

# ***ANNUAL BUDGET***

**Revenue**

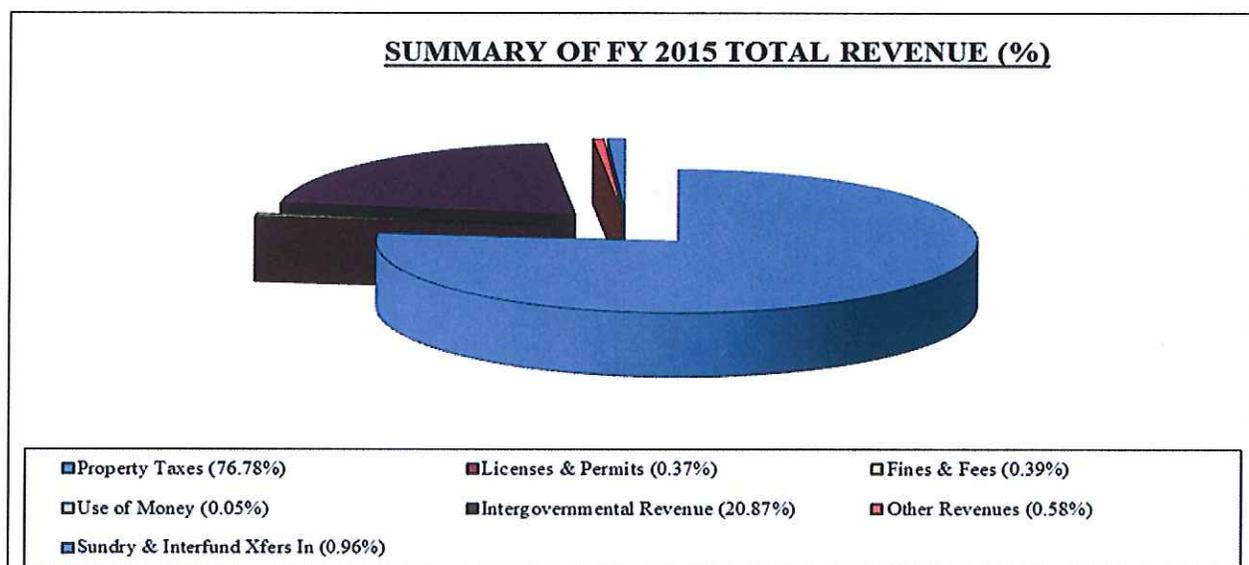
***FISCAL YEAR***

***July 1, 2014- June 30, 2015***

## REVENUE OVERVIEW

Within Plainville's budget for FY 2015, there are seven (7) major revenue categories: Property Taxes, Licenses & Permits, Fines & Fees, Use of Money, Intergovernmental Revenue, Other Revenues, and Sundry & Interfund Transfers In as shown in the following chart. The total adopted revenue budget must equal the total adopted expenditures budget to comply with the State requirements of a balanced budget.

	<b>FY 2013 Adopted</b>	<b>FY 2014 Adopted</b>	<b>FY 2015 Adopted</b>	<b>Difference 2014 - 2015</b>
Property Taxes	\$ 41,433,066	\$ 42,129,453	\$ 42,555,566	\$ 426,113
Licenses & Permits	174,750	176,450	206,550	30,100
Fines & Fees	221,400	226,450	216,450	(10,000)
Use of Money	25,500	25,500	25,500	-
Intergovernmental	11,607,385	11,434,845	11,568,359	133,514
Other Revenues	237,000	328,000	322,496	(5,504)
Sundry & Xfers In	293,800	324,062	530,056	205,994
<b>TOTALS</b>	<b>\$ 53,992,901</b>	<b>\$ 54,644,760</b>	<b>\$ 55,424,977</b>	<b>\$ 780,217</b>



- To produce a balanced budget, estimates revenues must match expenditures. The main source of revenue for the Town is the property tax. The October 1, 2013 Grand List increased by \$13,954,734 from \$1,341,620,870 to \$1,355,575,604. This represents a 1.14057% increase in Plainville's taxable property.
- Licenses & Permits are estimated to increase due to Building permits increasing as the economy becomes a little more advantageous for building and renovating.
- Intergovernmental revenue is estimated to increase primarily because of the School Transportation Grant being budgeted by the State of CT. At this time last year, the Governor decided not to fund this grant. After the Town's budget process had concluded, the State Legislature voted to reinstate this grant. Therefore, due to timing, the Town did not budget the grant in FY 2014 but will budget for it in the adopted FY 2015 budget.

- Sundry & Interfund Transfers In increased due to a use of fund balance of \$200,000 being used to offset a mill rate increase, keeping the mill rate the same as the prior FY 2014.

**TAXES: Property Taxes and Assessments**

Taxes are a mainstay of financing for local governments. Taxes may be levied against real property taxes, personal property, and motor vehicles. Other budgeted tax revenues are interest, penalties, and lien fees on delinquent taxes.

Property taxes are the largest and most important component of Town revenue sources. All revenues that cannot be generated from State aid, licenses, fees, etc. must be derived from the property tax levy.

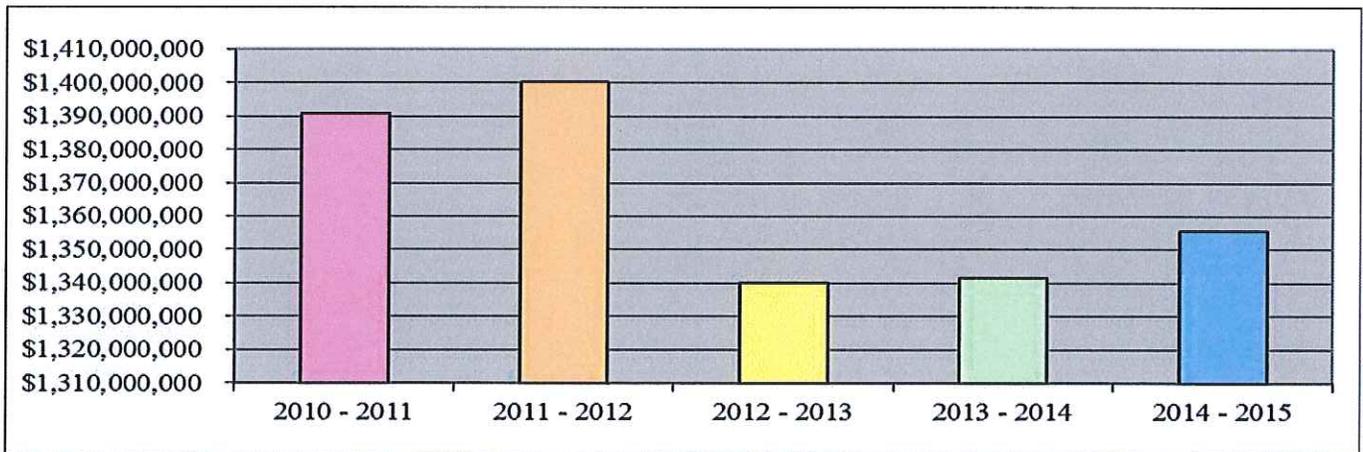
It is estimated that the General Fund will yield \$42,555,566 in taxes and assessments in total for fiscal year 2014 - 2015. This is an increase of \$426,113.

The total of all taxable property in the Town of Plainville minus exemptions is commonly known as the "net grand list (NGL)." Any growth in the NGL helps to offset any growth in budgeted expenditures, since mill rate (tax rate) is calculated based on the total valuation of all taxable property within the boundry of the Town. The October 1, 2013 NGL increased by \$13,954,734 from \$1,341,620,870 to \$1,355,575,604. This represents a 1.14057% increase in Plainville's taxable property.

The following chart presents the annual net grand list growth for the last five-year period:

**Town of Plainville  
Net Grand List (NGL)  
Last 5 Budget Years**

October 1, Fiscal Year	2009 2010 - 2011	2010 2011 - 2012	2011 2012 - 2013	2012 2013 - 2014	2013 2014 - 2015
NGL	\$ 1,390,764,460	\$ 1,400,251,680	\$ 1,340,288,705	\$ 1,341,620,870	\$ 1,355,575,604



**TAX RATE**

The tax rate is expressed in terms of "mills" with one mill equivalent to one dollar of tax for every one thousand dollars of assessed value. The tax levy is a computation by the total amount of budgeted tax revenue

necessary to be raised from property taxes taking into account allowances for estimated uncollectible taxes. Based on a NGL of \$1,355,575,604, applying grants and non-tax revenue, it will be necessary to finance \$42,555,566 or 76.78% from property taxes. This will require a mill rate of 31.38, the same rate as FY 2014 due to use of fund balance of \$200,000. The mill rate is calculated as follows:

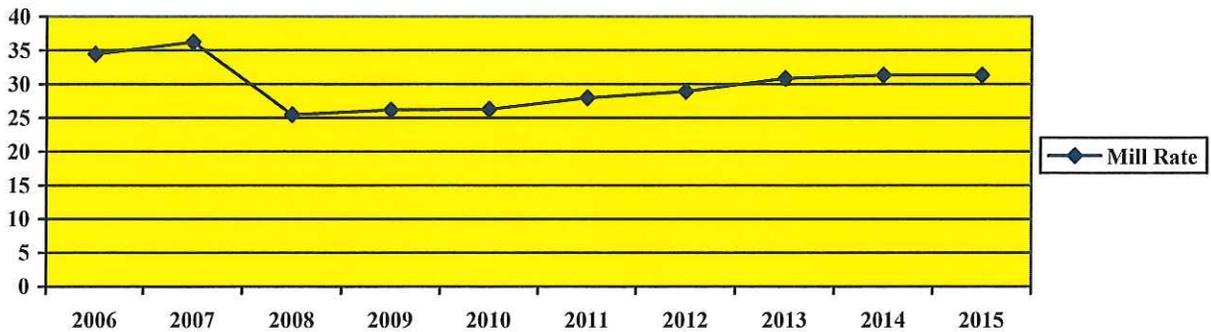
<u>Expenditure Budget Change</u>		<u>Revenue Budget Change</u>	
Town Government	\$ 435,381	Sundry & Xfers In	\$ 205,994
Board of Education	223,261	Intergovernmental	133,514
Debt Service	96,575	Licenses & Permits	30,100
Capital Projects	25,000	Other Revenues	(5,504)
		Fines & Fees	(10,000)
		Subtotal Direct Rev	354,104
		Current Taxes	426,113
<b>Total Expenditure</b>	<b>\$ <u>780,217</u></b>	<b>Total Revenue</b>	<b>\$ <u>780,217</u></b>

Gross expenditures	\$ 55,424,977
Less direct revenue estimates	(13,794,911)
Net budget	41,630,066
Use of fund balance	(200,000)
Adjustment for uncollected taxes @ 2.6%	1,105,936
Amount to be raised	<u>42,536,002</u>
Value of 1 mill at 97.4% collection rate	\$ 1,355,576
	<u>42,536,002</u>
Calculate mill rate	<u>1,355,576</u> = <b>31.38 mills</b>

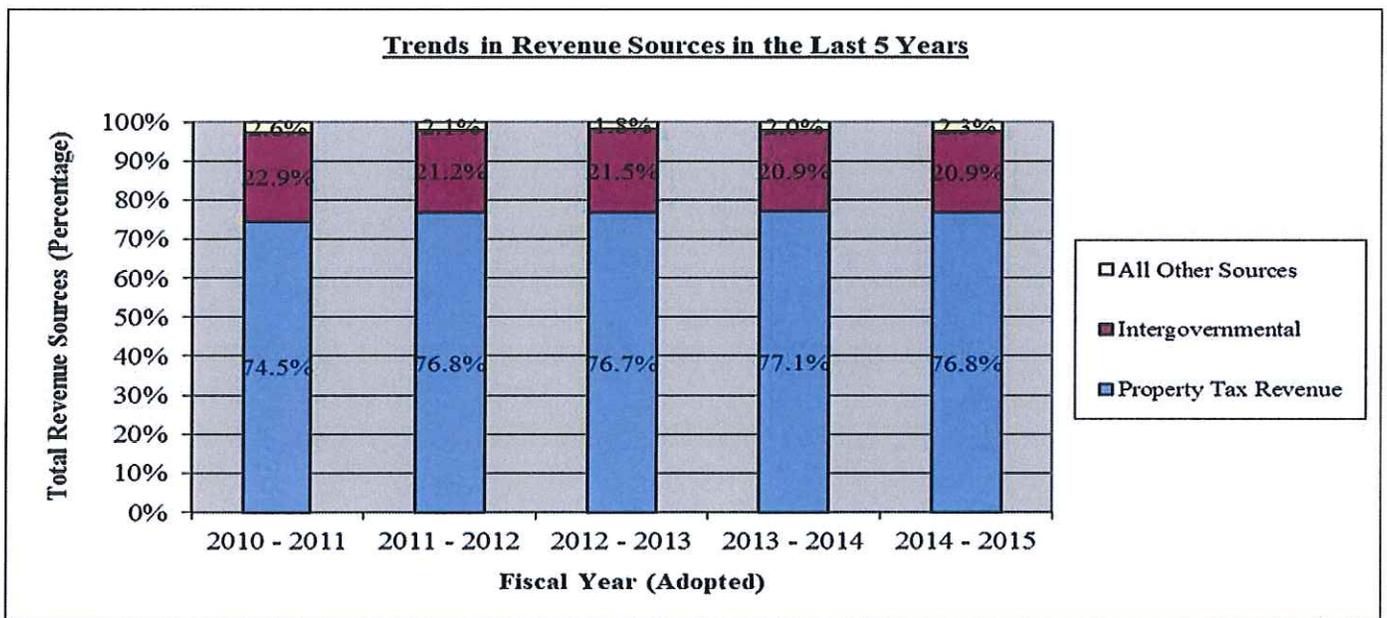
**Tracking the Mill Rate and Grand List  
FY's 2000 - 2015**

<b>Fiscal Year</b>	<b>Manager Proposed Mill Rate</b>	<b>Council Approved Mill Rate</b>	<b>Grand List Year</b>	<b>Grand List Value</b>	<b>Current Year Tax Levy</b>
2000	31.00	29.39	1998	857,074,987	25,189,434
2001	30.14	29.39	1999	897,762,755	26,385,257
2002 *	32.38	30.38	2000	883,618,807	26,844,339
2003	34.26	32.06	2001	898,874,926	28,817,930
2004	34.96	33.55	2002	917,444,217	30,780,253
2005	36.75	33.33	2003	930,695,700	31,020,088
2006	35.66	34.50	2004	948,434,120	32,720,977
2007	37.80	36.28	2005	957,924,310	34,753,493
2008 *	26.59	25.50	2006	1,372,298,640	33,915,344
2009	27.83	26.24	2007	1,384,431,320	35,215,438
2010	27.17	26.33	2008	1,388,227,300	35,595,339
2011	28.58	28.01	2009	1,390,764,460	37,939,148
2012	29.69	28.98	2010	1,400,251,680	39,526,221
2013 *	31.00	30.89	2011	1,340,288,705	40,327,566
2014	31.38	31.38	2012	1,341,620,870	41,003,953
2015	31.76	31.38	2013	1,355,575,604	41,430,066

\* Revaluation Year



Shown in the chart above are the approved mill rates for the last ten (10) fiscal years. Additional information regarding approved mill rates can be found in the "Citizen's Guide to the Budget" section.



The above table illustrates the percentages of the operating budget funded by various revenue sources over the last five (5) fiscal years. The most striking feature of the breakdown of revenue sources is the extent to which the Town budget is dependent on just two sources: local property taxes and intergovernmental revenue, predominantly from the State of CT. As the second largest source of General Fund revenues, State Aid has a considerable impact on property tax rate. Most sources of State Aid are formula driven and therefore are affected not only by total funding levels state-wide, but also by numerous variables such as the Town's population, the Town's grand list relative to other towns, income levels relative to other towns, student enrollment figures, and various demographic characteristics. The remaining revenue sources, including permits, licenses, fees for services, investment income, and miscellaneous sources, combine for just 2.3% in the 2014 - 2015 budget.

## INTERGOVERNMENTAL REVENUE

Local governments depend on state and federal aid to supplement their property tax and other revenue sources. The estimated allocations to Plainville are based on the state's publication Estimates of State Formula Aid to Municipalities: Fiscal Year 2012 - 2013, Fiscal Year 2013 - 2014, and Fiscal Year 2014 - 2015 originally distributed by the State of Connecticut Office of Policy and Management in February 2013 and updated in February 2014. The budgeted grant amounts for fiscal year 2014 - 2015 reflects estimates provided by the State in June 2014 and the Governor's Budget.

Listed below are the State of Connecticut statutory formula grants to be paid to the Town of Plainville:

Federal and State Grants	Actual Grant Amount Received 2012 - 2013	Budgeted Grant Amount 2013 - 2014	Estimated Grant Amount 2014 - 2015
Special ed excess cost grant	\$ 231,406	\$ -	\$ -
Education cost sharing grant	10,341,177	10,374,760	10,405,528
School transportation grant	158,218	-	121,854
PILOT - State property	20,446	17,399	17,647
PILOT - veteran's exemption	24,600	22,000	22,000
PILOT - elderly freeze	2,666	2,700	2,500
PILOT - elderly circuit breaker	151,529	150,000	150,000
PILOT - totally disabled	4,077	3,600	3,600
Plane registration	8,200	8,450	8,200
Pequot grant	89,745	73,740	85,501
Youth services grant	30,246	30,000	30,000
Misc. State grants	132,366	30,000	30,000
Telecommunications	49,072	59,000	55,000
Municipal revenue sharing	562,933	385,361	509,690
Town Aid Road 50% grant	-	153,638	-
LoCIP	105,667	124,197	126,839
<b>Total Federal and State Grants</b>	<b>\$ 11,912,348</b>	<b>\$ 11,434,845</b>	<b>\$ 11,568,359</b>

## LICENSES, FEES AND PERMITS

Local indicators, such as new construction, are important factor that relates directly to the budgeted estimated revenues for building permit fees and recording and conveyance fees (primarily property transfer documents).

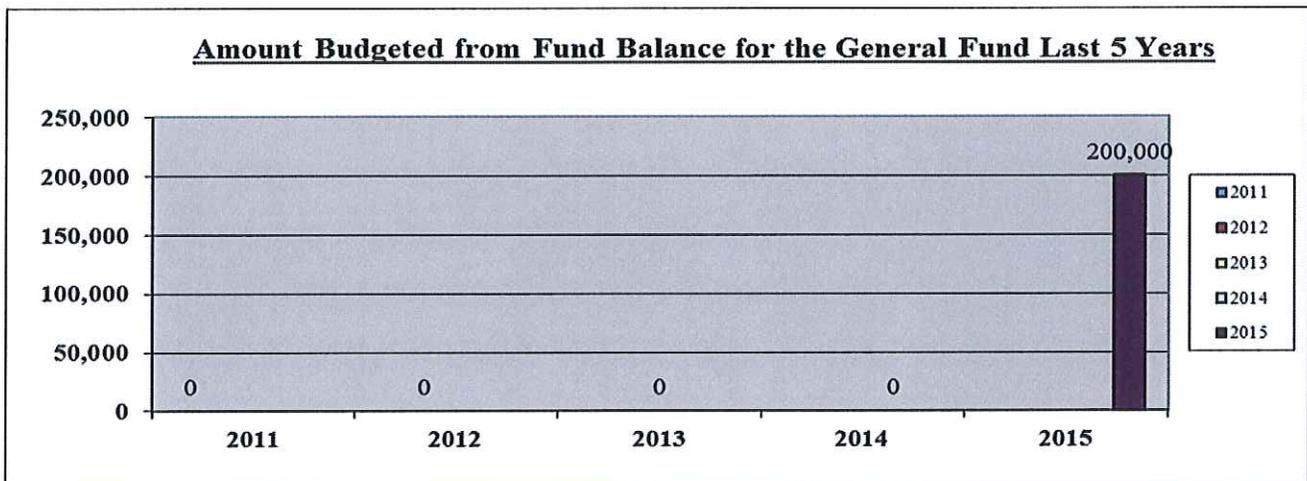
There is a continuing trend toward steady residential and commercial planned growth in Plainville. The Town continues to upgrade and expand Town provided amenities, including high quality educational, recreational, and cultural facilities, while maintaining comparatively low tax rates.

Licenses, fees, and permits revenue for all Town funds are estimated to increase slightly from the 2013 - 2014 levels. However, these revenue sources are budgeted within reasonable limits. Fees are based on estimates from the Building Department with activity anticipated to remain at or above the FY 2013 - 2014 level.

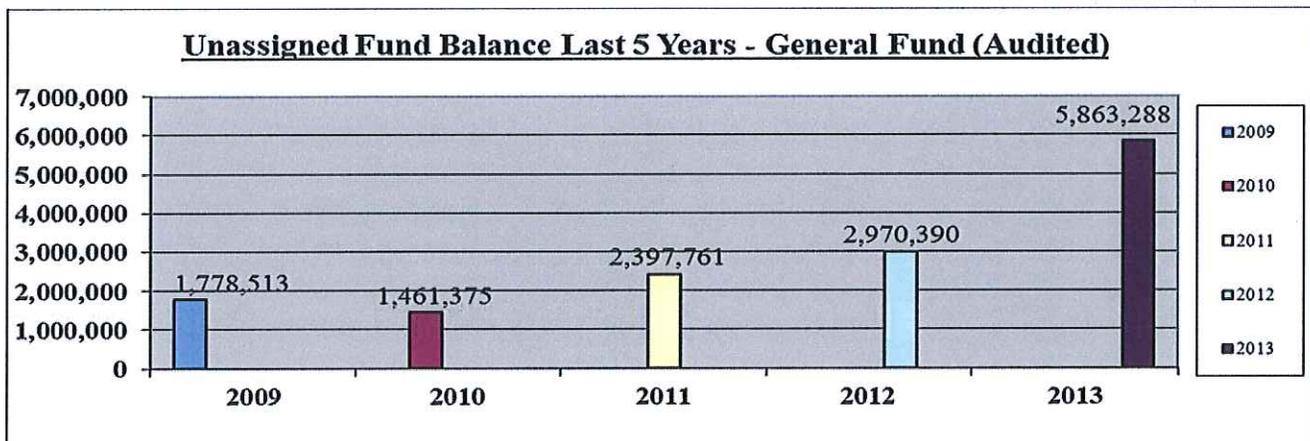
## FUND BALANCE

Fund Balance is a measure of the Town's capacity to withstand financial emergencies or to undertake unforeseen, but necessary, projects. Rating agencies place special emphasis on fund balance when assigning bond ratings to municipalities and view adequate fund balance as an indication of sound financial management.

A policy was established several years ago to reduce the reliance on General Fund Unassigned Fund-Balance to balance the operating needs of the Town. As a result, a plan was established to lower the use of the General Fund's fund balance yearly until it reaches \$-0-, which the 2010 – 2011 budget achieved, continuing every year until this year. This year, the Town Council felt it was prudent to keep the mill rate the same by utilizing \$200,000 of unassigned fund balance in light of additional, unbudgeted revenues being returned to the General Fund in FY 2014. It is anticipated the Town Council will return to not using fund balance to balance the operating needs of the Town in years where there is not a significant return of unbudgeted revenues.



Shown below is a graph illustrating the Town of Plainville's Unassigned Fund Balance during the last five years:



**Town of Plainville, Connecticut**  
**Adopted Town of Plainville Revenue Budget Detail - Fiscal Year 2014 - 2015**  
**As of April 29, 2014**

Town of Plainville Revenue	2012 - 2013		2013 - 2014		2014 - 2015			
	Actual	Budgeted	Received	Estimated	Estimated Budget	Increase/(Decrease)		
	Received		Date			\$	%	
<b>Property Taxes</b>								
41010	Current taxes	\$ 39,969,541	\$ 41,003,953	\$ 39,255,002	\$ 39,773,834	\$ 41,430,066	\$ 426,113	1.04%
41015	Prior taxes	648,772	500,000	910,828	930,000	500,000	-	0.00%
41020	Motor vehicle supp	409,122	320,000	399,054	410,000	320,000	-	0.00%
41040	Suspense	30,987	25,000	34,492	35,000	25,000	-	0.00%
41050	Interest	418,012	275,000	446,880	480,000	275,000	-	0.00%
41060	Liens/misc	5,554	5,500	6,871	7,000	5,500	-	0.00%
	<b>Total Property Taxes</b>	<b>41,481,988</b>	<b>42,129,453</b>	<b>41,053,127</b>	<b>41,635,834</b>	<b>42,555,566</b>	<b>426,113</b>	<b>1.01%</b>
<b>Licenses &amp; Permits</b>								
42110	Building permits	427,923	170,000	291,537	325,000	200,000	30,000	17.65%
42111	Building permits - State fee	207	100	139	200	200	100	100.00%
42120	Police permits	13,695	5,000	6,595	6,800	5,000	-	0.00%
42940	Dog licenses	1,948	1,000	747	1,000	1,000	-	0.00%
42960	Solid waste licenses	50	350	400	500	350	-	0.00%
	<b>Total Licenses &amp; Permits</b>	<b>443,823</b>	<b>176,450</b>	<b>299,418</b>	<b>333,500</b>	<b>206,550</b>	<b>30,100</b>	<b>17.06%</b>
<b>Fines &amp; Fees</b>								
43114	Condo fees	54,852	55,000	44,595	44,595	45,000	(10,000)	-18.18%
43115	Building fees	471	1,200	578	750	1,200	-	0.00%
43116	Bounced check fees	790	1,000	800	1,000	1,000	-	0.00%
43117	MV delinquent fee	23,487	12,500	16,795	17,500	12,500	-	0.00%
43120	Police fines	2,412	2,500	4,728	5,000	2,500	-	0.00%
43125	Police fees	2,901	32,000	1,524	32,000	32,000	-	0.00%
43126	Impound fees	3,160	3,000	1,365	3,000	3,000	-	0.00%
43130	Town Clerk filing fees	1,374	2,000	888	2,000	2,000	-	0.00%
43135	Vital statistics	12,722	11,000	11,044	12,000	11,000	-	0.00%
43140	Recording fees	96,146	82,000	68,377	82,000	82,000	-	0.00%
43150	Planning & Zoning fees	8,168	5,000	1,766	5,000	5,000	-	0.00%
43160	ZBA fees	3,742	3,000	693	3,000	3,000	-	0.00%
43185	Senior Center fees	8,000	8,000	8,600	8,600	8,000	-	0.00%
43195	Trash container fees	3,040	1,750	2,223	2,750	1,750	-	0.00%
43196	Tipping fees	9,440	6,000	6,120	8,000	6,000	-	0.00%
43198	Miscellaneous fees	1,915	500	1,112	1,200	500	-	0.00%
	<b>Total Fines &amp; Fees</b>	<b>232,620</b>	<b>226,450</b>	<b>171,208</b>	<b>228,395</b>	<b>216,450</b>	<b>(10,000)</b>	<b>-4.42%</b>

**Town of Plainville, Connecticut**  
**Adopted Town of Plainville Revenue Budget Detail - Fiscal Year 2014 - 2015**  
**As of April 29, 2014**

Town of Plainville Revenue		2012 - 2013		2013 - 2014		2014 - 2015		
		Actual Received	Budgeted	Received Date	Estimated	Estimated Budget	Increase/(Decrease)	
							\$	%
<b>Use of Money</b>								
44110	Investment income	\$ 25,284	\$ 25,000	\$ 20,773	\$ 25,000	\$ 25,000	\$ -	0.00%
44114	Condo fee interest	1,191	500	204	275	500	-	0.00%
	<b>Total Use of Money</b>	<b>26,475</b>	<b>25,500</b>	<b>20,977</b>	<b>25,275</b>	<b>25,500</b>	<b>-</b>	<b>0.00%</b>
<b>Intergovernmental Revenue</b>								
45301	Special ed AP I grant	24,649	-	-	-	-	-	0.00%
45302	Special ed excess cost grant	206,757	-	-	133,000	-	-	0.00%
45304	Education cost sharing grant	10,341,177	10,374,760	5,187,380	10,368,207	10,405,528	30,768	0.30%
45307	School transportation grant	158,218	-	-	128,859	121,854	121,854	100.00%
45310	PILOT - State property	20,446	17,399	16,167	16,167	17,647	248	1.43%
45418	PILOT - veteran's exemption	24,600	22,000	22,861	22,861	22,000	-	0.00%
45420	PILOT - elderly freeze	2,666	2,700	2,000	2,000	2,500	(200)	-7.41%
45425	PILOT - elderly circuit breaker	151,529	150,000	146,341	146,341	150,000	-	0.00%
45435	PILOT - totally disabled	4,077	3,600	4,243	4,243	3,600	-	0.00%
45445	Plane registration	8,200	8,450	8,110	8,110	8,200	(250)	-2.96%
45500	Pequot grant	89,745	73,740	56,446	84,669	85,501	11,761	15.95%
45530	Youth services grant	30,246	30,000	22,880	30,000	30,000	-	0.00%
45542	Misc. State grants	132,366	30,000	23,229	30,000	30,000	-	0.00%
45543	Telecommunications	49,072	59,000	-	59,000	55,000	(4,000)	-6.78%
45545	Municipal revenue sharing	562,933	385,361	356,052	356,052	509,690	124,329	32.26%
45546	Town Aid Road - 50% grant	-	153,638	153,638	153,638	-	(153,638)	-100.00%
45570	LoCIP	105,667	124,197	180,756	180,756	126,839	2,642	2.13%
	<b>Total Intergovernmental</b>	<b>11,912,348</b>	<b>11,434,845</b>	<b>6,180,103</b>	<b>11,723,903</b>	<b>11,568,359</b>	<b>133,514</b>	<b>1.17%</b>
<b>Other Revenues</b>								
48212	Conveyance tax	111,034	135,000	145,209	160,000	135,000	-	0.00%
48217	PILOT - Housing Authority	201,136	40,000	20,005	30,000	34,496	(5,504)	-13.76%
48262	Taxpayer reimbursements	409	-	822	822	-	-	0.00%
48298	Miscellaneous - BOE	176,631	-	-	-	-	-	0.00%
48299	Miscellaneous - other	348,646	153,000	195,548	210,000	153,000	-	0.00%
	<b>Total Other Revenues</b>	<b>837,856</b>	<b>328,000</b>	<b>361,584</b>	<b>400,822</b>	<b>322,496</b>	<b>(5,504)</b>	<b>-1.68%</b>
<b>Sundry &amp; Interfund Transfers In</b>								
49101	Interfund transfer in - WPCF	293,800	299,676	224,757	299,676	305,670	5,994	2.00%
49102	Use of fund balance	-	-	-	-	200,000	200,000	100.00%
49104	Interfund transfer in - Debt Manage	-	24,386	24,386	24,386	24,386	-	0.00%
49106	Interfund transfer in - Other Funds	1,463,883	-	-	-	-	-	0.00%
49107	Sale of fixed assets	560	-	150	150	-	-	0.00%
	<b>Total Sundry &amp; Interfund Transfers In</b>	<b>1,758,243</b>	<b>324,062</b>	<b>249,293</b>	<b>324,212</b>	<b>530,056</b>	<b>205,994</b>	<b>63.57%</b>
<b>Total Town of Plainville Revenue</b>		<b>\$ 56,693,353</b>	<b>\$ 54,644,760</b>	<b>\$ 48,335,710</b>	<b>\$ 54,671,941</b>	<b>\$ 55,424,977</b>	<b>\$ 780,217</b>	<b>1.43%</b>

## REVENUES

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### Property Taxes

**41010 Current Taxes** - property taxes levied on the current Grand List

**41015 Prior Taxes** - property taxes estimated to be collected on prior years' Grand Lists

**41020 Motor Vehicle Supplement** - property tax levied on motor vehicles (not included on the October Grand List)

**41040 Suspense** - property taxes that are removed from the Grand List after fifteen (15) years but payments are made subsequent to the fifteen-year period

**41050 Interest** - applied to late tax payments

**41060 Liens/misc** - charges on real property for the release of filing in the Town Clerk's Office

### Licenses & Permits

**42110 Building Permits** - fee collected for issuance of building permits as required by law.

**42111 Building Permit State Education** - mandated 0.18 cents per \$1,000 of assessed value is tacked onto building permit fees for the education of building officials.

**42120 Police Permits** - pistol permits, vending, solicitors, raffle permits

**42940 Dog Licenses** - all dogs owned in Plainville must be properly licensed.

**42960 Solid Waste Licenses** - license required of private haulers to use transfer station

### Fines & Fees

**43114 Condo Fees** - garbage collection fees for condominiums

**43115 Building Fees** - fees for maps, books, and copies received from the building department

**43116 Bounced Check Fee** - fee for bounced check

**43117 Motor Vehicle Delinquent Fee** - fee charged for late payment of motor vehicles per State of CT.

**43120 Police Fines** - parking violations

**43125 Police Fees** - fees for accident reports, photos, private duty administration

**43126 Impoundment Fees** - dog impoundment

**43130 Town Clerk Filing Fees** - maps, liquor permits, trade name certifications

**43135 Vital Statistics** - birth, death, marriage licenses, etc.

**43140 Recording Fees** - for recording land records (warranty deeds, liens, sales)

**43150 Planning and Zoning Fees** - zoning applications and subdivisions

**43160 Zoning Board of Appeals** - fees for zoning appeals

**43185 Senior Center Fees** - membership fee for out-of-town residents

**43195 Trash Container Fees** - fees collected for second trash containers

**43196 Tipping Fees** - for private use of landfill

**43198 Misc. Fees** - snow removal for private roads, plus minor, non-budgeted items

### Use of Money

**44110 Investment Income** - earned for Town's investments

**44114 Condo Fee Interest** - accrued on late condo fees

## REVENUES (*Continued*)

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### Intergovernmental Revenue

#### Education:

**45304 Education Cost Sharing Grant** - grant funding distributed according to the spending needs of the school, per statutory formula

**45307 School Transportation Grant** – formula grant to assist Towns with pupil transportation costs

#### State Reimbursements:

**45310 PILOT - State Property** - paid on State property within Town, in lieu of property taxes

**45418 PILOT – Veteran’s Exemption** - partial reimbursement of Veterans tax exemptions

**45420 PILOT - Elderly Freeze** - partial reimbursement for tax exemptions for the elderly

**45425 PILOT – Elderly Circuit Breaker** - partial reimbursement for tax exemptions for the elderly

**45435 PILOT – Totally Disabled Exemption** - partial reimbursement for disability tax exemptions

**45445 Plane Registration** - fee collected for aircraft registration

#### Other Grants:

**45500 Pequot Grant** - proceeds from the Mashantucket Pequot and Mohegan Fund; formula-based

**45530 Youth Services** - to assist with provision of youth services programs

**45542 Miscellaneous Federal/State Grants** - includes FEMA disaster relief and other uncategorized funding

**45543 Telecommunications** - personal property tax on State communications equipment in Town

**45545 Municipal Revenue Sharing** – grant includes the former PILOT for Machinery & Equipment as well as .10% of the increased State of CT sales tax allocation to municipalities

**45570 LoCIP (Local Capital Improvement Program)** - assistance for approved capital improvement programs

### Other Revenues

**48212 Conveyance Tax** - levied on property transfers

**48217 Housing Authority PILOT** - received in lieu of property taxes from the Plainville Housing Authority

**48262 Taxpayer Reimbursement** - paid to reimburse Town for the cost of conducting foreclosures

**48299 Miscellaneous – Other** - photocopies, cell tower fees for antenna outside Municipal Center and Fire Station, PILOT - Robertson Airport, etc.

### Sundry & Interfund Transfers In

**49101 Interfund Transfer In - WPCF** – transfers in from the Sewer Fund for employee benefits

**49102 Use of Fund Balance** – transfers made from the General Fund Unassigned Fund Balance

**49104 Interfund Transfer In – Debt Management** – transfer in from Debt Management Fund to offset bonded debt expenditure increases