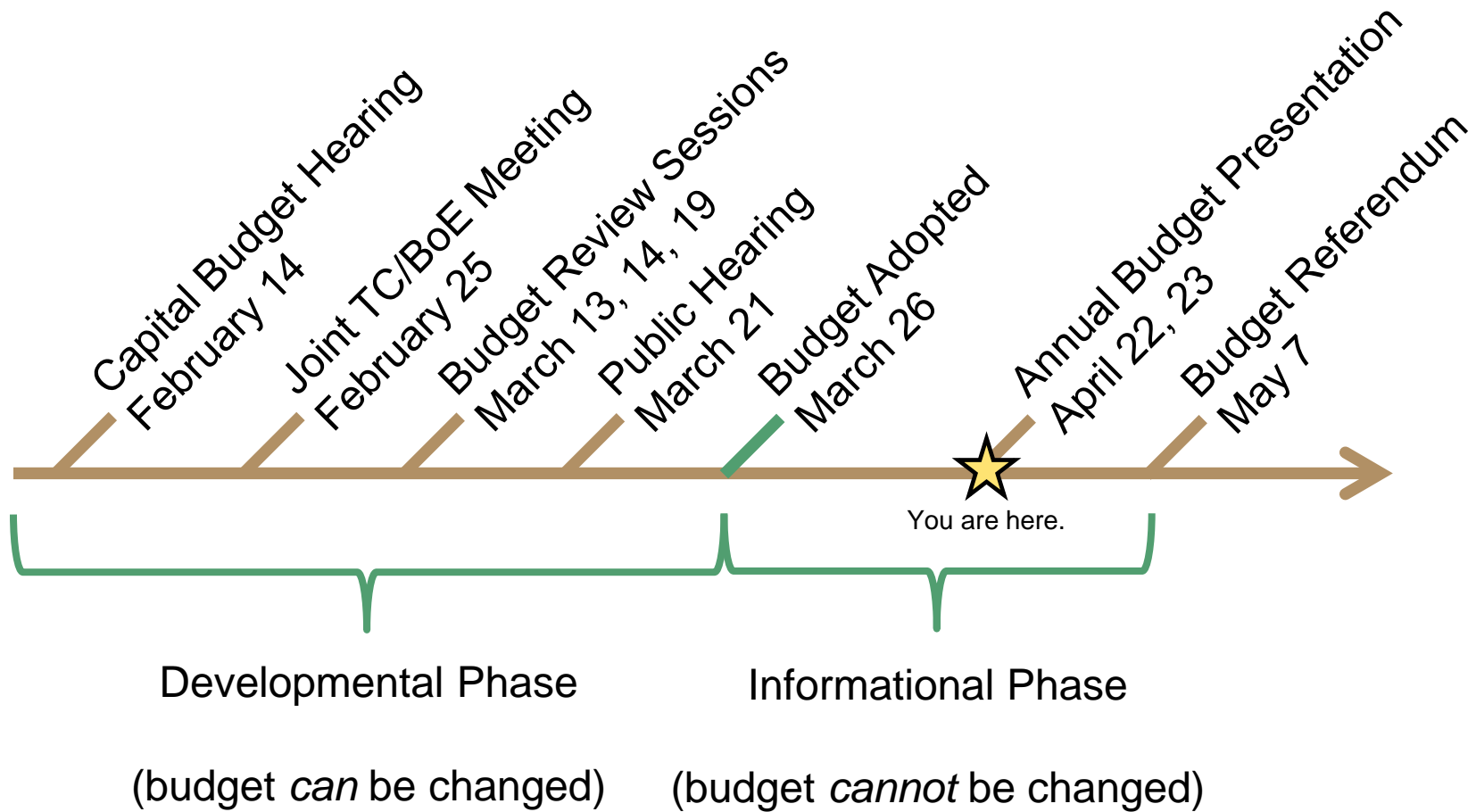
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Why are we here?

- Disseminate information
- Meet charter requirement (§C9.9)
- Stimulate discussion
- Help voters make an informed decision

# Budget Process Timeline



# What is “The Budget?”



Simple question, but... what is it?

- Funds programs and services for residents
- Sets level of service
- Authorizes necessary spending
- Is executed for less when possible

# Budget Goals

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- Maintain or improve services
- Hold taxes at a reasonable amount
- Maintain creditworthiness
- Make progress towards self-reliance

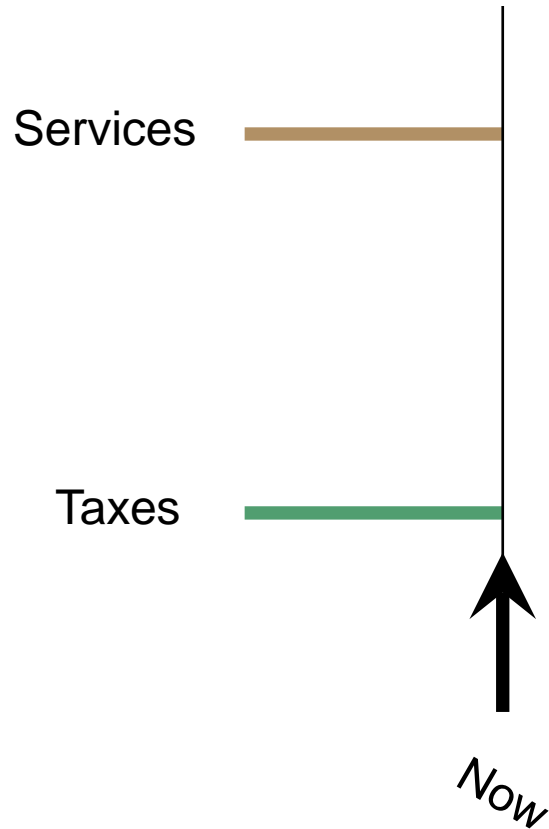
# This Year vs. Last Year

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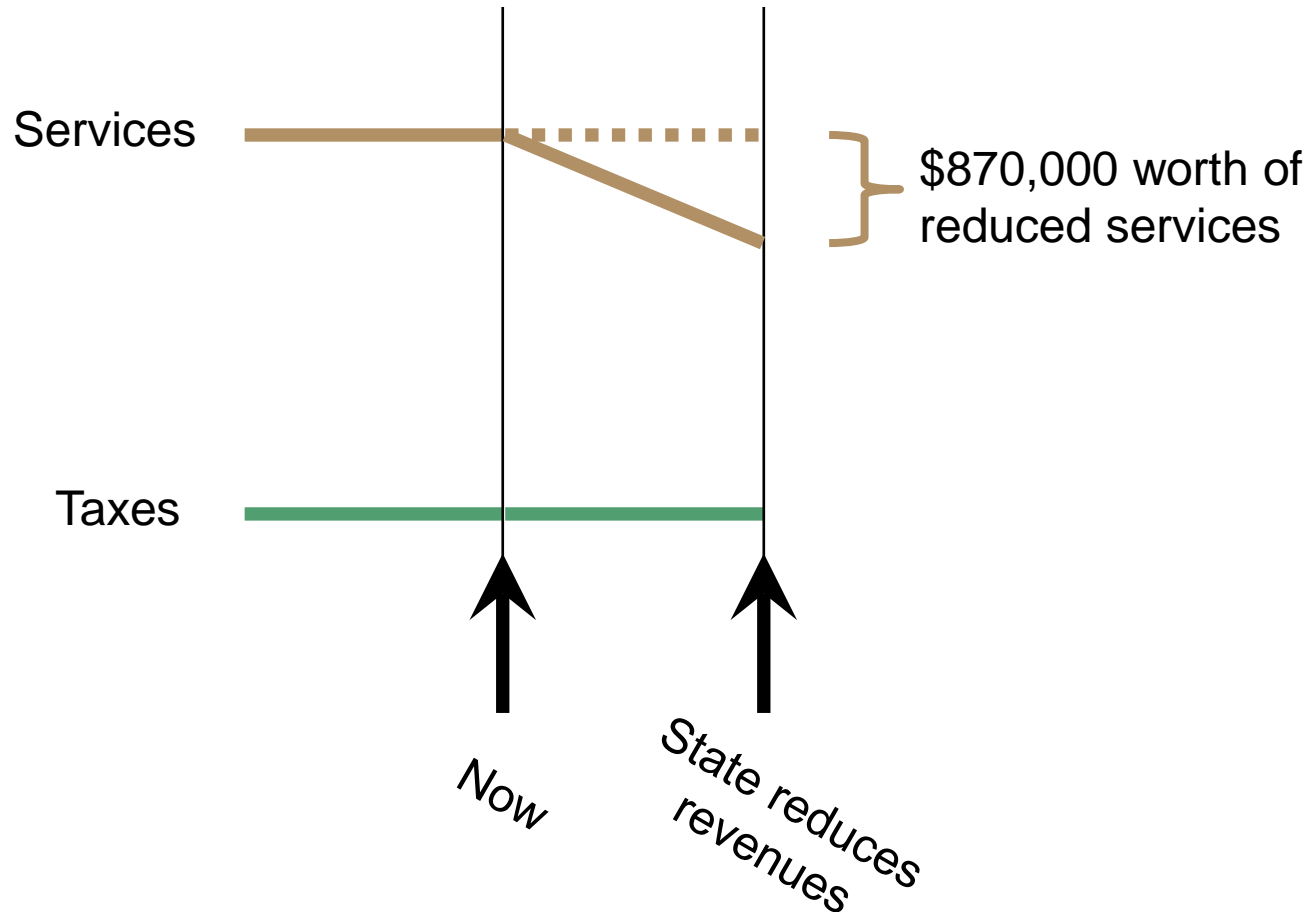


- New Governor
  - Accelerating loss of state revenues
  - Pushing current teacher pension cost to towns
- Unknown legislature
- Board of Education requested increase
  - Initial request of 2.98% (\$1.2M, 2/13)
  - Compromise request of 1.8% (\$715,500, 3/26)
- Town increase of \$210,000

# The Starting Point: 2018-19 budget

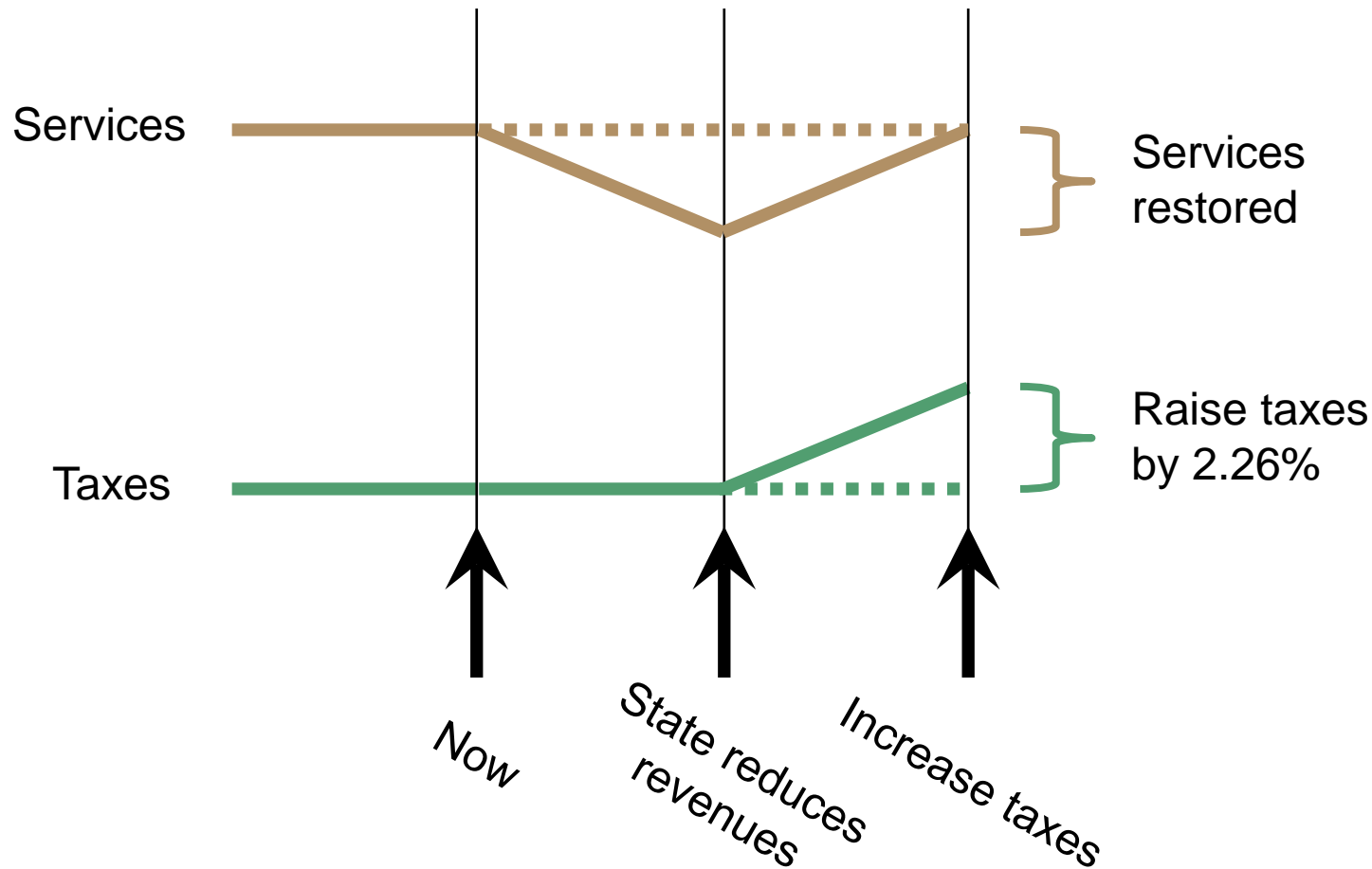


# Effect of \$870,000 Lost Revenues

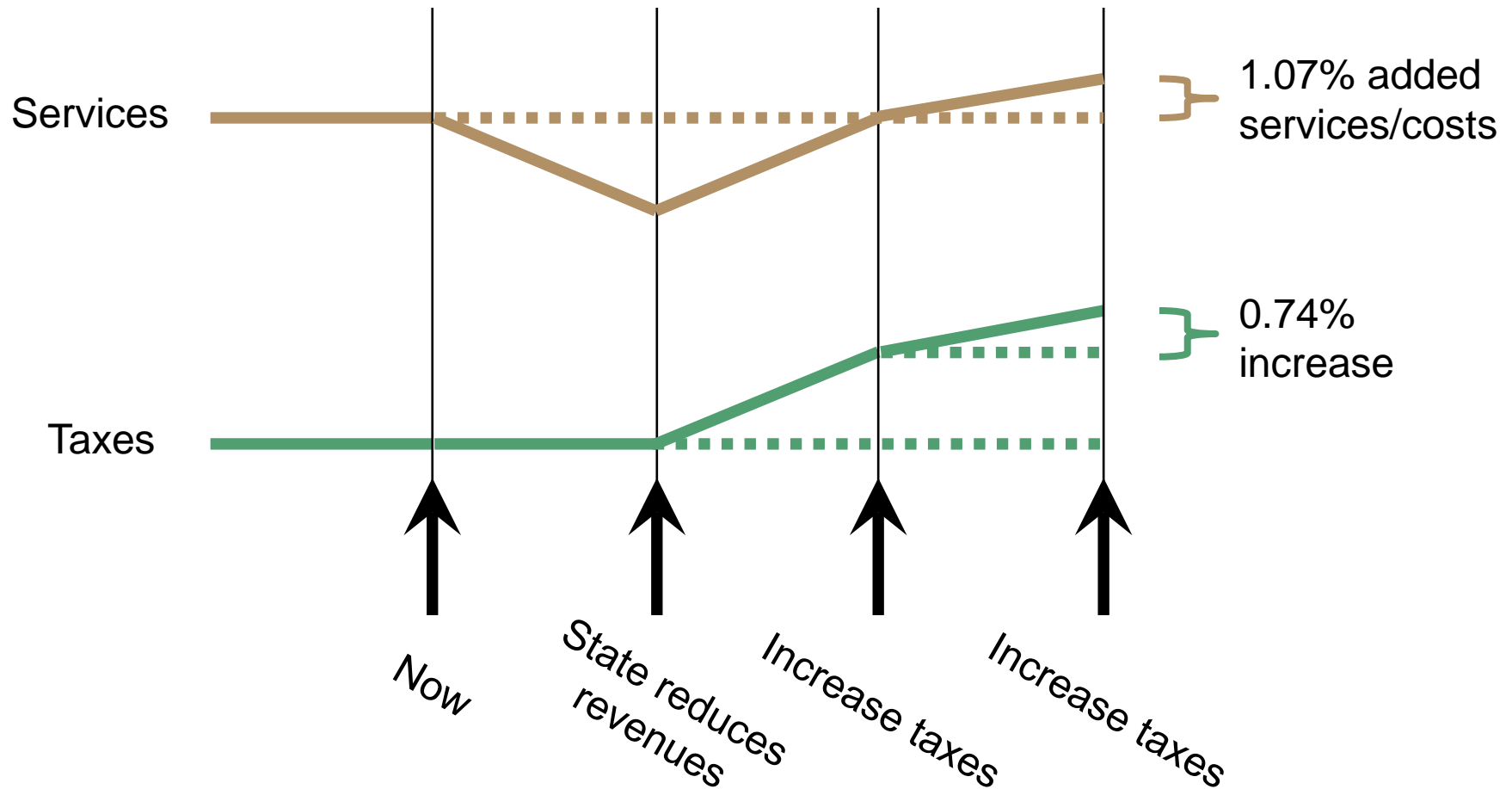




# Making Up for Lost Revenues

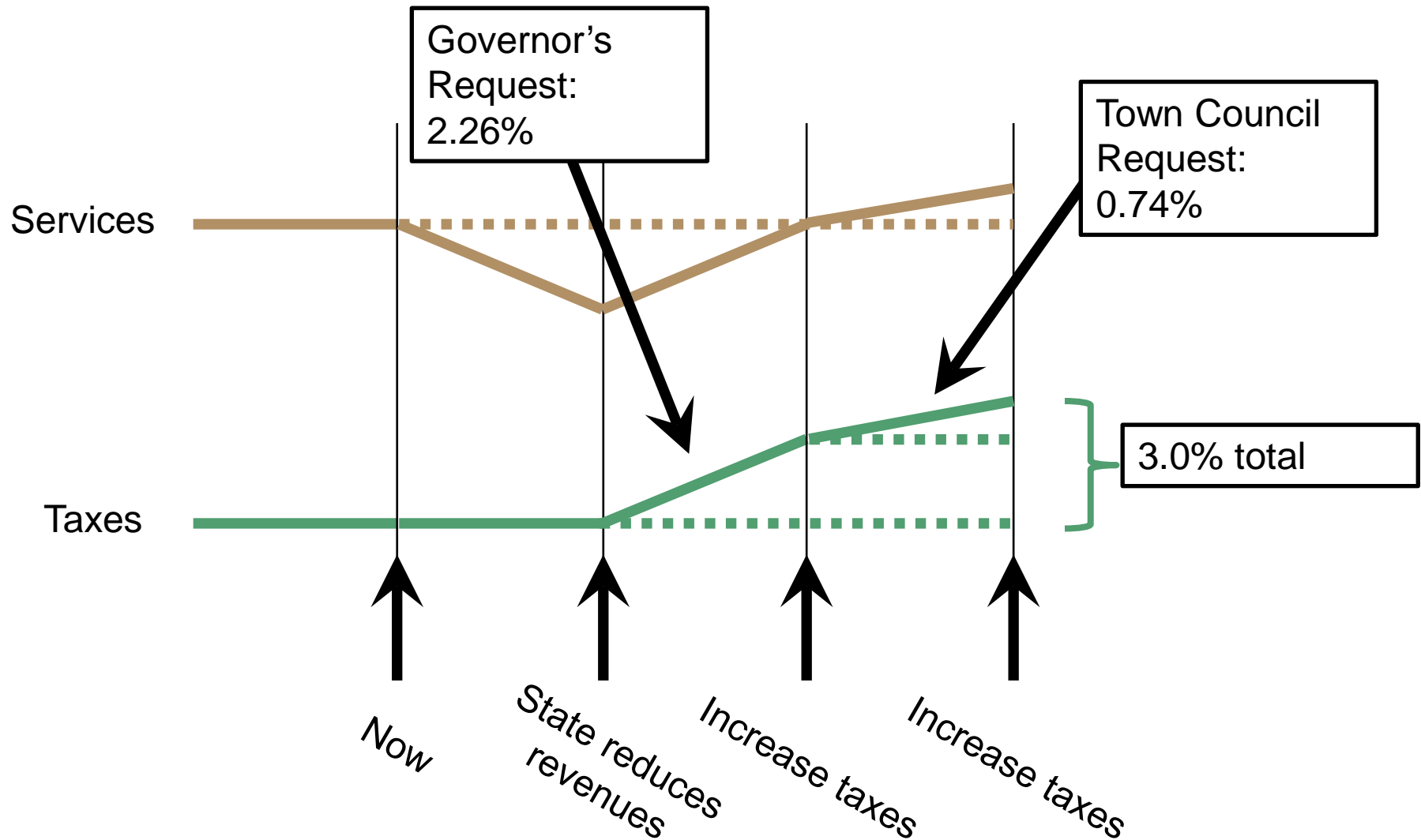


# Increasing Services and Costs



# In Summary

Or, another way to look at it...



# Why 3%?



It's not magic...

- Why not 0%, or 1%?
  - Would require
    - Enormous (\$2M-\$2.5M) cuts
  - or
  - Tremendous ( $\approx 20\%$ ) fund balance use
- Would gut many, if not all, services
- Is unsustainable

# Why 3%?

It's not magic...



- Why not 5.43%?
  - Stability: homeowners and businesses alike need stable taxes
  - Sustainability: homeowners need to be able to continue to live here
- It's unsupportable.

# Changes to Expenditures

By the numbers



Budget Area	Adopted Budget FY18-19	Proposed Budget FY19-20	Change
General Government (Town Operations)	\$11,916,184	\$12,126,082	\$209,898 +1.76%
Board of Education	\$39,642,607	\$39,975,605	\$332,998 +0.84%
Capital Improvements	\$61,906	\$121,048	\$59,142 +95.54%
Debt Service	\$4,550,000	\$4,550,000	\$0 0%
Total	\$56,170,697	\$56,772,735	\$602,038 +1.07%

# Budget Highlights

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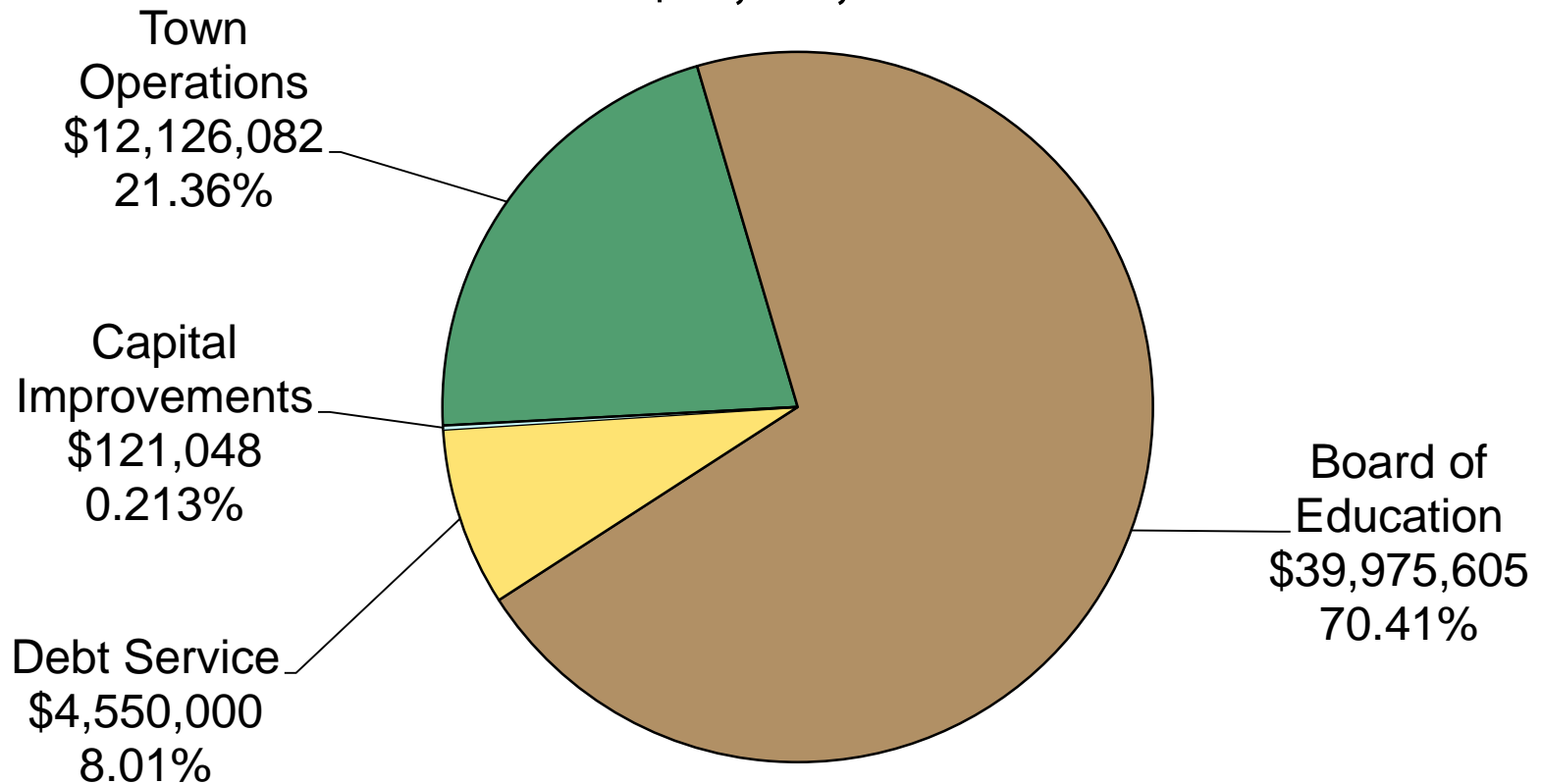
- Kept town services essentially unchanged
  - Maintains public safety at 2018-2019 level
- Partially funded BoE increase
  - 0.84% (+\$332,998)
  - Will most likely require staff and/or program cuts
- Required use of \$300,000 of fund balance

# The Budget: Expenditures



Controls levels of service and programs

## 2019-2020 Budget \$56,772,735



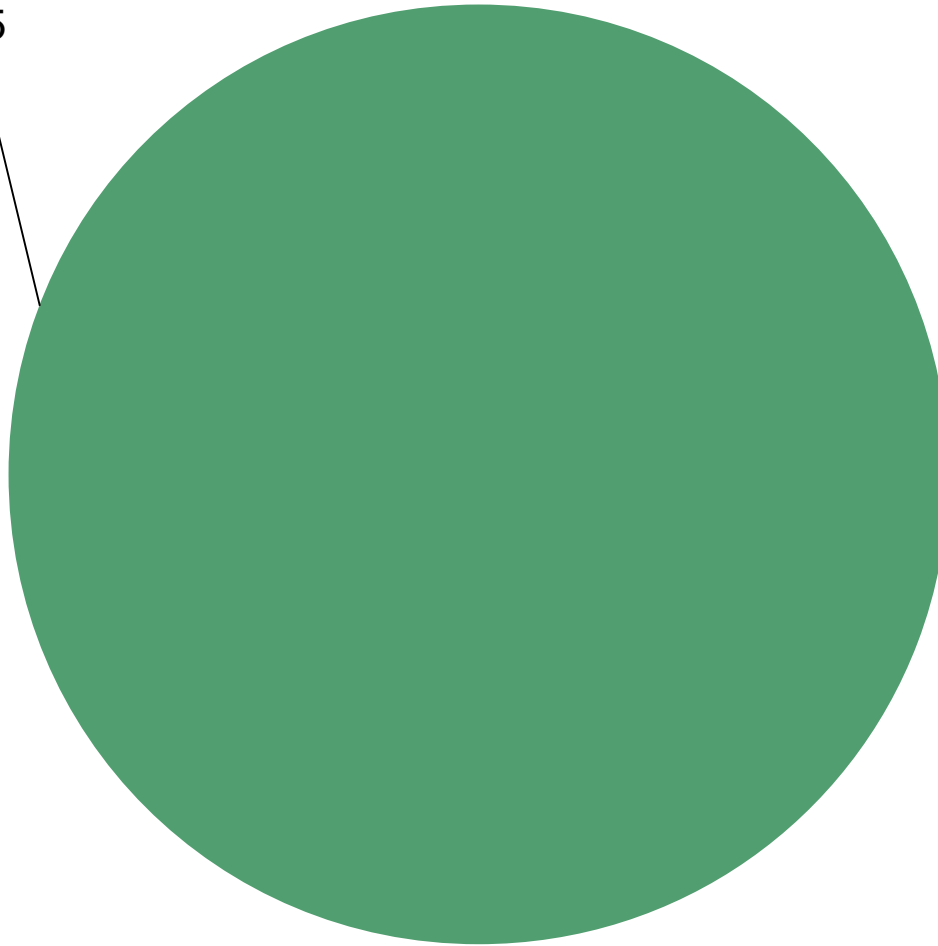


# The Budget: Revenues



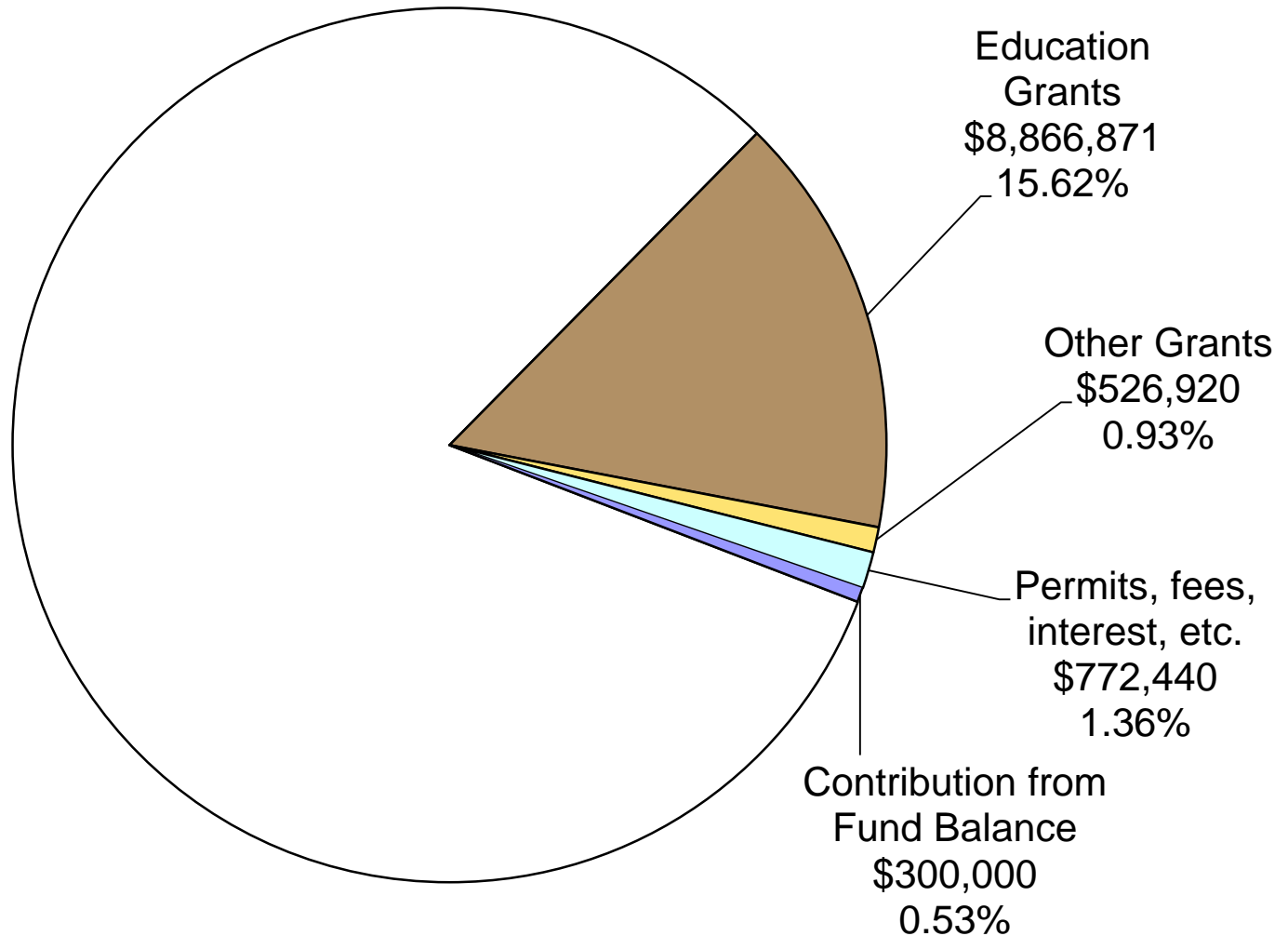
Start with the total need, \$56,772,735

Total need  
\$56,772,735  
100.00%



# The Budget: Revenues

Subtract permits, fees, grants, etc.

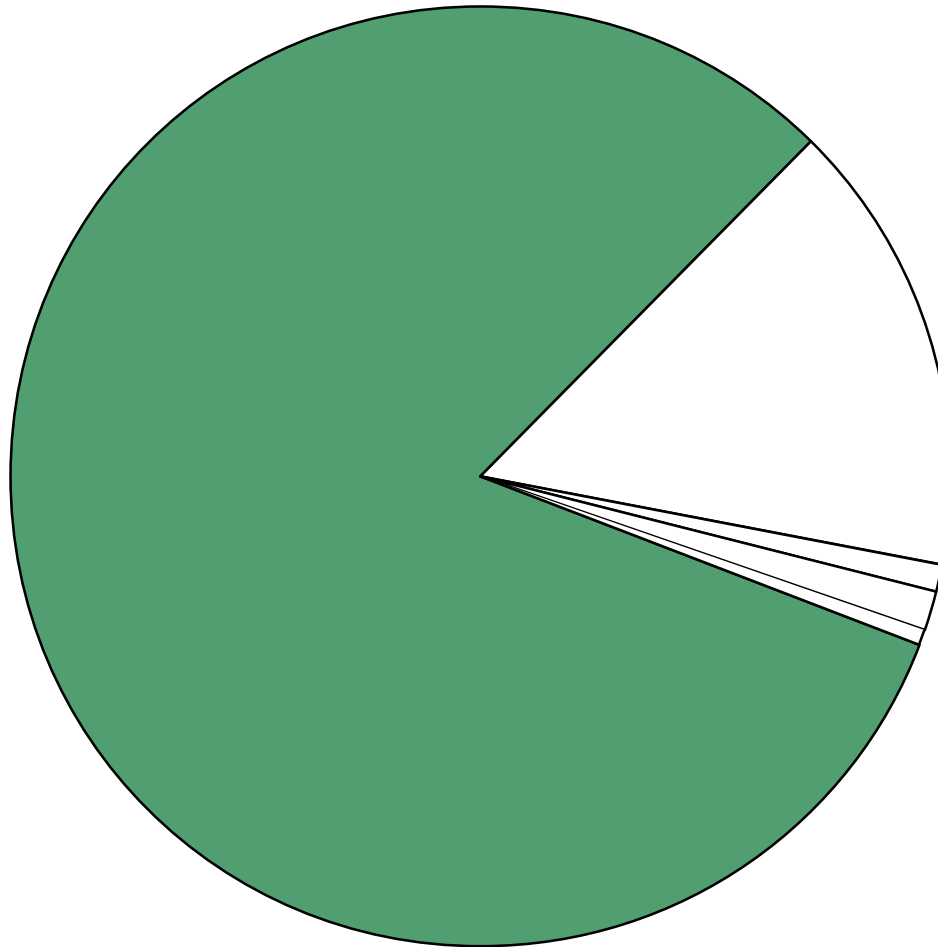


# The Budget: Revenues



What's left is property taxes, \$46,306,504

Property Taxes  
\$46,306,504  
81.56%



# Effect on the Mill Rate

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Increased spending	0.26 mill
Loss of state revenues	0.79 mill
Total mill rate	1.05 mill

# Services: Maintain or Improve?



## Highlights

### Increases

- None to speak of

### Decreases

- Possible cuts in programs and positions in the school system
- Elimination of one free bulky waste pickup

# Taxes: Held at Reasonable?



What's reasonable?

<b>Market Value</b>	<b>2014 Assessment</b>	<b>Taxes at 35.00</b>	<b>Taxes at 36.05</b>	<b>Annual Difference</b>	<b>Monthly Difference</b>
\$167,276	\$117,093	\$4,098	\$4,221	\$123	\$10.25
\$268,979	\$188,285	\$6,590	\$6,788	\$198	\$16.47
\$514,813	\$360,369	\$12,613	\$12,991	\$378	\$31.53

# Taxes: Held at Reasonable?



What's reasonable?

## Neighboring communities:

- Ellington: +4.7%
- Coventry: +1.24%
- Stafford: +0.9%
- Mansfield: +3.6%
- Vernon: +0.38%
- Willington: +0.95%

(Variation by town from grant estimates, grand list growth)

# Creditworthiness: Maintained?

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- Last year
  - \$690,000 fund balance use
  - No change
- This year
  - \$300,000 fund balance use
- Still have a workable policy in place to prevent depletion



# Self-Reliance: Increasing?

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Have to start somewhere...

- Still looking at shared services, etc.
- Greatest impact in absorbing loss of state revenues faster

# Self-Reliance: Increasing?



Commercial Real Estate to the rescue!

To make up for \$1,000,000 loss of state aid,  
Tolland would need:

- 8 Star Hills
- 6 Norwegian Woods
- 2 Big Y Plazas
- 12 CL&P buildings (the big one on Route 74)

or

- ¼ 300+ apartment complex with hotel and restaurant

# Self-Reliance: Increasing?

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Bottom Line



Yes, but...

...not without flat or decreasing services.

# Budget Goals Scorecard

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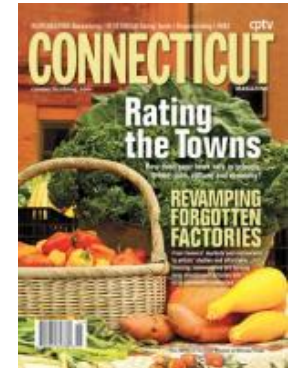
- ✗ Maintain or improve services
- ✓ Hold taxes at a reasonable amount
- ✓ Maintain creditworthiness
- ✓ Make progress towards self-reliance

# Tolland is a Great Place to Live!

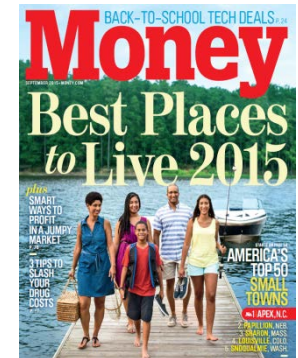
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Ranked 1<sup>st</sup> of 46 towns by *Connecticut Magazine* in the \$200,000 - \$249,000 median home value category



Ranked 34<sup>th</sup> by *Money Magazine* in 2015 as a "Best Place to Live"



# The Budget Referendum Info Slides



Because every budget presentation needs them

The budget referendum questions:

**Referendum Question #1** - Shall the Town of Tolland's proposed 2019-2020 budget of \$56,772,735, reflecting a spending increase of \$602,038 or 1.07% which requires a tax rate of 36.05 mills for an increase of 1.05 mills or 3%, be adopted?

**Referendum Question #2** - Shall the Town of Tolland appropriate \$46,000,000 for the Birch Grove Primary School Project and authorize the issue of bonds and notes in the same amount to finance said appropriation?

# The Budget Referendum Info Slides

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Because every budget presentation needs them



*Where?*

**Library Program Room**

*When?*

**Tuesday, May 7, 6am-8pm**

# Online Resources

## Tax Calculator, Budget Information



Go to

[www.tolland.org](http://www.tolland.org)

and choose

*Budget 2019-2020*

from the menu on the left

### Tax Calculation Form

#### FY2016/2017 Council Proposed Budget

This calculator reflects the proposed Council Budget which can be seen in its entirety on the Finance Department page.

The final mill rate for the Town's budget will be determined after a budget is approved at referendum which is held on May 3, 2016. Should the budget be defeated, additional referendums are held every other Tuesday until a budget is adopted.

Old Mill Rate: 33.36

New Mill Rate: 34.34

Input the Following: (numbers ONLY, no commas or \$)

(A) Your Home's New Assessed Value 2015

(B) Your Home's OLD Assessed Value 2014

**Calculate Values**

Your assessed value can be located by clicking here. Hard copies of your assessment information including assessment prior to revaluation are at the Town Assessor's Office.

Click to Calculate  
(Results Appear Below)

Results: (Do not enter any information below this box)

#### Tax Information

Description of Taxes	\$ Annual	\$ Monthly
Old Taxes Due		
Your 2014 Assessment multiplied by 33.36, then divided by 1,000.	<input type="text" value="6790.76"/>	<input type="text" value="565.90"/>
New Taxes Due		
Your 2015 Assessment multiplied by 34.34 then divided by 1,000.	<input type="text" value="7044.85"/>	<input type="text" value="587.07"/>

#### Tax Change:

Description of Change	\$ Annual	\$ Monthly
Additional Taxes due to Budget Increase	<input type="text" value="254.09"/>	<input type="text" value="21.17"/>



# How Can We Help Each Other?



Tolland is what we make of it!

## Become involved!

Volunteer for Town boards, commissions, and civic organizations

## Become informed!

Sign-up for Tolland Notifications on the website @ [www.tolland.org](http://www.tolland.org)

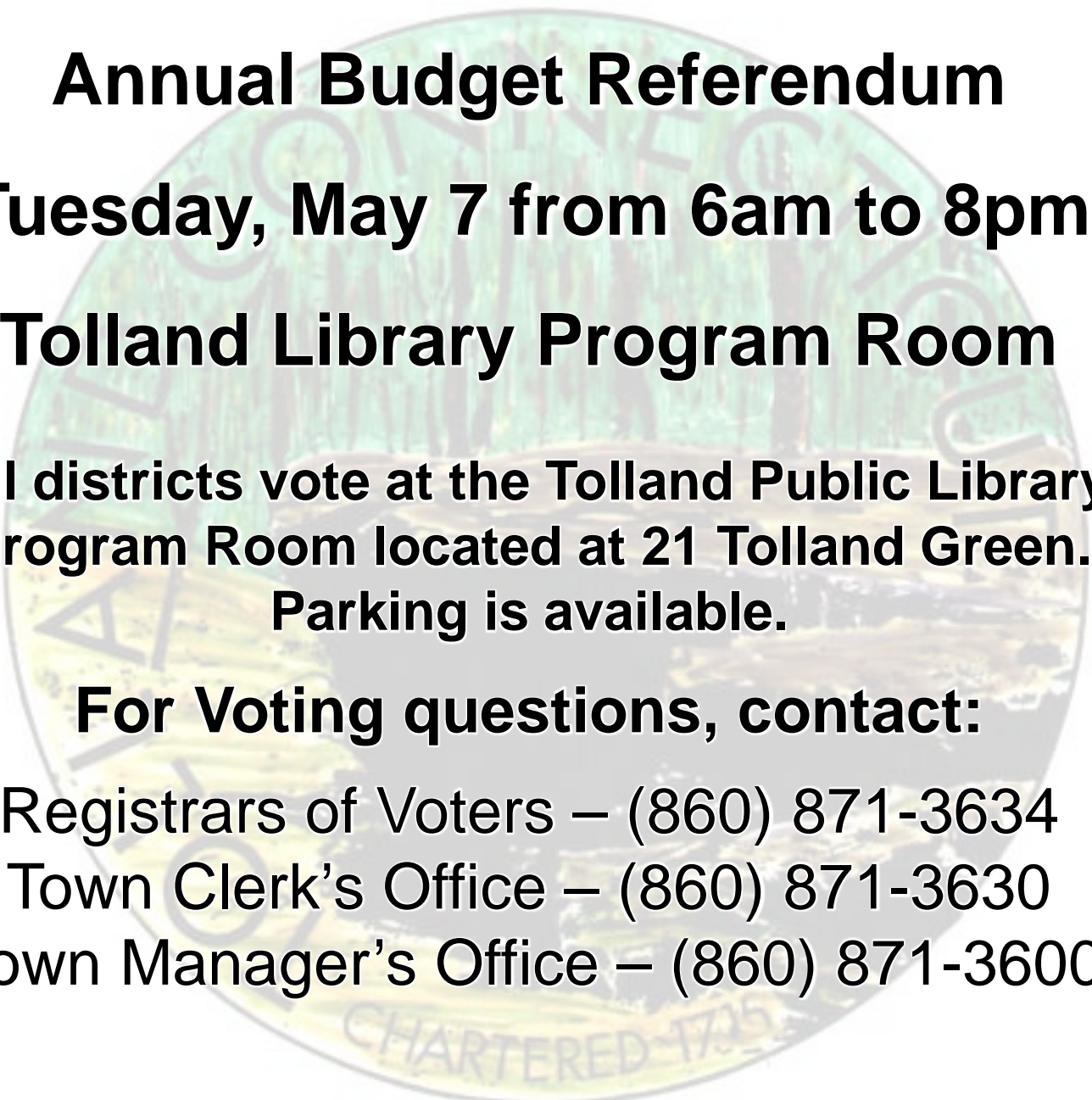


us on Facebook @Town of Tolland, CT

Follow us on Twitter @TownOfTolland

Submit suggestions, questions or comments via the Town's website

Share your knowledge, your ideas and your time to continue to keep Tolland a great place to live, to become a better place, and to make sure our quality of life is sustainable.

The background of the image features a large, faint, circular seal of Tolland County, Connecticut. The seal contains a landscape with a rising sun, a river, and a bridge, surrounded by the words "TOLLAND COUNTY CONNECTICUT" and "CHARTERED 1735".

# **Annual Budget Referendum**

## **Tuesday, May 7 from 6am to 8pm**

### **Tolland Library Program Room**

**All districts vote at the Tolland Public Library  
Program Room located at 21 Tolland Green.  
Parking is available.**

**For Voting questions, contact:**

**Registrars of Voters – (860) 871-3634**

**Town Clerk's Office – (860) 871-3630**

**Town Manager's Office – (860) 871-3600**