



**Town Manager's Proposed  
ANNUAL BUDGET**

**Transmittal Letter**

**FISCAL YEAR  
July 1, 2016- June 30, 2017**

**Dear Members of the Town Council:**

Pursuant to Chapter VII, Section 4 of the Plainville Town Charter, we are pleased to present the Annual Budget for Fiscal Year 2016 - 2017. This budget outlines the priorities and plans to provide services to the citizens and taxpayers of Plainville. The budget expenditures are separated into four main sections - Town Government, Board of Education (BOE), Debt Service, and Capital Projects.

**SUMMARY OF EXPENDITURES**

	<b>Appropriated FY 2016</b>	<b>Requested FY 2017</b>	<b>Proposed Budget Increase/(Decrease)</b>	
Town Government	\$ 16,525,651	\$ 17,027,660	\$ 502,009	3.04%
Board of Education	34,366,736	34,874,367	507,631	1.48%
Debt Service	4,712,294	4,712,294	-	0.00%
Capital Projects	900,000	1,100,000	200,000	22.22%
<b>Total</b>	<b>\$ 56,504,681</b>	<b>\$ 57,714,321</b>	<b>\$ 1,209,640</b>	<b>2.14%</b>

The budget totals \$57,714,321. This is an increase of \$1,209,640 or 2.14%. If adopted as presented, the mill rate would be 32.06 or 0.23 mills (0.71%) higher than the adopted FY 2016 mill rate of 31.83, assuming the revenues as currently estimated remain the same. The mill rate is calculated as follows:

<b>Expenditure Budget Change</b>		<b>Revenue Budget Change</b>	
Board of Education	\$ 507,631	Intergovernmental	\$ 503,986
Town Government	502,009	License & Permits	50,500
Capital Projects	200,000	Other Revenues	15,000
		Sundry & Interfund Xfers In	7,870
		Fines & Fees	3,250
		State of CT Per Prop Tax Cap	(70,290)
		Grand List Increase @ 31.83	382,298
		Amount to be Raised by Mill	
		Rate increase	317,026
<b>Total Expenditure Change</b>	<b>\$ 1,209,640</b>	<b>Total Revenue Change</b>	<b>\$ 1,209,640</b>

**Amount to be Raised by Mill Rate increase is \$317,026 (0.23 mills) or 0.71%**

Gross expenditures	\$ 57,714,321
Less direct revenue estimates	(14,477,049)
Net budget	43,237,272
Use of fund balance	(200,000)
Adjustment for uncollected taxes @ 2.60%	1,148,839
Amount to be raised	<b>44,186,111</b>
Value of 1 mill at 97.4% collection rate	\$ 1,378,372
	<b>44,186,111</b>
Calculated mill rate	<b>1,378,372 = 32.06 mills</b>

## REVENUE HIGHLIGHTS

The Intergovernmental revenue estimates are based on the Governor's proposed budget. That budget would result in an increase of revenue of \$503,986 from what was budgeted in the current year.

### Major Direct Revenue Changes {Increase/(Decrease) Over \$5,000}

	FY 2016		FY 2017		Difference
MRSA sales tax sharing **	\$ -		\$ 522,783		\$ 522,783
Building permits	200,000		250,000		50,000
Education cost sharing **	10,405,528		10,443,325		37,797
Police fees	32,000		50,000		18,000
Miscellaneous - other	165,000		180,000		15,000
Interfund transfers in - WPCF	314,840		322,710		7,870
Telecommunications **	55,000		50,000		(5,000)
PILOT – State property **	16,382		391		(15,991)
Pequot grant **	89,305		72,680		(16,625)
Motor vehicle delinquent fee	17,500		-		(17,500)
School transportation grant **	164,937		145,921		(19,016)
State of CT pers prop tax cap	-		(70,290)		(70,290)
<b>Subtotal Direct Revenue</b>	<b>11,460,492</b>		<b>11,967,520</b>		<b>507,028</b>
All other direct revenue – not incl current taxes	2,506,241		2,509,529		3,288
<b>Total Direct Revenue</b>	<b>\$ 13,966,733</b>		<b>\$ 14,477,049</b>		<b>\$ 510,316</b>

\*\* Intergovernmental revenue line items

## TOWN GENERAL GOVERNMENT, DEBT SERVICE, & CAPITAL EXPENDITURES

The Town General Government operating budget is recommended at **\$17,027,660**. This is an increase of \$502,009 or 3.04% from the current fiscal year 2016. The major changes to the Town General Government budget are as follows:

- All personnel costs, including overtime, are budgeted at a 2.50% increase, with the exception of the NAGE and Public Works unions whose contracts expire on June 30, 2016. Payroll increases in total dollars, including overtime, of \$365,419 or 4.89% are in this budget request.
- The Police budget increase of \$240,611 is primarily related to personnel costs increasing due to the requested addition of one (1) Patrol Officer (completion of partially funded position in FY 2016) and one (1) full-time Dispatcher, in addition to union contractual increases.
- The cost to provide property/liability insurance and workers compensation is estimated to increase by \$36,272 or 6.12% over the current year, primarily due to higher workers' compensation claims. This increase is part of a three-year fixed rate not to exceed 3.00% contract for the LAP policy effective July 1, 2016 through June 30, 2019. The WC policy, due to high claims, is on a year-to-year basis.
- Utility costs, including streetlights, heating oil, and gasoline & diesel, have decreased by \$30,062 or 1.93% due to lower costs and conversion to LED streetlights.
- Roadways and Building & Grounds overtime budgets have increased \$22,208 due to a requested increase to reflect actual costs incurred.
- Employee Benefits increased \$81,270 due to DC & DB pension cost increases.
- Most individual line items and departments have been kept to the FY 2016 budget level.

The Town Debt Service budget is recommended at **\$4,712,294** based on current outstanding bond obligations. This reflects a flat budget from the current fiscal year 2016. \$164,300 of this budget is expected to be transferred to the Debt Management Fund and will be used as new bond offerings are issued. This will keep our budget amount the same while taking advantage of current market conditions for refinancing and/or issuing new debt to fund sorely needed capital projects.

The General Fund contribution to capital is recommended at **\$1,100,000**. This is an increase of \$200,000.

### Summary of Expenditures (By Budget Function Except BOE)

	<b>Appropriated FY 2016</b>	<b>Proposed FY 2017</b>	<b>Proposed Budget Increase/(Decrease)</b>	
General Government	\$ 2,218,297	\$ 2,305,893	\$ 87,596	3.95%
Public Safety	4,302,209	4,539,630	237,421	5.52%
Public Works	4,153,329	4,220,456	67,127	1.62%
Health & Human Services	1,748,583	1,752,104	3,521	0.20%
Civic & Cultural	149,080	152,310	3,230	2.17%
Employee Fringe Benefits	3,148,785	3,230,055	81,270	2.58%
Sundry (includes Xfers Out)	805,368	827,212	21,844	2.71%
<b>Total General Government</b>	<b>16,525,651</b>	<b>17,027,660</b>	<b>502,009</b>	<b>3.04%</b>
<b>Debt Service</b>	<b>4,712,294</b>	<b>4,712,294</b>	<b>-</b>	<b>0.00%</b>
<b>Capital</b>	<b>900,000</b>	<b>1,100,000</b>	<b>200,000</b>	<b>22.22%</b>
<b>Total Town Government</b>	<b>\$ 22,137,945</b>	<b>\$ 22,839,954</b>	<b>\$ 702,009</b>	<b>3.17%</b>

## BOARD OF EDUCATION

The FY 2017 Board of Education operating budget is recommended at \$34,874,367. This is an increase of \$507,631 or 1.48% from the current fiscal year 2016. The table below summarizes the Board of Education budget by budget function. The Board of Education requested \$580,000 in capital expenditures for next year with \$350,180 being recommended for funding for FY 2017 by the Town Manager. Under the Town Charter, the Town Manager is required to include the Board of Education's proposed budget as recommended by the Board of Education.

### Summary of Expenditures (By Budget Function)

	Appropriated FY 2016	Proposed FY 2017	Proposed Budget Increase/(Decrease)	
Salaries	\$ 22,735,908	\$ 23,086,051	\$ 350,143	1.54%
Employee Benefits	5,437,093	5,567,501	130,408	2.40%
Purchased Prof Services	445,610	638,570	192,960	43.30%
Purchased Property Services	582,843	666,162	83,319	14.30%
Other Purch Serv	1,700,177	1,763,149	62,972	3.70%
Other Purch Serv – Ins	240,682	262,020	21,338	8.87%
Other Purch Serv - Tuition	1,140,998	988,900	(152,098)	(13.33%)
Supplies	1,906,994	1,736,695	(170,299)	(8.93%)
Property	117,927	106,815	(11,112)	(9.42%)
Dues & Fees	58,504	58,504	-	0.00%
<b>Total BOE</b>	<b>\$ 34,366,736</b>	<b>\$ 34,874,367</b>	<b>\$ 507,631</b>	<b>1.48%</b>

### CAPITAL IMPROVEMENT PROGRAM

Each year the Town sets aside funds for capital and non-recurring expenditures in the Five Year Capital Plan for all departments including the Board of Education. Any expenditure item with an aggregate cost of more than \$50,000 (over 5 years), or a project life greater than a year, is budgeted in the Capital Budget. Also included is any recurring equipment replacement that will cost more than \$5,000. A summary of the capital and equipment recommendations for next year are as follows:

Projects & Major Equipment	Town Manager Approved
<b>Town Government Requests</b>	
<b>1. Finance Departments</b>	
Assessor Revaluation	\$ 150,000
<b>2. Data Processing Department</b>	
Upgrades & Equipment - aggregate	25,000
Municipal Fiber Network	124,500
<b>3. Police Department</b>	
Patrol Cruisers Ford Interceptors – 2 - aggregate	61,000
Patrol Cruiser Outfitting – 2 - aggregate	20,500
Dispatch Communication Equipment (3 <sup>rd</sup> of 5 annual lease payments)	155,328
Defibrillator in Patrol Cruisers – 2	6,400
Video Cameras in Patrol Cruisers – 2	14,000

<b>Projects &amp; Major Equipment</b>		<b>Town Manager Approved</b>
<b>Town Government Requests (Continued)</b>		
<b>4. Fire Department</b>		
	Personal Protective Equipment – aggregate	\$ 10,000
	Rescue Apparatus - (2 <sup>nd</sup> of 5 annual lease payments)	103,418
	SCBA Bottle Replacements - aggregate	10,000
	Diesel Powered Portable Lighting/Generator	8,500
	Dispatch Communication Equipment (2 <sup>nd</sup> of 3 annual lease payments)	27,924
<b>5. Roadways Department</b>		
	5 Ton Dump Truck with Plow - aggregate	62,500
	Mack Computer Diagnostic Analyzer	5,000
<b>6. Buildings &amp; Grounds Department</b>		
	4WD 1 Ton Pickup Truck with Plow #48	33,000
	Library Window Trim Repair & Paint	10,000
	Police Department AC Design	5,000
<b>7. Technical Services Department</b>		
	Study of Paderewski Park Pond	10,000
	Roadway Sign Replacement Program - aggregate	10,000
<b>8. Civic &amp; Cultural Services – Recreation Department</b>		
	Playground Improvements at Norton/Paderewski Parks	790,000
	<b>Total Gross Town Government Requests</b>	<b>1,642,070</b>
<b>Board of Education Requests</b>		
<b>1. District Wide</b>		
	Phone System Upgrades	\$ 70,000
	Cleaning Equipment	15,000
<b>2. Plainville High School (PHS)</b>		
	Repair & Replace Kitchen Floor	87,000
	Parking Lot Replacement	153,180
	Upgrade ADA Accessibility to Tennis Courts	25,000
	<b>Total Gross Board of Education Requests</b>	<b>350,180</b>
	<b>Total Gross Town of Plainville Capital Requests</b>	<b>1,992,250</b>
	<b>Less: Use of Grant Funds</b>	<b>(592,500)</b>
	<b>Less: Use of Capital Fund/Supplemental Appropriation</b>	<b>(299,750)</b>
	<b>Total Net Town of Plainville Capital Requests</b>	<b>\$ 1,100,000</b>

In the past ten years, the Capital Improvement Plan has not kept pace with the needs of the community. Consequently, many capital projects and equipment purchases have been backlogged. As a result, the Town is beginning to look at combining many projects into a bond offering which would allow the Town to “catch-up” with many deferred needs, take advantage of attractive interest rates later, and affect the Town budget when the Debt Service line item is decreasing.

## CONCLUSION

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The Town Government budget is recommended to keep the current levels of service to the citizens in Plainville. The Capital Improvement Plan recommendation is supposed to address the long-term needs of the community in an orderly and planned fashion. However, the current plan is only partially meeting this goal. The Board of Education budget is proposed according to the Charter requirements.

I look forward to working with the Town Council to put forth a budget that will be acceptable to the citizens of Plainville.

I would like to thank all of the staff members who have assisted in putting together this budget document.

**Respectfully Submitted,**



**Robert E. Lee  
Town Manager**