ANNUAL BUDGET

Citizen's Guide to the Budget

FISCAL YEAR

July 1, 2016- June 30, 2017

A Citizen's Guide to the Budget

I. Introduction to the Budget Document

Understanding a municipal budget can often be a confusing exercise for the typical resident of any community. This introduction attempts to provide background, material for the average person to understand and us this budget document.

The annual budget is a dynamic document that has three primary functions:

1) It is a **policy document** because it sets spending and services priorities for the coming fiscal year.
2) It is a **historical document**, reflecting the level of services the Town has provided in the past.
3) It is a **legal document**, setting the legal guidelines for spending.

The Citizen's Guide will provide an overview of the Town of Plainville, CT followed by a more in-depth discussion of the Town's budget processes and fiscal policies.

II. Description and History of the Town

The Town of Plainville, CT has a rich heritage of commercial activity, hard work, and community spirit. Ours is a small, business-friendly community in the heart of Connecticut – approximately 12 miles southwest of Hartford. The Town of Plainville encompasses approximately 9.6 square miles, balanced between single-family residential neighborhoods and a wide variety of manufacturing businesses. The Town is bordered on the west by Bristol, on the north by Farmington, on the east by New Britain, and on the south by Southington. Commercial air service is located about 25 miles away at Bradley International Airport. Robertson Airport, a full service modern facility is the oldest airport in Connecticut, is located on Johnson Avenue, and is owned by the Town. The Town of Plainville offers a variety of year-round recreational and cultural activities through the Recreation Department and various organizations throughout the Town.

Originally part of Farmington, Plainville was settled in the 1650s and incorporated as a separate town in July of 1869. The name "Plainville" developed in the 1830's from an earlier reference to the area as the "Great Plain." Two rivers run through the town, the Pequabuck River that flows northeast through Plainville to join the Farmington River in Farmington, and the Quinnipiac River that flows south to Long Island. The Pequabuck River would play an important part in the growth of the town.

The settlement of the Great Plain developed slowly due to poor soil compared to Farmington's rich meadows. It was the planning of the Farmington Canal in May 1822 that helped the growth of Plainville. In 1829, an application for a post office was filed, and in 1830, when the new postmaster was appointed, the village was named Plainville. Plainville was incorporated in 1869. As a new town, many improvements were made. District schools combined in a new building, and surveyors laid out new streets as the town was growing. Several family businesses started in town. Plainville evolved from a small village of only nine and a half square miles to a modern town with many family-owned businesses and large industries that continue to grow.

III. Demographic and Statistical Summary of Plainville

The following tables, obtained from the Connecticut Economic Resource Center website, summarize some common demographic and statistical indicators for the Town of Plainville.

Demographic and Economic Statistics of the Last Ten Calendar Years

Calendar Year	Population (1)	Median Household Income (2)	Per Capita Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2005	17,382	*	*	39.6	2,637	5.6%
2006	17,382	*	*	39.6	2,627	4.3%
2007	17,318	$58,099	*	39.6	2,597	4.3%
2008	17,711	$59,832	*	41.0	2,518	4.6%
2009	17,436	$59,961	*	42.0	2,533	5.9%
2010	17,512	$54,886	*	42.0	2,440	8.5%
2011	17,724	$61,489	*	41.0	2,401	8.5%
2012	17,724	$61,489	*	41.0	2,353	8.6%
2013	17,819	$61,489	*	40.0	2,271	7.7%
2014	17,820	$61,766	*	43.0	2,380	7.6%
2015	17,801	$55,506	$31,370	43.0	2,386	5.5%

* Information not available or attainable
(1) Source: Based on estimates from the State of Connecticut Department of Health
(2) Source: US Department of Commerce, Bureau of Census
(3) Source: Board of Education as of October 1 of school year
(4) Source: US Department of Labor and Employment Security Division, Labor Department, State of Connecticut

IV. Plainville's Local Economy

The industrial history of Plainville dates back to 1828, following the opening of the Farmington Canal and the early industrial sites located in what is now our central business district. Plainville's modern business base has diversified from the early days of carriage manufacturing. Major industries now include electrical products, spring manufacturing, tool-making, metal stamping and plating, heavy construction and stone quarries. The rate of economic growth in Plainville over the past year has slowed to keep pace with the State economy, although positive signs are emerging in the area of commercial and light industry. Housing starts and home sales are on the rise in the region as well.

The Town of Plainville's combined land use departments brought Plainville one step closer to a unified land use permitting process. The same department staffs the Planning and Zoning Commission, Inland Wetlands and Watercourses Commission, Aquifer Protection Agency, and Economic Development Agency. As such, the coordination of land use applications within the various agencies and commissions has improved. The Director of the Department works closely with Engineering, Building, Fire, and Health Officials to further coordinate permitting activities.

The Downtown Improvement Project is complete. The improvements provide the downtown district with a greater sense of place and paved the way for new economic development opportunities. These improvements are vital not only to the downtown, but to the local economy as well. This has proven to be a key project for the Town of Plainville as the health and vitality of a town's central business district can have a direct impact on other segments of the economy.

Plainville continues to harbor a healthy mix of businesses including defense/aerospace, medical, and electrical component manufacturers. Also strong is the manufacturing of sensor and fluid control systems, as well as spring and aerospace manufacturers. The State-designated Contiguous Municipality Zone encompassing part of the Strawberry Fields Industrial Park continues to offer lucrative tax incentives that have helped drive industrial development, including manufacturing, at a steady pace. Our building/contracting sector remains strong. Companies such as Tilcon Connecticut, Inc., Manafort Brothers, Inc., and Walker Crane continue to thrive. Mining continues to be a large part of our local economy as well.

Strawberry Fields Industrial Park and Farmington Corporate Park are not yet at full capacity, but there is still room for economic expansion in both areas and interest in the remaining available land remains strong. The recent construction of the Cancer Center and Medical Arts facilities in the new State Bioscience Zone allows further opportunities to diversify our local economy.

The Town's economic development department continues to work with State, Regional and Local partners to facilitate the marketing of several key properties. EDAC Technologies 180,000 square foot facility (formerly General Electric's north plant on New Britain Avenue) recently sold to a nationally recognized firm and the former Chung property on New Britain Avenue has several suiters that we hope will provide additional synergy to the commercial activity in this area. The CT Commons retail center in the same vicinity is now 100% full. The Town continues to engage the real estate community to help bridge the gap between vacant or underutilized properties and prospective new owners that will help to maintain a healthy and vibrant economy.

V. Plainville Municipal Government

The Town of Plainville, incorporated in 1869, is located 14 miles southwest of Hartford, the state's capital, and is on a major interstate Highway I-84. The Town now owns an airport within its boundaries that can service small planes. The Town has a land area of 9.6 square miles and a population of 17,801. The Town is empowered to levy a property located within its boundaries. This includes motor vehicles that are garaged or registered as being in the Town.

Legislative & Executive Structure

The Town has operated under the Council-Manager form of government since 1959. Policymaking and legislative authority are vested in the seven-member Council. The Town Council is responsible, among other things, for passing ordinances, proposing a budget to the annual Town Meeting, appointing committees, appointing the Town's Attorney and Treasurer, and hiring the Town's Manager. The Town's Manager is responsible for carrying out the policies and ordinances of the council, for overseeing the day-to-day operations of the Town, and for appointing the heads of the Town's departments. For the seven (7) Town Council positions, each political party may nominate five (5) nominees, which assure no more than five (5) members of the Town Council are from the same political party. All Town Council members are elected at large every odd year to two-year terms.

The Town provides full range of services including general government services such as finance, human resources, town clerk, revenue collection, assessment, public safety, including fire and police protection; physical services for the management, care and maintenance of all public buildings, public roadways, Town vehicles, and various construction activities. Other services are environmental services including the collection of solid waste and recyclables by a contracted vendor; water pollution control for the collection and treatment of wastewater; and education, which is under the control of the elected Board of Education, which operates a high school, middle school and three (3) elementary schools.

The Town Council is required to fix the tax rate in mills within ten (30) days after the annual budget meeting. The annual budget serves as the foundation for the Town of Plainville's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within their own department with the Town Manager's approval. Transfers between departments, however, need special approval from the Town Council in the fourth quarter of the fiscal year.

Summary of Services

Services provided by the Town include, but are not limited to, the following:

Police Protection

The Plainville Police Department provides general law enforcement and police service to the citizens of Plainville and those working in and traveling through Town. The ultimate goal is the creation and maintenance of a safe and healthful environment. It is the mission of the Plainville Police Department,

which consists of forty-five (45) full-time staff members to protect and service our community. The department seeks to provide professional, ethical, and effective police services to all people and pledges fidelity to the United States Constitution and the Connecticut Constitution. The department will protect individual rights while impartially enforcing the law. Their mission is affirmed with integrity, passion, courage and strength.

The Animal Control Division is dedicated to serving the community as it relates to both human and animal issues. The Animal Control Officer and her assistants are able to help educate the public on animal matters by attending several seminars and classes throughout the year. Each day, the division is called upon to handle roaming, barking, and injured dogs. Animal Control Officers are responsible for enforcing all state and local laws as well as town ordinances within the Town of Plainville. The Animal Control Division continues to educate the people of Plainville with regard to changes in laws and the status of rabies in the State of Connecticut.

Fire Protection

The Department is composed of seventy (70) regular firefighters and twenty (20) probationary firefighters. Plainville is one of the most fortunate towns in the State in that Plainville has citizens eager to join the Volunteer Fire Department.

Professional testing vendors do annual Pump Testing for the Class A Pumpers and Aerial Tower as well as an annual Ladder Testing. Plainville Firefighters spend many hours completing the testing of all supply and attack hose on an annual, in-house basis.

Training is an on-going function involving many person-hours of dedication by the volunteers. Courses are taken in Fire Fighting and Rescue techniques as well as Emergency Medical Technician and other related fields. Programs are taught in-house by our Ten State Qualified Instructors, and members attend State sponsored schools at locations in various parts of Connecticut throughout the year. Volunteer members are highly trained with 95% of firefighters being state certified in basic firefighting and 90% certified in advanced and specialty areas.

Water Pollution Control

The Town of Plainville owns, operates and maintains a state of the art tertiary water pollution control facility and collection system. This system currently treats sewage from 90% of all the properties located in Plainville. The treatment process consists of mechanical and electrical components utilizing tanks to reduce the amount of pollutants in the water so the discharge meets and exceeds the Federal Clean Water Act standards before being discharged back into the environment. We recently upgraded our facility to remove nitrogen and are currently working on improvements that will allow us to reduce the amount of phosphorus the facility discharges to the lowest limits attainable with the best technology available at this time. Four of our 8 pump stations were also recently upgraded to be more reliable and efficient in transporting this material to our facility for treatment. The facility operates under the jurisdiction of the Connecticut Department of Energy and Environmental Protection with oversight by the U.S. Environmental Protection Agency.

Recreational Services

The Town's Recreation Department provides a variety of programs to Plainville citizens, including sports and instructional courses for children and adults, arts and crafts, carnivals and parades, concerts, and the operation of the Berner Pool facility.

Plainville has five (5) neighborhood parks containing a variety of active recreation facilities. Norton Park provides Little League, softball, basketball, tennis, soccer, picnicking, and a pool. Paderewski Park offers tennis, basketball, softball, picnicking, playground, fishing, soccer, and a new splash pad. Tomasso Nature Park has the passive enjoyment of a unique natural area. Trumbull Park provides Little League and a nature area.

The Recreation Department manages recreational and leisure activities for residents of Plainville. It is the intent of this Department to provide a wide variety of social, cultural, educational, and physical activities. Programs are offered both seasonally and year round, along with special events to allow opportunities for the constructive use of one's leisure time.

Youth Services

The Youth Services Bureau coordinates, plans, and develops services for Plainville's youth and families. The primary goal of the Bureau is to prevent problems such as delinquency, drug and alcohol abuse, and teenage pregnancy. This goal is achieved by providing an array of services that range from prevention to intervention and treatment programs. The Youth Service Bureau is continually assessing the needs of the community in order to achieve its goal of developing a coordinated network of services for youth and families in Plainville.

Social Services

The Town of Plainville's Department of Social Services makes every effort to provide direct services to residents or refer residents to available resources within the local, State or Federal Human Services Program Network. The Social Services Department provides advocacy, information and referral guidance, short term case management and support services to adults and disabled residents in need. The department accepts referrals from a variety of agencies and other resources. A Community Human Services Committee was established in 2007 with members from the various town human service provider agencies as well as from surrounding towns and cities that provide service to the community. The goal of this Committee is to make all human service agencies that provide services to the Town of Plainville aware of what is available to their clients, which helps the elimination of duplicated services.

Probate Court

The Probate Court has jurisdiction over the probate of wills and the administration of estates, oversees trusts, determines title to real and personal property, and construes wills. In addition, the Judge appoints guardians for minors and mentally disabled persons, appoints conservators of the estate and person, and oversees their actions. For the protection of minor children, the Court has jurisdiction over removal of guardians of minor children, determines paternity, and can terminate parental rights. In addition, the Court also has the authority to commit a person suffering from a severe mental illness to an appropriate facility and has sole jurisdiction in alcohol and drug commitment. In 2011, Plainville's court became part of the City of Bristol's court system in a statewide reorganization of the Probate Court system.

Senior Center

Since 1975, the Plainville Senior Citizens Center has served as a community focal point on aging to provide access to community resources, as well as to services and activities that maintain independence and wellness. This is accomplished through education, counseling, outreach, advocacy, and recreational programming. The Senior Center provides an array of comprehensive services and programs such as social services, financial information and assistance, outreach, health screening, fitness center, volunteerism, nutritious meals, transportation, arts, café, homebound services to frail, isolated seniors, and education designed to acquaint seniors with services that are available. In recent years, foot care services, blood pressure screenings, and cholesterol screenings have increased significantly. In calendar year 2016, volunteers contributed 16,615.75 hours of service or the equivalent of 8 full-time staff. There was a 17% increase in the number of total clients (Office and Homebound) seen by the Social Service Staff of the Senior Center. Client issues have become more complex and now includes issues such as foreclosures, bankruptcy, reverse mortgages, mental health problems (depression, bipolar disorder, paranoia, hoarding, schizophrenia, etc), health insurance, legal issues, and custody of grandchildren.

Library

The Town of Plainville owns and operates a public library that offers the citizens of Plainville access to computers, the Internet, and its extensive collections of books and other media. The Plainville Public Library has over 102,007 books, magazines, books on tapes, compact discs, video cassettes, and DVDs. The Library also offers public access to the Internet, story hours, adult programs, reference service in person and by telephone, computer database searching, and inter-library loan services.

Voter Registration
The Registrars of Voters conduct their office entirely under the provision of the State Statues relating to election laws. They are permanent election officials whose duties include registration of new voters and enrollment of voters to determine residency. They are required to file timely reports/surveys with the Office of the Secretary of State relative to voter statistics, and attend mandated seminars each year to keep abreast of ever-changing election laws.

Physical Services
The Physical Services Administration provides overall administration of the Roadways, Buildings & Grounds, and Water Pollution Control Departments. Physical Services coordinates the efforts between other Town departments and contracted services. Physical Services promotes employee training, is involved with Union relations, resolves resident complaints, oversees Town projects, and recommends changes to reduce future maintenance costs.

Technical Services
The Department of Technical Services provides overall administration of the following divisions: Zoning Board of Appeals, Zoning Enforcement, Engineering, Fire Marshal, and Building Inspections. The Department's primary objectives include protection of the public through the enforcement of local regulations, public health code, building and fire codes, and ensuring the Town's public improvements conform to proper standards.

Planning and Economic Development
The Department of Planning and Economic Development provides a one stop shop for land use services that include the administration of all development applications going before the Economic Development Agency, Planning and Zoning Commission, Inland Wetlands and Watercourses Commission, and Aquifer Protection Agency. The Department oversees Commission activity such as the update to the 10 year Plan of Conservation and Development, zoning and environmental regulatory amendments to keep pace with current paradigms and laws, mapping amendments and is the repository for all Geographic Information System files and maintenance. The Department regularly engages in task related planning exercises such grant applications for open space, environmental planning studies, transportation planning and implementation of the Plan of Conservation and Development.

Finance Department
The Finance Department administers day-to-day financial operations, maintains reports for all departments, funds and account groups, and oversees Town risk management duties and health insurance policies. This Department is consolidated with the Board of Education Finance Department. In addition, the Finance Department tracks adopted budgets for all departments, assists in budget document preparation, capital project expenditures, purchase orders, processes payrolls, invoices, maintains cash flows, revenue, and investments. The Department is also charged with preparing all financial statements, grant financial reports, quarterly and annual tax returns, and W-2, 1095, and 1099 processing.

Other Services
Emergency medical services, custodial services, and solid waste management services are financed by the Town but are contracted to private service providers.

Inland Wetlands and Watercourse Commission
The primary purpose of the Inland Wetlands and Watercourses Commission is the protection, preservation, and maintenance of Plainville's wetlands and watercourses. The commission establishes wetlands regulations and boundaries and decides upon petitions for changes to the regulations. The commission also issues permits for activities inside designated wetlands and enforces the Inland Wetland Regulations of the Town of Plainville.

Planning and Zoning Commission
Both a planning and regulatory body, the Planning and Zoning Commission in Plainville has many responsibilities. As a lead land-use agency in Plainville, the Commission must decide upon the most desirable use of land for recreational, commercial, and industrial purposes. Acting in the planning role, the Commission reviews all proposed municipal improvements and is empowered to establish, change, and administer regulations for the subdivision and re-subdivision of land. Acting under zoning authority, the Commission is responsible for the establishment and administration of the Town's zoning regulations. The Commission hears and decides upon petitions for changes in the zoning regulations, as well as reviews, conducts hearings on, and decides upon requests for special exceptions and site plan reviews.

Economic Development Agency
The Town Council-appointed Economic Development Agency (EDA) continues to foster positive economic growth within the Town of Plainville. The EDA administers two valuable programs that have led to growth in Plainville's commercial tax base. The Small Business Revolving Loan Fund continues to remain solvent and provides a means for businesses seeking to augment financing packages to permit physical expansion, purchase equipment to enhance/expand operations, or finance needed repairs to their facility. Loans are generally limited to $40,000.00 maximum and average slightly below that amount. Interest rates are highly competitive and the fund's solvency is protected by insuring that loans are secured with real property. The Tax Abatement Program has been used successfully to provide incentives for Plainville businesses to expand in place, and for new, incoming businesses to construct new facilities.

Zoning Board of Appeals
As a regulatory agency, the primary purpose of the Zoning Board of Appeals is to hear, consider, and decide upon appeals of decisions of zoning enforcement officers. The board has the power to vary the application of existing zoning regulations in harmony with their general purpose and intent after considering the effects on public health, safety, welfare, property values and the unique and/or specific hardship presented by the applicant.

Joint Ventures
The Town is a participant in two joint ventures as described below.

1. **Covanta Bristol, Inc.**

   The Town is a participant with other cities and towns in a joint venture, Covanta Bristol, Inc. (Covanta). Covanta is responsible for the development, operations, and management of a solid waste recycling program and for dealing with the trash to energy plant for all participating communities. The plant is owned and operated by Covanta under a 25-year agreement with the Bristol Resource Recovery Facility Operating Committee (BRRFOC), a consortium representing the towns of Berlin, Branford, Bristol, Burlington, Hartland, New Britain, Plainville, Plymouth, Prospect, Southington, Seymour, Warren, Washington, and Wolcott. The Town is obligated to pay $61.05 per ton until June 30, 2016. The Town expenditures to Covanta amounted to approximately $290,769 in FY 2015.

2. **Plainville/Southington Regional Health District**

   In July 2011, the Town entered into an agreement with neighboring Southington to combine Health Departments and form the Plainville/Southington Regional Health District. Both Towns pay a per capita rate to the District, and both Towns enjoy all the benefits and services of having their own Health Departments. The per capita rate for FY 2017 will be $6.75, the same as it has been since FY 2013.

VI. Municipal Personnel

The following two charts show totals for full-time and full-time equivalent employees over the last five (5) fiscal years.

Municipal Personnel

	2013	2014	2015	2016	2017
Town Government	107	108	108	111	113
Board of Education	434	427	415	407	424.70
Total	541	535	523	518	537.70

Town Government - Personnel includes all municipal staff, which encompasses operations, personnel management, financial administration, record keeping, library staff, and general administrative services. Also, included here are the employees of the Water Pollution Control Department.

Board of Education - Personnel include all teaching staff, support staff, and summer program staff

Town of Plainville
Town Government Full-Time Funded Positions
Position Summary (Fiscal Year)

	2013	2014	2015	2016	2017
General Government					
Town Manager Office	2.00	2.00	2.00	2.00	2.00
Finance	2.00	2.00	2.00	2.00	2.00
Human Resources	1.00	1.00	1.00	1.00	1.00
Assessments	3.00	3.00	3.00	3.00	3.00
Revenue Collection	3.00	3.00	3.00	3.00	3.00
Town Clerk	3.00	3.00	3.00	3.00	3.00
Data Processing	1.00	1.00	1.00	1.00	1.00
Economic Development *	0.50	0.50	0.50	0.50	0.50
Total General Government	**15.50**	**15.50**	**15.50**	**15.50**	**15.50**
Public Safety					
Police	41.00	42.00	42.00	45.00	47.00
Animal Control	1.00	1.00	1.00	1.00	1.00
Total Public Safety	**42.00**	**43.00**	**43.00**	**46.00**	**48.00**
Physical Services					
Physical Service Admin **	1.67	1.67	1.67	1.67	1.67
Roadways	9.00	9.00	9.00	9.00	9.00
Buildings & Grounds	12.00	12.00	12.00	12.00	12.00
Total Physical Services	**22.67**	**22.67**	**22.67**	**22.67**	**22.67**
Technical Services					
Technical Services Admin ***	2.75	2.75	2.75	2.75	2.75
Engineering	1.00	1.00	1.00	1.00	1.00
Building Inspector	1.00	1.00	1.00	1.00	1.00
Fire Marshal	1.00	1.00	1.00	1.00	1.00
Planning Department ****	0.50	0.50	0.50	0.50	0.50
Health & Sanitation *****	0.00	0.00	0.00	0.00	0.00
Total Technical Services	**6.25**	**6.25**	**6.25**	**6.25**	**6.25**

Human Services					
Senior Citizen Services	2.00	2.00	2.00	2.00	2.00
Youth Services	1.50	1.50	1.50	1.50	1.50
Total Human Services	**3.50**	**3.50**	**3.50**	**3.50**	**3.50**
Civic & Cultural					
Recreation	2.50	2.50	2.50	2.50	2.50
Total Civic & Cultural	**2.50**	**2.50**	**2.50**	**2.50**	**2.50**
Special Funds					
Library	7.00	7.00	7.00	7.00	7.00
Water Pollution Control	7.58	7.58	7.58	7.58	7.58
Total Special Funds	**14.58**	**14.58**	**14.58**	**14.58**	**14.78**
Total Town Government Full-Time Positions	**107.00**	**108.00**	**108.00**	**111.00**	**113**

* - The Economic Development Director is also the Director of Planning with 50% of the full-time salary being budgeted in each department.
** - 33% of the Physical Services Director's full-time salary is budgeted in the Water Pollution Control budget.
*** - 25% of the Technical Services Director's full-time salary is budgeted in the Water Pollution Control budget.
**** - The Director of Planning is also the Economic Development Director with 50% of the full-time salary being budgeted in each department.
***** - The Plainville Health Director is an employee of the Plainville/Southington Regional Health District.

VII. Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year 2017 budget and tax rate. The current economic problems that face the state and the nation have come home directly to Plainville's local government. One of those factors is the economy and the community's ability to pay for municipal services. The Town's labor force stood at 10,489 as of March 2016. As of March 2016, unemployment was 6.3% compared to 6.2% in the greater Hartford region and 6.2% for the State.

The consumer price index as of March 2016 was 0.9% compared to 0.1% for June 2015 and 2.1% for June 2014. The Town has been active in dealing with the ongoing downtown improvement program, tax abatement program, an Enterprise Zone program, and a loan/grant program. These programs have helped bring new business into the community and retain existing businesses.

Market conditions had been deteriorating throughout the country, and Plainville was no exception. In the past year, markets have begun to stabilize. The October 1, 2015 grand list remained relatively flat but did increase approximately 0.95%. See table on subsequent pages.

These indicators were taken into account when adopting the General Fund Budget for 2016 - 2017. Amounts available for appropriations in the General Fund are $57,642,463, an increase of $1,137,782 over the FY 2016 adopted budget of $56,504,681. These increases will be used to maintain the current levels of services, maintain the existing labor force (other than through attrition), and provide for needed capital improvements. Budgeted expenditures need to equal budgeted revenues in order to have a balanced budget.

Local Economy

Major industries located within the government's boundaries or in close proximity include manufacturers of electrical components and equipment, electrical controls, spring manufacturing and a number of medium and large sized construction firms. In addition, a substantial commercial economic presence includes a number of national retail facilities.

Historically, Plainville's geographic location and access to major highways and railroads has aided both our physical and grand list growth. Employment data for the Town of Plainville reflected a labor force of 10,489 with an average annual unemployment rate of 6.3% as of March 2016. The average annual unemployment decreased again this year, which continues to be encouraging.

The backbone of any local economy is small business. Plainville's Small Business Loan Program has and continues to help small local businesses to expand both their facilities and their operations. Our downtown merchants are benefiting from the recent Downtown Improvement Program. Whiting Street has seen positive improvements and the same is hoped for East and West Main Streets.

While no one can predict with any accuracy how our local economy will fare over the next year or more, we can say with certainty that Plainville is in a good position to take advantage of an anticipated upswing in defense and aerospace contracts as well as a strong and confident service sector.

Long-Term Financial Planning

During FY 2011, the Town adopted Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type* Definitions, which is designed "to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied...." The former unreserved, undesignated fund balance is now referred to as unassigned in the General Fund. As of June 30, 2015 the unassigned fund balance (18.64% of total general fund revenues) is above the policy guidelines set by the Council for budgetary and planning purposes (i.e., a minimum level must be no less than 5.00% general fund revenues). Following a review of the Town of Plainville's Capital Improvement Program, the Council has established a Debt Management Fund, which will be funded through budget appropriations or operational surpluses. It may be used to reduce the amount that will be borrowed for future construction or to supplement debt retirement payments. FY 2016 is the first time in the past three (3) fiscal years where an allocation has been made towards this fund. It is anticipated funds will be budgeted towards this fund in the future.

Major Initiatives

On June 21, 2005, a referendum was passed that approved three major school projects. The first appropriated $44,000,000 for High School renovations and improvements. The second appropriated $1,200,000 for renovations of the High School Auditorium. The third appropriated $16,000,000 for improvements and renovations to the Toffolon Elementary School. A referendum in June 2007 increased the authorization for the Toffolon School to $20,680,000. Renovations to the High School and Toffolon School are complete.

In November 2006, a referendum approved an increase to the renovations of the Water Pollution Control Plant and pump stations to a total of $29,250,000. Construction started on the fifty-six (56) year old facility and five-pump stations during 2007 and was completed in 2011. The facility treats approximately 2 million gallons per day, and 400 tons of sludge is disposed annually. Over the years, the Town did obtain State and Federal funding for the Water Pollution Facility for approximately $25M. These grant/loan proceeds eased the cash flow required for this project. The Town has phased in rate increases for user fees to finance the paying of the loan proceeds.

In October 2010, The Town paid off $12 million of sewer construction, the Plainville High School and Toffolon Elementary School BAN's (bond anticipation notes) during the year while rolling over another $6 million maturing in October 2011 at a net interest cost of 1.50%. Also in October 2010, the Town issued $12 million in new debt for the above referenced projects, resulting in a bond premium of $640,000 and refunded $3.515 million on the 2002 General Obligation Bonds (GENOB) for the Library Expansion and Police Station. This debt was refunded without extending the debt life and results in approximately $124,000 in future debt interest savings.

In January 2012, the Town issued debt for $12,535,000 while refunding $12,350,000 in debt. The refunding will save the Town approximately $779,480 in future debt interest payments while not extending the life of the debt. In the past three (3) fiscal years, the Town has reduced future debt interest

payments by over $900,000 taking advantage of favorable interest rates while bonding over $24.5M for the above-mentioned projects at historically low interest rates.

In September 2015, the Town refunded $5,025,000 in debt. The refunding will save the Town approximately $309,919 in future debt interest payments while not extending the life of the debt. At the same time, the Town issued a $1 million bond anticipation note (BAN) for six (6) months to fund the road improvements projects. In May 2016, this $1 million BAN was rolled over and an additional $1 million BAN was issued, maturing in May 2017. This $2M BAN has a net interest cost of 0.89% and will be rolled over until the Town permanently bonds the full $5M project cost, taking advantage of maturing debt coming off the books and market interest rates.

The Town's debt portfolio has been rated Aa3 by Moody's Investor Services. This rate was affirmed in September 2015. The Town received a rating increase from Standard & Poor's in July 2014 from A+ to AA+. This significant three-step increase will have a significant positive impact on the Town's future borrowing costs.

VIII. Budgetary Information

Budget control is established at the department, office, commission, board, agency, or activity level. The Council may do transfers of unencumbered appropriations between these units (except the Board of Education) in the last three (3) months of the fiscal year if the total level of appropriations remains the same. Management may make changes in line items within a department without approval of the Town Council. Unencumbered appropriations lapse at the end of the fiscal year except for capital project appropriations. Capital project appropriations lapse when the budgeted item is acquired or construction complete or if no expenditure or encumbrance has been made for three (3) consecutive fiscal years.

Budgetary accounting uses encumbrance accounting. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all budgeted governmental type funds. Encumbrances outstanding at year-end are reported in the GAAP financial statements as reservations of fund balances since they do not constitute expenditures or liabilities.

IX. Budget Process

The budget process is of central importance to any town government. The budget expresses far more than just dollar amounts - it reflects the Town's priorities through determining how revenues will be distributed over the fiscal year. Since local governments are prohibited by law from overspending appropriations, the budget document and the funding levels contained therein provide the most accurate portrayal of the Town's service provision.

Plainville has traditionally followed an incrementalist form of budgeting, which means the focus is on how spending will change from one year to the next. This is the most efficient means of budgeting, since most programs and services do not change significantly from year to year. This allows the policy-makers to devote most of their attention to areas where change is occurring.

The first phase of the budget process involves the formation and submission of department requests. The directors of Plainville's Town Departments evaluate past and current year spending and consider future needs to formulate their budget requests. The proposed education budget is prepared by an elected Board of Education. No later than the first day of February each department, office, board, commission and agency of the Town, excluding the Board of Education, shall submit to the Town Manager in such form as he/she may prescribe its estimates of receipts and expenditures for the ensuing fiscal year. Each unit shall have an opportunity to be heard by the Town Manager. No later than the 15th of February, the Board of Education shall furnish to the Town Manager, a budget for the operation of the schools containing a detailed estimate of expenditures.

The second phase of the budget process involves the formulation and composition of the Town Manager's Proposed Annual Budget. The Town Manager, Assistant Town Manager, and Director of Finance meet with the department heads and agency representatives to discuss budget requests item by item to determine if cuts need to be made, and if so, where these cuts should be made in order to minimize impact on service quantity or quality. The Town Manager consults with the Director of Finance and makes any necessary changes and redistributions to the department requests, balancing the needs of each department with the needs and priorities of the Town. Since the Board of Education does not report to the Town Manager, their proposed budget is not amended by the Town Manager, and is presented directly to the Town Council. It is during this phase of the budget process that revenues are estimated by the Director of Finance using varying methods of known and estimated grant revenue, direct fees and assessments, and balances the expenditure budget with revenues. The last revenue amount generated is property taxation or the current tax levy, created by the calculation of the mill rate. By law, the Town General Fund budget must be a balanced budget. By definition, budgeted revenues must equal budgeted expenditures.

No later than the second Monday in March, the Town Manager presents the recommended balanced budget to the Town Council, a board of seven elected officials that act as Plainville's legislative body and board of finance. As elected officials, the Town Council is directly accountable to the will of Plainville's citizens, and is thereby responsible for preparing the annual budget and setting the tax rate. The Town Manager presents a budget to the Town Council consisting of (a) a budget message outlining the financial policy of the Town, (b) estimates of revenues for the General Fund, (c) estimates of expenditures for each department, office, commission, board, agency and activity for the General Fund, (d) a program previously acted upon by the Town Planning and Zoning Commission concerning municipal improvement for the ensuring fiscal year and for the next four fiscal years. This last segment contains cost estimates and the methods of financing. The Chairman of the Board of Education does the same for the Board of Education budget. The Town Council reviews the Manager's Proposed Budget and holds a series of open meetings to discuss the budget with the various department heads and the Town Manager. Over the course of these meetings, the Town Council makes any changes to the Manager's proposals and sets the approved appropriations for the upcoming fiscal year.

The Town Council holds one or more public hearings no later than thirty (30) days before the annual budget meeting. Following receipt of the proposals from the Town Manager and the Chairman of the Board of Education and the public hearings, the Town Council prepares a budget to present to the annual budget meeting of the Town. The Town Council shall hold at least one (1) or more public hearings not sooner than twenty (20) days and not later than twenty-five (25) days prior to the annual budget meeting. The purpose of this meeting is to have the Chairperson of the Town Council and the Chairperson of the Board of Education communicate to the public what changes were made to the Town Manager's and the Board of Education's proposed budgets. After presentation by the Chairpersons of the changes to the proposed budgets, the hearing shall be open for public comment on the budget.

In the final phase of the process, the citizens of Plainville are given the opportunity to vote on the Town Council's Annual Budget at the Annual Town Referendum (all-day vote), which is held on the last Tuesday in April. The Town Council's proposed budget can be adopted at this referendum by majority vote. If the budget is not adopted, the Town Council, in conjunction with the Town Manager, shall revise the rejected budgets in accordance with the majority results from the advisory question. A second Town Referendum to adopt the revised budgets shall be called on the second Tuesday in May for final approval. This budget, regardless of the vote, becomes the adopted budget.

The following page details the key dates in the Plainville annual budget cycle.

FY 2016 – 2017 BUDGET SCHEDULE

November 3	Reserve space for sign in front of Town Hall
November 25	Town Manager sends memorandum to all Department Heads regarding the FY 2017 Budget
January 19	Department Heads submit requests to Town Manager/Schedule on Department budget reviews sent
January 25-29	Town Manager reviews budget requests with Department Heads
February 15	Board of Education budget requests due
February 16	Town Council sets public hearing on Town Managers' Proposed Budget for March 10
February 17-22	Town Manager finalizes Proposed Budget
February 29	Notice of March 10 public hearing on Town Manager's Budget (should be to newspaper by this date)
March 1	Town Managers' Proposed Budget to be printed in-house
March 3	Publication of Notice of March 10 Hearing on Town Managers' Proposed Budget
March 7	Town Managers' Proposed Budget presented to Town Council during Town Manager Report. Town Council sets work sessions to review the budget for March 14, 15, 16, 17, 22, 23, and 24 if needed.
March 10	Public Hearing on Town Manager's Proposed Budget
March 14-24	Town Council holds Budget Work Sessions (March 14, 15, 16, 17, 22, 23, and 24 if needed).
March 21	Town Council sets the time and place of Budget Town Meeting for April 26. (Vote 6am - 8pm) – Notify Firehouse for April 26. Town Council establishes public hearing (April 4-6) to be held 20 to 25 days prior to Budget Town Meeting
March 24	Town Council recommended budget to be finalized
March 28	Notice of Town Council public hearing (with Town Council's Recommended Budget) to media
March 31	Sufficient copies of Town Councils' recommended budget available for general distribution
April 2	**Notice of public hearing published for April 4-5 published to review budget**
April 4	Establish public hearing for April 28 to hear input on the budget(s) if necessary. Establish special meetings for May 2/May 3 to reconsider the failed budget(s) if necessary
April 4-5	Hold public hearing on Town Council recommended budget to hear comment
April 7	Special Town Council meeting to review budget after public comment
April 14	Legal Notice of Budget Town Referendum and budget published
April 18-27	Distribute sandwich signs around Town. Put sign up in front of Town Hall (booked for the 18th-27h). Request information be displayed on PHS digital sign.
April 26	Budget Town Referendum/All Day Vote (TC sets mill rate within 30 days if passes, preferably sooner)
May 24	Special TC Meeting to set the mill rate

X. Fund Structure

For reporting purposes, the accounts of the Town are organized based on funds or account groups, each of which is considered a separate accounting entity. They are grouped by resources measurement focus and basis of accounting, each with their own balance sheets, revenues, and expenditures/expenses. The Town's financial activities are grouped into funds according to the purpose for which they are to be spent and the means by which spending activities are controlled.

For a more detailed description of the funds, please look at Section K. The table below briefly describes the funds the Town legally adopts (General Fund) or tracks (all others listed). Section L list all accounting funds as of the last completed audit date.

#	Fund Name	Fund Type	Basis of Accounting	Description of Fund
0100	General Fund	General	Modified Accrual (see description)	Used to fund the general operating expenses of the town. One exception to the modified accrual form of accounting is that appropriations from the Fund Balance are accounted as revenues.
1100	Capital and Non-Recurring Fund – Town	Capital	Modified Accrual	Used to provide for multi-year Town capital projects that do not close at year-end.
1200	Capital and Non-Recurring Fund - BOE	Capital	Modified Accrual	Used to provide for multi-year BOE capital projects that do not close at year-end.
1600	Recreation Revolving Fund	Special Revenue	Modified Accrual	Used to reflect recreation programs that are financially self-supportive
3300	Berner Pool Fund	Special Revenue	Modified Accrual	Used for the continued maintenance of the Towns premier pool facility
6200	Robertson Airport Fund	Special Revenue	Modified Accrual	Used to account for the costs and revenues associated with operating the Airport
7100	Sewer Operating Fund	Special Revenue	Modified Accrual	Used to account for operating costs of the Towns sewer treatment plant
8100	Library Fund	Special Revenue	Modified Accrual	Used to account for the separate operations of the Plainville Public Library
8300	Senior Citizen Transportation Fund	Special Revenue	Modified Accrual	Used to reflect the senior citizen transportation program funded by donations and grants

Governmental Funds – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.

- The *General Fund* is the primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income. It is the only fund of the Town that has a legally adopted budget.

- *Special Revenue Funds* account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities.
- *Capital Project Funds* account for all financial resources used for the acquisition or construction of major capital facilities not being financed by proprietary funds.

Proprietary Funds – When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of activities. In fact, the Town's enterprise fund (a component of proprietary funds) is the same as the business-type activities reported in the government-wide statements, but provide more

detail and additional information, such as cash flows, for proprietary funds. Internal service funds (the other component of proprietary funds) are used to report an activity that provide supplies and services for the Towns other programs and activities – such as Town Health Benefit and Workers' Compensation Internal Service Fund.

- *Internal Service Funds* account for the financing of goods or services provided by one department to other departments or agencies of the Town on a cost-reimbursement basis. The Health Insurance Fund and the Self Insurance Reserve Fund are the Towns internal service funds.

Fiduciary Funds – The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

- *Pension Trust Fund* accounts for the Municipal Employees and Police Retirement Systems.
- *Agency Funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The Student Activity Fund, Senior Citizen Fund, Solid Waste Fund, and Deposit Fund are the Town's agency funds.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include prepaid expenses which are not recorded and principal and interest on general long-term debt, which are recognized when due.

Agency Funds are accounted for using the modified accrual basis of accounting for their assets and liabilities.
The annual operating budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles, except for encumbrances.

The budget is prepared on the modified accrual basis, except for encumbrances, by function, activity, and object. Expenditures may not legally exceed appropriations at the object level without a department.

XI. Measurement Focus & Basis of Accounting: How Plainville's Assets are Accounted For

Measurement Focus

A budget's measurement focus tells what is measured in constructing revenue and expenditure figures. Plainville's budget utilizes the flow of funds focus, which measures the increase or decrease in resources that can be used to pay liabilities (i.e. monetary assets).

The exceptions to this rule are the Internal Service Funds and the Pension Trust Funds, which use a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities of these funds are included on the balance sheet. The operating statements present increases and decreases in net total assets.

Basis of Accounting

All governmental funds, expendable trust funds, and agency funds follow the modified accrual basis of accounting. Under this basis of accounting, revenues and expenditures are recorded as follows:

a. Revenue - Under this basis of accounting, revenues are recorded when they are susceptible to accrual (when they are both measurable and available). In this context, available implies that the revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. In essence, modified accrual dictates that revenues are not to be recorded until they can be committed with certainty to the payment of liabilities.

Licenses and permits, charges for services, fines, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Property taxes are recognized as revenue when collected during the year and within 60 days after the close of the fiscal year.

b. Expenditures - In contrast, expenditures under this basis of accounting are generally recognized when the related fund liability is incurred, before an actual payment is made. Exceptions to the general rule include:

1. Accumulated unpaid vacation pay and sick pay which is recognized as a governmental fund expenditure to the extent it will be liquidated with expendable, available financial resources, and the remainder is recorded in the General Long-Term Debt Account Group

2. Principal and interest on general long-term debt which is recognized when due

Exceptions to Modified Accrual Basis:
The internal Service Funds and the Pension Trust Funds are accounted for using the accrual basis of accounting, whereby revenues are recognized when they are earned, and expenses are recognized when they are incurred.

In addition, when funds are appropriated from the Fund Balance to the operating budget, the transfer in is accounted for as revenue, so that the total revenue figure for any given Fiscal Year matches total appropriations.

Applying Accrual to Intergovernmental Revenues
In the case of intergovernmental revenues, the accounting process depends largely upon the legal and contractual requirements of the relevant programs. There are, however, essentially four types of intergovernmental revenues, or grants.

Categorical Grants and Matching Grants- monies must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures recorded.

Block Grants and Revenue Sharing- usage of the monies are virtually unrestricted, so these resources are not recorded as revenues until at the time of receipt, or earlier if the previously-mentioned susceptible to accrual criteria are met.

How Plainville's Basis of Accounting Differs from GAAP

The Town of Plainville's basis of accounting, as described above, is congruent with the Generally Accepted Accounting Principles (GAAP, the national standard for municipal budgeting), with the following two exceptions:

- Encumbrances are recognized as expenditures in the year in which the purchase order is issued. Accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year but are shown as a reservation of fund balance on a GAAP basis.

- State of Connecticut payments for the State Teachers' Retirement System (on behalf of the Town of Plainville's teachers) are reported for GAAP purposes only.

XII. Policies that Guide the Budget Process

Budget Provisions

The following is the full text of the Budget Provisions in the Town Charter. These serve as the fundamental framework that guides the budget process.

Chapter VII, Section 4 identifies the budgetary duties and responsibilities of the Town Manager:

No later than the second Monday in March, the Town Manager shall present to the Town Council a budget consisting of:

(a) a budget message outlining the financial policy of the Town and describing in connection therewith the important features of the budget plan

(b) estimates of revenue, presenting in parallel columns the itemized receipts collected in the last completed fiscal year, the receipts collected during the current fiscal year prior to the time of preparing the estimates, total receipts estimated to be collected during the current fiscal year and estimates of the receipts, other than from the property tax, to be collected in the ensuing fiscal year

(c) itemized estimates of expenditures, presenting in parallel columns the actual expenditures for each department, office, agency or activity for the last completed fiscal year and for the current fiscal year prior to the time of preparing the estimates, total expenditures as estimated for the current fiscal year, the requests of the several departments, offices and agencies for the ensuing fiscal year and the Town Manager's recommendations of the amount to be appropriated for the ensuing fiscal year for all items, and such other information as may be required by the Town Council. The Town Manager shall present reasons for all his recommendations.

(d) as part of the annual budget or as a separate report attached thereto the Town Manager shall present a program, previously considered and acted upon by the Town Planning and Zoning Commission in accordance with Section 8-24 of the General Statutes, concerning municipal improvements, of proposed capital projects for the ensuing fiscal year and for the four fiscal years thereafter. Each department, office, or agency annually in the form and manner prescribed by the Town Manager shall submit estimates of the cost of such projects. The Town Manager shall recommend to the Town Council those projects to be undertaken during the ensuing fiscal year and the method of financing the same.

Chapter VII, Sections 5 identify the budgetary duties and responsibilities of the Town Council:

The Town Council shall hold one or more public hearings not later than thirty (30) days before the annual budget meeting at which any elector or taxpayer may have an opportunity to be heard regarding appropriations for the ensuing fiscal year. Following the receipt of the estimates from the Town Manager and the Chairman of the Board of Education and the holding of such public hearing or hearings, the Town Council shall prepare a budget and shall render the same to the annual budget meeting of the Town. The Town Council shall hold at least one or more public hearings not sooner than 20 days and not later than 25 days prior to the annual budget meeting. The purpose of this meeting is to have the Chairperson of the Town Council and the Chairperson of the Board of Education communicate to the public what changes were made to the Town Manager's and the Board of Education's proposed budgets. After presentation by the Chairpersons of the changes to the proposed budgets, the hearing shall be open for public comment on the budget. Sufficient copies of said annual budget shall be made available for general distribution in the office of the Town Clerk and the Manager, not less than five days prior to said public hearing. Sufficient copies of the annual budget as revised after said public hearing shall be made available for general distribution in the office of the Town Clerk and the Manager not less than five days prior to the annual budget meeting. Further, not less than five days prior to the annual budget meeting, the Town Council shall cause to be published in a newspaper having a circulation in the Town a summary of the budget as revised

after the public hearing, showing revenues by major sources and proposed expenditures by function or department in the columnar form, and shall also show the amount to be raised by taxation. The budget shall become effective when approved by the annual budget meeting as provided in this Charter and an official copy shall be filed with the Town Clerk. Within 30 days after the annual budget meeting the Town Council shall fix the tax rate in mills which shall be levied on the taxable property in the Town for the ensuing fiscal year.

Upon the approval of the Town Meeting the Town Council may levy annually, at the same time as the regular annual taxes for Town expenses levied, a tax not to exceed two mills to be assessed upon the taxable property in the Town for the benefit of a fund to be known as 'Capital and Non-Recurring Expenditures Fund' to be used solely to pay the cost of capital improvements. The Town Council shall have the power to transfer from time to time to this fund any portion of the general fund cash surplus not otherwise appropriated. Appropriations for construction or for other permanent improvements, from whatever source derived, shall not lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided that any project shall be deemed to have been abandoned if three fiscal years shall elapse without any expenditure from or encumbrance of the appropriation thereof.

Chapter VII, Section 6 of the Town Charter describes the Budget Town Meeting

There shall be a Town Meeting solely for the purpose of voting on the budget on the last Tuesday of April at such polling places, as the Town Council shall determine. Voting at the Town Meeting shall commence at 6:00am and cease at 8:00pm. There shall be a separate vote on the Town budget and the Board of Education budget. Voting shall be by the way of a "Yes" or "No" vote on voting machines, as that term is defined by the State Statues, with the voting machine ballot labels provided by the Town Clerk. The Town Clerk and such assistants shall conduct and moderate the vote. The Town budget and the Board of Education budget shall be adopted by a majority vote of those attending and entitled to vote.

The people shall vote only to adopt the budget as presented. Each budget vote shall include an advisory question relative to the budget as presented.

The adoption of the budget shall be deemed to constitute the appropriation to each department or when so indicated in the budget a major subdivision thereof and to each office, board, commission and agency separately listed in the budget of the sum estimated in the budget to be expended by each such unit respectively.

Should the Town Meeting fail to adopt a budget at the first meeting called on the last Tuesday in April, the Town Council in conjunction with the Town Manager shall revise the rejected budgets in accordance with the majority results from the advisory question. A second Town Meeting to adopt the revised budgets shall be called on the second Tuesday in May for final approval.

Should the Town Meeting fail to adopt one or both budgets after the second meeting, the Town Council in conjunction with the Town Manager shall revise the rejected budget in accordance with the majority results from the advisory question, which shall be deemed finally adopted by the Town Meeting and expenditures shall be made in accordance therewith. The Town Council may conduct such public hearings and/or informational meetings, as it may deem necessary.

Pursuant to Section 7-6 of the General Statutes, as amended, the following individuals are eligible to vote in any Town Meeting: any person who is an elector of the Town of Plainville and any United States citizen who is at least 18 years of age who, jointly or severally, is liable to the Town of Plainville for taxes assessed against him or her on an assessment of $1,000 or more on the last completed grand list of the Town of Plainville, or who would also be so liable if not entitled to an exemption as outlined in Section 7-6 of the General Statutes

Chapter VII, Section 7 of the Town Charter describes how appropriations may be transferred:

> The Town Council may transfer the whole or any part of the unencumbered balance of any appropriation, except the appropriation of the Board of Education, to any other purpose for which the Town Council may legally appropriate money provided that such a transfer may be made from budget appropriations only in the last three months of the fiscal year and that there shall be attached to the ordinance making the transfer the certificate of the Town Manager that such transfer is necessary with the reasons therefore.

Fiscal Guidelines

Expenditures may not legally exceed budgeted appropriations at the department level. Budget transfers within a department can be authorized by the Town Manager within any department and does not include additional staffing or to acquire capital items deleted in prior budgets. Other transfers require Town Council approval. However, such transfers may be made only in the last three (3) months of the fiscal year. These are known as fourth quarter transfers.

Every year, the Town Council charges the Town's administration with minimizing the growth of expenditures. The Town Council works with the Town Manager to look at every service provided by the Town and reduce those items to the lowest cost without adversely affecting taxpayers. In addition to this charge from the Town Council, a number of other policies, principles, and practices affect Plainville's budget process:

Budget Control*- limitations on mid-cycle changes to budget*

Budget control is established at the department, office, commission, board, agency, or activity level. The Town Council may do transfers of unused appropriations between these units (except the Board of Education) in the last three months of the fiscal year provided that the total level of appropriations remains the same. Management may make changes in line items within a department without the approval of the Town Council.

Appropriation Rollovers at End of Fiscal Year

Appropriations that have not been used expire at the end of the fiscal year except for capital project appropriations. Capital outlay appropriations end when the budgeted item is acquired or construction completed or if no expenditure or encumbrance has been made for three (3) consecutive fiscal years.

Debt Service*- bond limit of $500,000 without referendum*

The Town has the power to incur indebtedness by issuing bonds or notes as provided by the Connecticut General Statutes. No ordinance or resolution authorizing the issuance of bonds more than $500,000 can become effective until approved by public referendum. The legal debt limit per state statute is seven times the annual receipts from taxation.

Unassigned Fund Balance - General Fund *maintained at 5-10% of revenue budget*

It is beneficial for the Town of Plainville to maintain an unassigned fund balance in the General Fund at a level of five to ten percent of the following years' budgeted revenues. The General Fund is the only Town governmental fund type using fund balance as a revenue source for budgeting purposes and/or additional appropriations. Bond rating agencies look favorably on fund balances maintained at these levels. A "healthy" unassigned fund balance is used as an indicator of the Towns ability to respond to unplanned emergencies. Plainville has been able to obtain and maintain a rating of Aa3 rating from *Moody's Investors Service* on its general obligation bond issues during the last fiscal year. *Standard & Poor's* recently affirmed the Town rating at AA+. This rating increase will save the taxpayers of Plainville hundreds of thousands of dollars in subsequent debt financing obligations.

XIII. Plainville Property Taxes

Property taxes are recorded as of October 1st and due the following July 1st. Assessments for real property (land and buildings) and personal property (including motor vehicles) are computed at 70% of fair market value, as determined by the Town of Plainville Assessor's Office. All real property assessments are based on the 2011 grand list revaluation of land and buildings.

Tracking the Mill Rate and Grand List
FY's 2003 - 2017

Fiscal Year	Town Manager Proposed Mill Rate	Town Council Approved Mill Rate	Grand List Year	Grand List Value	Current Year Tax Levy
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
2016	32.13	31.83	2014	1,365,355,660	42,337,948
2017	32.06	31.99	2015	1,378,372,391	42,947,914

* Revaluation Year

XIV. Fund Balance - General Fund

The fund balance of the General Fund represents the Town's savings, collected from unexpended appropriations over previous fiscal years. The fund balance at the end of a fiscal year can be derived by subtracting current total expenditures (E) and transfers out (To) from current total revenues (R) and transfers in (Ti), and adding that difference to the fund equity present at the beginning of the fiscal year.

$$\text{Fund Balance} = \text{Fund Equity} + [(R + Ti) - (E + To)]$$

The restricted fund balance category includes amounts that can be spent only for the specific purpose stipulated by constitution, external resource providers, or through enabling legislation. For example, prepaid asset costs would be considered restricted. The committed fund balance category includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council, such as the Debt Management Fund, which is funded solely by the General Fund. Assigned fund balances are amounts used by the Town for specific purposes, but do not meet the criteria of restricted or committed, such as encumbrances. Unassigned fund balance is the residual category and includes all spendable amounts not in other fund balance categories.

It is the Town's policy to maintain an unassigned fund balance of at least 5.00% of the revenue budget base every fiscal year, ensuring funds will be available should emergency or other large unexpected expenditures arise. During FY 2009, the unassigned fund balance of the General Fund dipped below the 5.00% level, a level it stayed at during FY 2010 and FY 2011, but increased each year and went over 5.00% to 5.60% in FY 2012, 10.34% in FY 2013, 18.47% in FY 2014, and 18.64% in FY 2015.

Analysis of Major Governmental Funds Changes in Fund Balances – GAAP Basis

General Fund

	Audited 2013 – 2014	Audited 2014 – 2015	Estimated 2015 – 2016	Budgeted 2016 – 2017
Total fund balance, beginning of year	$ 6,798,329	$12,034,496	$11,056,343	$9,312,887
Total fund balance, end of year	12,034,496	11,056,343	9,312,887	9,310,817
Non-spendable fund balances, end of year *	893,227	613,270	600,000	600,000
Unassigned fund balance, end of year	$11,141,269	$10,443,073	$ 8,712,887	$8,710,817
Unassigned fund balance as % of total revenues	18.47%	18.64%	15.42%	15.50%

Note: Unassigned fund balance increase as audited in FY 2013 and FY 2014 are results of significant unbudgeted capital project accounting funds closing due to completion of project audits (see Capital Projects Fund reduction below). Revenue from project funds was returned to the General Fund. Decrease of unassigned fund balance in audited FY 2015 and estimated FY 2016 is a result of additional appropriations used for one-time purchases and/or capital projects.

Sewer Operating Fund

	Audited 2013 - 2014	Audited 2014 - 2015	Estimated 2015 - 2016	Budgeted 2016 - 2017
Total fund balance, beginning of year	$2,344,685	$2,171,371	$2,196,280	$2,235,782
Total fund balance, end of year	2,171,371	2,196,280	2,235,782	2,201,881
Non-spendable fund balances, end of year *	2,171,371	2,196,280	2,235,782	2,201,881
Unassigned fund balance, end of year	$ -	$ -	$ -	$ -

Note: Non-spendable fund balance decreases are a structured draw down due to plant improvement project fund balance increases generated from user charges increases prior to project beginning. Adopted user charges increases have resulted in a lesser draw down.

Housing Rehabilitation Fund

	Audited 2013 - 2014	Audited 2014 - 2015	Estimated 2015 – 2016	Budgeted 2016 - 2017
Total fund balance, beginning of year	$228,034	$126,416	$20,998	$ -
Total fund balance, end of year	126,416	20,998	-	-
Non-spendable fund balances, end of year *	126,416	20,998	-	-
Unassigned fund balance, end of year	$ -	$ -	$ -	$ -

Note: Non-spendable fund balance decreases are a combination of emergency rehabilitation project dollars being used. Dollars will be replenished when rehabilitation properties changed ownership and loans are repaid to Town. Fund is now 100% grant fund; no fund balance only accounts receivable/deferred revenue.

Airport Operations Fund

	Audited 2013 - 2014	Audited 2014 - 2015	Estimated 2015 – 2016	Budgeted 2016 - 2017
Total fund balance, beginning of year	$ 77,091	$166,444	$261,924	$266,761
Total fund balance, end of year	166,444	261,924	266,761	375,889
Non-spendable fund balances, end of year *	166,444	261,924	266,761	375,889
Unassigned fund balance, end of year	$ -	$ -	$ -	$ -

Note: Fund added as Major Governmental Fund in FY 2013 as revenue and expenditures could vary over fiscal years due to Federal and State Grants received. Increased non-spendable fund balance will be used for future Airport capital improvements.

Capital Projects Fund

	Audited 2013 - 2014	Audited 2014 - 2015	Estimated 2015 – 2016	Budgeted 2016 - 2017
Total fund balance, beginning of year	$5,207,034	$2,086,585	$2,351,579	$2,030,385
Total fund balance, end of year	2,086,585	2,351,579	2,030,385	2,038,540
Non-spendable fund balances, end of year *	2,086,585	2,354,029	2,030,385	2,038,540
Unassigned fund balance, end of year	$ -	$ (2,450)	$ -	$ -

Nonmajor Governmental Funds

	Audited 2013 - 2014	Audited 2014 - 2015	Estimated 2015 – 2016	Budgeted 2016 - 2017
Total fund balance, beginning of year	$3,316,070	$3,275,853	$2,869,345	$2,569,345
Total fund balance, end of year	3,275,853	2,869,345	2,569,345	2,269,345
Non-spendable fund balances, end of year *	3,275,853	2,869,345	2,569,345	2,269,345
Unassigned fund balance, end of year	$ -	$ -	$ -	$ -

* Total equals non-spendable, restricted, committed, and/or assigned fund balances.

XV. Debt Policies

Limitation on Indebtedness

Under Connecticut law, municipalities shall not incur indebtedness through the issuance of bonds or notes, which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2 1/4 times annual receipts from taxation
School Purposes:	4 1/2 times annual receipts from taxation
Sewer Purposes:	3 3/4 times annual receipts from taxation
Urban Renewal Purposes:	3 1/4 times annual receipts from taxation
Unfunded Pension Deficit Purposes:	3 times annual receipts from taxation

In no case shall total indebtedness exceed seven times the base. "Annual receipts from taxation" (the "base") are defined as total tax collections (including interest, and late payment of taxes) and state payments for revenue loss under Connecticut General Statutes (CGS) Sections 12-129d and 7-528.

The CGS also provide for exclusion from the debt limit calculation debt issued in anticipation of taxes; for the supply of water, gas, and electricity; for cables, wires, and pipes in the construction of subways; for the construction of underground conduits for cables, wires, and pipes; and for two or more such purposes. There are additional exclusions for indebtedness issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement and for indebtedness issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or contract, but only to the extent such indebtedness can be paid from such proceeds. The CGS also provide for exclusion from the debt limitation of any debt to be paid from a funded sinking fund (a privately managed fund into which a municipality deposits regular principal payments on a debt).

Computation of Legal Debt Margin (Audited as of June 30, 2015)

Total tax collections *	$42,676,572
Reimbursement for revenue loss on:	
Tax relief for elderly – freeze	2,000
Total Base	$42,678,572

* Total tax collections include interest and lien fees received by the Treasurer

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 ¼ times base	$96,026,787				
4 ½ times base		$192,053,574			
3 ¾ times base			$160,044,645		
3 ¼ times base				$138,705,359	
3 times base					$128,035,716
Total Debt Limitation	$96,026,787	$192,053,574	$160,044,645	$138,705,359	$128,035,716
Indebtedness:					
Bonds & notes payable	$5,520,000	$24,940,000	$17,079,831		
Bonds authorized - unissued	950,000				
Total Indebtedness	$6,470,000	$24,940,000	$17,079,831	$ -	$ -
Debt Limitation in Excess of Outstanding and Authorized Debt	$89,556,787	$167,113,574	$142,964,814	$138,705,359	$128,035,716

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or $298,750,004

Legal Debt Margin Information
***Last Ten Fiscal Years (*In Thousands)**
FISCAL YEAR

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limitation	233,725	248,461	249,023	255,676	255,151	277,077	283,032	289,732	297,456	298,750
Total net debt applicable to limit	63,542	72,574	51,397	85,698	73,040	71,175	67,196	63,118	52,976	48,490
Legal Debt Margin	**170,183**	**175,887**	**197,626**	**169,978**	**182,111**	**205,902**	**215,836**	**226,614**	**244,480**	**250,260**
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	27.19%	29.21%	20.64%	35.52%	28.63%	25.69%	23.74%	21.78%	17.81%	16.23%

Bond Authorization

Bonds are authorized by ordinance or resolution adopted by the Town Council. No ordinance authorizing the issuance of bonds in excess of $500,000, or making a special appropriation in excess of $500,000, shall become effective until approved by a majority of the qualified electors voting at a Town election, general election, or special election called by the Town Council for such purpose.

In 2007, the Town successfully completed the sale of $6,855,000 in General Obligation Refunding Bonds to advance refund the Towns Series 2002 Tax Increment Revenue Bonds. The refunding resulted in cash flow savings of $701,002, with $666,435 of the savings on the interest costs for the Series 2002 Bonds. These savings equated to a 9.88% savings on the interest costs for the Series 2002 Bonds. In general, most municipalities experience savings in the 3.00% - 4.00% range. The savings percentage achieved in this transaction is very rare for any municipality. The Town achieved outstanding pricing results on the bonds. Overall, the Town's bonds traded significantly better than the Municipal Market Data Insured Scale on the day of the pricing. The True Interest Cost (TIC) also known as the borrowing cost, was 4.08%, compared to 7.125%

The Town's refunding bond pricing in 2007 concluded a successful week of financing for the Town of Plainville. The Town sold $9,250,000 via a public sale of new money bonds for the High School and achieved a T.I.C. of 4.11%. The Town utilized the MUNI Auction bid process for this sale. Twenty-four (24) bids were received before getting to the 4.11%. In addition, the Town also sold $4,400,000 of Bond Anticipation Notes (BAN) on March 5, 2008. The BAN was sold at 3.688% Net Interest Cost (NIC). By pricing all three issues within a 14-day period, the Town was able to blend the yields on the Bonds resulting in an increased escrow yield, which increased the amount of savings for the Town.

In October 2010, the Town refunded $3,515,000 in 2002 General Obligation Bonds (GENOB) saving $124,000 in future debt interest payments without extending the life of the debt. The Town also issued $12,000,000 in GENOB for the High and Toffolon School projects at a TIC of 3.74% while securing $640,000 of bond premium. This premium was used to offset the debt increase in the FY 2012 budget ensuring the budget will stay consistent from year to year.

In January 2012, the Town issued GENOB debt for $12,535,000 while refunding $12,350,000 in debt. The refunding will save the Town approximately $779,480 in future debt interest payments while not extending the life of the debt. In the past three (3) fiscal years, the Town has reduced future debt interest payments by over $900,000 taking advantage of favorable interest rates while bonding over $24.5M at historically low interest rates.

In September 2015, the Town refunded $5,025,000 in debt. The refunding will save the Town approximately $309,919 in future debt interest payments while not extending the life of the debt. At the same time, the Town issued a $1 million BAN for six (6) months to fund the road improvements projects. In May 2016, this $1 million BAN was rolled over and an additional $1 million BAN was issued, maturing in May 2017. This $2M BAN has a NIC of 0.89% and will be rolled over until the Town permanently bonds the full $5M project cost, taking advantage of maturing debt coming off the books and market interest rates.

Temporary Financing

Issuing Temporary Notes
When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to eight years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions by the end of the third and each subsequent year the notes are outstanding in an amount equal in an amount equal to a minimum of 1/20th (1/30th for sewer projects) of the estimated net project cost. (CGS Sec. 7-378a) The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, the amount of time temporary financing has been outstanding.

Funding Temporary Notes
Temporary notes must be permanently funded no later than eight (8) years from the initial borrowing date except for sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the notes from time to time in terms not to exceed six (6) months until such time that the final grant payments are received (CGS Sec. 7-378b).

Special Provisions for Sewer Projects
Temporary notes may also be issued for up to fifteen (15) years for certain capital projects associated with a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment.

Temporary notes may be issued in one (1) year maturates for up to fifteen (15) years in anticipation of sewer assessments receivable; such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a)

Capital Improvement Plan

There is an annual adoption in the current year of the five-year Capital Improvement Program. The program has two processes; a planning process and a budgetary process. Each November, the Capital Improvement Plan Committee (consisting of the Town Manager, Assistant Town Manager, Director of Physical Services, Director of Technical Services and Director of Finance) is provided with a five-year planning document, which prioritizes the implementation of projects based on community needs as requested by the various department heads. The Capital Improvement Plan Committee evaluates the plan and establishes its priorities with the years for project implementation. The plan then goes to the Planning and Zoning Commission by the end of January, as required by the Connecticut State Statutes. Thereafter, the Town Manager revises the plan to include the budgetary funding recommendations for the next fiscal year and forwards the document to the Town Council for its review during the budget process.

XVI. Long Term Budget Goals

The long-term service goals of the Town of Plainville address five key themes: improving infrastructure, improving the efficiency of government operations, developing strategic plans, improving existing public services for citizens, and providing citizens with new public services. These goals are intended to respond to current and anticipated town needs, influenced by state and federal considerations.

1. **Improve appearance and functionality of Town infrastructure** through various capital projects and improvement efforts. These goals are heavily influenced by current and anticipated state and federal environmental compliance concerns.
    - Continue to develop a plan for phosphorus removal and compliance.
    - Continue roadways maintenance to ensure safe passage on local streets.
    - Continue to develop Water Pollution Control Plant (WPCF) and pump station preventative maintenance program.
    - Continue reducing total nitrogen discharge to the Pequabuck River.
    - Continue improvements to Parks and Recreation facilities.
    - Continue to evaluate the remaining capacity in the Town's landfill and adjust procedures and finances accordingly.

2. **Improve efficiency of government operations** by streamlining government functions. This will be achieved through continued efforts to evaluate current procedures and implement new protocols that can reduce time and cost required for routine administrative tasks. Much of this will be achieved by updating technological resources. These long-term goals anticipate the need for reduced costs that can be achieved by consolidation of services. Further, as technology advances, we will strive to keep up with changes and adjust our website and software programs in response to these advancements. Regionalization is a concept that seems to be growing with fervor in municipal planning. We anticipate the need to pursue regional approaches in some matters, such as Probate and Solid Waste as described below.

    - Continue to work on combining resources of the Town and Board of Education Services in areas of Finance and Human Resources.
    - Continue the updating of the computerized maintenance program in the Water Pollution Control Department.
    - Continue to review making more payment options available online.
    - Continue the project to revise the Town Ordinances (Town Manager and Town Clerk).
    - Continue to work with Bristol to provide Probate services to Plainville Residents.
    - Continue to combine all IT technology and equipment of the Town and Board of Education.

3. **Develop strategic plans** that will optimize the success of future efforts and operations. These strategic plans are long-term plans and programs the Town has in development. They are intended to respond to current and future concerns, both locally and nationally.
    - Plan of Conservation and Development - This plan provides the Town with a 10-year roadmap to guide future planning economic development efforts that will maximize potential economic benefits of development while minimizing environmental impacts.
        - Work with DEEP to develop clear guidelines for development review within upland review areas as well as providing guidance for the minimization of watershed impacts affecting local streams and rivers.
        - Make residents more aware of the conservation of natural resources, protection of wildlife, expand the open space program, and create opportunities to build a more sustainable town.
    - Community Resource Inventory - a comprehensive report that utilizes maps, graphs, and tables to provide a centralized inventory of the Town's natural, social, and economic resources, to be used as a tool for ongoing strategic planning.
    - Open Space Program – continues to support the purchase and protection of undeveloped land to provide for the protection of environmentally sensitive areas as well as providing passive recreational opportunities for citizens while enhancing the appearance and natural beauty of the Town.
    - Solid Waste Plan - to guide the provision of more effective and efficient solid waste processing functions in the future.
    - Disaster Recovery Plan - as part of Homeland Security, to ensure that the best measures would be immediately undertaken in the event of any foreseeable emergencies, disasters, or security threats.
    - Hazard Mitigation Plan – unlike the Disaster Recovery Plan, the Hazard Mitigation Plan provides an analysis of problem areas, such as flood prone areas, and established a list of projects that may be eligible for funding under Federal Hazard Mitigation grant programs. Without this plan in place, no such funding is available.
    - The Pequabuck River Watershed Study – currently in process, this study will contribute to the thoughtful application of brick and mortar projects eligible for federal funding to alleviate future loss of life and property through flood control. In addition, the study will provide analysis of the existing Federal (FEMA) mapped flood boundaries to help us better define problem areas and reduce flooding risks.
    - Enterprise Zone - a plan that will guide the redevelopment of undeveloped or underdeveloped land and provide tax incentives to attract manufacturing businesses that will continue to drive economic development in that business sector.
    - Bioscience Zone – similar to the Enterprise Zone, the Bioscience Zone provides similar benefits to targeted bioscience uses such as research and development as well as innovative medical technologies.
    - Regional Electrical Components Recycling Program - this plan will combine efforts with the surrounding communities to collect and recycle reusable electrical components that would otherwise go to waste. This will reduce the ecological and economic impact that would be caused by additional solid waste and the production of new electrical components when recycled components could be used safely and effectively in their place.

4. **Improve existing public services** for residents. As technology improves and advances, it is important we make forms and processes available to the general public in user-friendly, easy-to-access formats. Online access also addresses long-term environmental concerns and limits wasteful use of paper. eBooks continue to grow in popularity for readers, as the compact size and ability of tablets to hold multiple reading materials expand. As such, the library seeks to grow its eBook collection, responding to the further anticipated growth of these materials. Parks and recreational facilities will need to be improved and maintained as long-term wear

occurs. Lastly, the Town plans to explore and offer additional programs for mental health and general health prevention. The importance of addressing mental health concerns is a hot topic in both the state and federal landscape. The Town is eager to respond to these concerns and offer new and additional programming about these topics in the coming years.

- Simplify government forms into more user-friendly formats, and/or making them available on-line, to reduce the amount of time it takes for citizens to complete forms, and for municipal personnel to assist in the completion of forms.
- Continue making assessment records available online for public accessibility.
- Continue allowing taxpayers to pay with credit cards in the office, online or over the phone.
- Explore all possibilities for information that can be available on-line to better serve the public.
- Implement an easier and more efficient computerized building permit process.
- The Library will continue to develop the eBook collection available for free downloading.
- Improve several Park sports and recreation facilities at Paderewski Park and Norton Park. Improvements would include playground equipment upgrades/replacements, ADA improvements, replacement of the fencing surrounding the park, installing a shaded area near the Splashpad, new restroom facilities, and refurbishing of the basketball court.
- Continue to explore new collaborative efforts and programs for behavioral health, memory improvement, mental health and wellness, and general health.
- Offer additional health awareness and illness prevention services to our citizens and municipal employees.

5. **Provide citizens with new services** where unfulfilled needs are identified. The further construction of a route through Plainville for the Farmington Canal Trail is a service that has long been discussed. The town will continue to explore funding and grant options so that citizens may be able to take advantage of this leisurely and recreational opportunity in the future.
    - Exploring funding and grant options with the Department of Transportation for design and construction of a route through Plainville for the Farmington Canal Trail.

XVII. Short Term Budget Goals

A. How Short-Term Initiatives Guide the Creation of the Budget

Plainville has traditionally followed an incremental form of budgeting, which means the focus is on how spending will change from one year to the next. This is the most efficient means of budgeting, since most programs and services do not change significantly from year to year. This allows the policy-makers to devote most of their attention to areas where change is occurring.

The first phase of the budget process involves the formation and submission of department requests. The directors of Plainville's Town Departments evaluate past and current year spending and consider future needs to formulate their budget requests.

The Town Manager, Assistant Town Manager, and Director of Finance then meet with the department heads and agency representatives to discuss budget requests item by item to determine if cuts need to be made, and if so, where these cuts should be made in order to minimize impact on service quantity or quality. The Town Manager consults with the Director of Finance and makes any necessary changes and redistributions to the department requests, balancing the needs of each department with the needs and priorities of the Town.

Lastly, each department provides the Town Manager with its short-term goals and priorities after careful consideration of last year's goals and accomplishments. Departmental goals are then analyzed and grouped by the special projects intern based on the overarching long-term goals to establish consistency.

B. The following section summarizes the Town's short-term goals for the budget year based on its overarching long-term goals.

1. **Improving Infrastructure**
   - Renovate Paderewski Park & Norton Park restrooms. Add perimeter fencing, seating areas, playground equipment and a new restroom facility making it all ADA compliant.
   - Implement the Town's Capital Improvement Program including Street Improvements under the Bond Program.
   - Provide support for the Pequabuck River multi town Flood Study.
   - Implement the process to ensure environmental compliance at the Town's former landfill's Stewardship Permit.
   - Continue to develop Water Pollution Control Plant and pump station preventative maintenance programs.
   - Continue roadway maintenance to ensure safe passage on local streets, (i.e. sweeping, pothole repairs, drainage improvements, ice/snow removal).
   - Continue to maintain brush clearing in waterways and runoff areas. Perform root cutting in drainage pipes.
   - Add catch basins and drainage pipe in problem areas.
   - Continue road improvements and repaving of local roads while continuing crack filling program. Execute street paving projects as identified in 5 year Street rehab bond.
   - Continue the collection of leaves in an effective and timely manner although the program will be examined to see where there is the possibility of expenditure reductions.
   - Continue investigating and testing alternative road salt methods.

2. **Improving the Efficiency of Government Operations**
   - Pursue an affordable computerized tracking software for the Senior Center for accessing fitness center membership, usage, training, and certification.
   - Implement a computerized and streamlined registration process at the Senior Center for classes, trips, and special events.
   - Continue process of cross training staff in Revenue Collection office.
   - Continue consolidation of BOE and Finance staff as well as the Human Resource Staff.
   - Complete codification project of Town Charter and Ordinances.
   - Continue to explore methods of reducing municipal spending in future years.
   - Continue to investigate cost saving measures and consolidation of services, including regional initiatives.

3. **Improving Existing Public Services**
   - Continue to back-scan and re-index land records, allowing for greater public access online.
   - Train all recreation summer and winter aquatic camp staff in lifeguard training, water safety instruction, CPR/AED, and first aid.
   - Continue roadway maintenance to ensure safe passage on local streets, (i.e. sweeping, pothole repairs, drainage improvements, ice/snow removal).
   - Continue to maintain brush clearing in waterways and runoff areas. Perform root cutting in drainage pipes.

- Add catch basins and drainage pipe in problem areas.
- Continue road improvements and repaving of local roads while continuing crack filling program. Execute street paving projects as identified in 5 year Street rehab bond.
- Continue the collection of leaves in an effective and timely manner although the program will be examined to see where there is the possibility of expenditure reductions.
- Continue investigating and testing alternative road salt methods.
- Continue to administer the Revolving Loan Funds and Tax Abatement Programs.
- Continue to foster working relationships with the local and regional chambers of Commerce, Council of Governments, State Department of Economic and Community Development and other economic growth partners.
- Continue to work with the Board of Education exploring programs to recognize early warning signs for at risk students.

4. **Providing Citizens with New Services**
    - Finalize the construction of turf fields at the High School.
    - Continue to work on Phosphorus reduction at WPC.
    - Continue working on providing Wi-Fi in downtown and business districts.
    - Continue development of creating a Dog Park.
    - Work with consultant to develop the best route to close the gap of the Farmington Canal Heritage Trail in Plainville and Southington.
    - Provide public charging station(s) for electronic devices at the Library
    - Establish a library café in partnership with the Friends of the Plainville Public Library.
    - Begin a program of outreach services for any patrons unable to get to the library.
    - Have the Plainville-Southington Regional Health District hold at least 6 flu clinics in which over 700 residents, town employees and first responders are vaccinated.

XVIII. Budget Priorities

In FY 2016, the Town accomplished a great deal in the areas of projects, economic development, consolidation, financial oversight, debt management, the fund balance, environmental/conservation/zoning/health, and miscellaneous. Below are listed specifics and details about the Town's accomplishments based on these seven areas for FY 2016.

A. FY 2016 Accomplishments

1. **<u>Infrastructure & Projects</u>** –
    - Continued general administration duties at Water Pollution Control, Buildings & Grounds and Roadways Divisions.
    - Street paving project completed on Northwest Drive Bridge, Fawn Drive and Ben Court.
    - Specifications and bid proposals prepared and reviewed for vehicles, equipment, fuel, utilities, and all capital budget items
    - Continued the Employee safety training program.
    - Journey Road accepted, road maintenance and WPC pump station added.
    - HQ Dumpsters Building purchased by Town at Roadways facility.
    - Administered the Maintenance Garage Environmental Compliance Plan.
    - Kept in compliance with the Operation of the Roadway Maintenance Garage, fueling station, transfer station and landfill within federal and state environmental regulations.

- Completed the Leaf Collection program, 3-10 wheel dump trucks with 20 yard leaf boxes improved the collection process by reducing driving time to the landfill for dumping.
- Ensured the effective and timely winter ice/snow removal to provide safe passage on local roadways. Implemented other salt products.
- Upgraded the pavilion and splash pad at Paderewski Park.
- Upgraded field lighting at Norton Park.
- Replaced Norton Park Activity building roof.
- Replaced 2 municipal vehicles.
- Upgraded the Global Harmonized System database to meet new guidelines.
- Inspected, monitored, and identified repairs and improvements needed to all Town facilities including park grounds, buildings, roads, drainage problems, nature park, homeowner's complaints, OSHA compliance, and safety inspections. Non-compliant equipment removed on Public Grounds.
- Repaved the Senior Center parking lot providing for better safety of our senior citizens.
- Administered Street Light repairs and coordinated work with Eversource and the town's vendor Turri/Masterson Electric. LED conversion.
- Energy efficiency project implemented with CL&P and PTE at Municipal Center, Senior Center, Firehouse, Police Dept. and Library buildings. Including exterior LED Lighting.
- Crack patching program am on town streets.
- Improved and complied with Storm Water drainage requirements.
- Rebuilt and repaved NW Drive Bridge. Milled and paved Fawn Drive and Ben Court. Assisted Technical Services with additional streets milled and paved Cornell, West Broad, Dwight, Prentice, Burnside and East Fourth Streets.
- Rebuilt 51 Catch Basins.
- Implemented Crack patching program.
- Obtained a $5,000,000.00 road bond for a five year paving program
- Improved walking path at Norton Park.
- Installed an AED at Berner Pool
- Finished retrofitting of streetlights with LED technology.

2. **Economic Development:** Continued to work with the Economic Development Agency to diversify the Plainville tax base and to ensure a "business friendly" atmosphere.
    - Continued to provide a monthly reporting format that permits widespread access to economic development activities. These reports are routinely published by local newspapers.
    - The EDA continues to administer the Town's Revolving Loan Fund. One (1) small business loan totaling $40,000.00 was approved to make needed structural and finish repairs to a high visibility business on busy East Street.
    - The EDA continues to makes recommendations on Tax Incentive (abatement) Agreements pursuant to Connecticut General Statute's 12-65b and 37-21a. Under the States, the Town of Plainville can consider short term partial abatement of real property taxes for new construction. Where the economic impact is deemed beneficial, the EDA utilizes the standards set forth in the State Statutes to recommend benefits where appropriate. Four (4) tax abatements were recommended where the net square footage of new commercial space equals 52,500 square feet.

- The EDA worked closely with staff and the State of Connecticut to attract and retain businesses. At the local level, the EDA directs staff to update and maintain a database of local properties (existing buildings and vacant land), which is posted on the Town's website.
- Staff made a special presentation to the Business Community in an effort to promote the State-sponsored Jobs Bill, which provides funds for grants and loans to qualifying businesses that increase their number of employees.

3. **Consolidation:**
   - Successfully combined the software of the Assessing Department and the Tax Department, bringing these departments in line with over 130 other towns in Connecticut that use the Quality Data Software. This software is used to maintain records, produce the grand list, and process tax bills.
   - Ongoing computer replacement cycles, network infrastructure improvements, software upgrades, installation of fiber throughout the town in order to connect all town and BOE buildings and contractual requirements.
   - The Finance Department continued with the consolidation with the Board of Education Finance Department, creating operational efficiencies, dual control, back-up personnel, and overall, better financial and reporting management.

4. **Financial Oversight:** -
   - Continued meeting monthly with Town Staff to review town finances throughout the year, thus providing a higher level of understanding and oversight.
   - Entered into a new gasoline contract with East River Energy extending the contract until December 31, 2017 with a fixed price of $2.29/gal. This is $0.20 less than the current budgeted amount of $2.49/gal and based upon an estimated 42,000 gallons of gasoline used with a net savings of approximately $30,000 over the next few years.
   - The Maintenance department successfully obtained bids and contracts at rates equally to or lower than the previous year's rates for diesel, heating oil number 2, and natural gas which are bid cooperatively through CRCOG.
   - The Solid Waste Management team continued with a six-year contract for single-stream recycling and automated garbage collection with a private vendor at a lower rate than the previous hauler.

5. **Debt Management** –
   - The Town was recently notified by Standard & Poor's Rating Service that they have raised our long-term rating on our general obligation bonds to AA+ from A+ based upon their local General Obligation criteria and the town's improved financial profile. This rating is one step under an AAA rating, which is the highest rating available. This upgrade to Plainville's credit rating will allow the Town to borrow monies at lower interest rates than under the old rating. The recent financial upgrade by Standard and Poor's to the Town of Plainville and the historical low interest rates have created an opportunity whereby Plainville could refinance a portion of our existing debt to lower future payments.
   - In September 2015, the Town refunded $5,025,000 in debt. The refunding will save the Town approximately $309,919 in future debt interest payments while not extending the life of the debt. At the same time, the Town issued a $1 million BAN for six (6) months to fund the road improvements projects. In May 2016, this $1 million BAN was rolled over and an additional $1 million BAN was issued, maturing in May 2017. This $2M BAN has a NIC

of 0.89% and will be rolled over until the Town permanently bonds the full $5M project cost, taking advantage of maturing debt coming off the books and market interest rates.

6. **Fund Balance:** - The fund-balance reached 18.64% as of June 30, 2015.

7. **Environmental, Conservation, Zoning, and Health Issues**
   - Prepared and reviewed text amendments to the Zoning Regulations in compliance with changing State Statutes and the 2009 Plan of Conservation and Development.
   - Adopted the following zoning text amendments in compliance with the 2009 Plan of Conservation and Development and in keeping with continued efforts to streamline and clarify the land use process:
     - Prepared and presented for adoption the Redevelopment Design District Regulations meant to foster redevelopment of underutilized and/or contaminated industrial properties by special exception. The regulations allows for mixed use development where conventional development may not be economically feasible.
     - Revised parking lot landscaping requirements in keeping with Plan recommendations to emphasize more plantings.
     - Repeal existing and rewrite new Sand and Gravel Removal regulations to require a greater degree of accountability and environmental controls.
   - Continue to administer the Zoning Regulations in a fair and consistent manner.
   - The Commission aggressively pursued administration of its regulations.
   - The Commission once again can boast "no net loss of wetlands" as they continue to protect these valuable resources.
   - The Commission adopted a new electronic version of the Town-wide Wetlands map that will assist in making more accurate wetland identification. In addition, the map is easier to revise as new, more accurate information becomes available.
   - Among the more notable application reviewed thus far this fiscal year is the approval granted to the Town of Farmington to construct trail head parking and a gazebo within an upland review area for the Farmington Canal Heritage Trail. The Commission also approved the construction of a 25,000 square foot contractor's headquarters within the upland review area on Unionville Avenue. No wetland impact is proposed for either development project.
   - A cleanup in the fall and spring of Tomasso Nature Park was held.
   - A fishing derby was held with about 100 children attending.
   - Two river cleanups were scheduled to be held, one for the Pequabuck River in May and the other for the Quinnipiac River in September. However, the Pequabuck River clean up in May had to be cancelled due to flooding in the area.
   - A successful Earth Day program was provided for town elementary schools.
   - The clean energy program was expanded to include town buildings.
   - Open space programs and opportunities were expanded.

8. **Miscellaneous**
   - The Veteran's Council raised approximately $31,930 for the Soldiers, Sailors, and Marines Fund. These funds were used to assist indigent veterans and their dependents in various ways, including assistance with medical expenses, prescriptions, rent, and referrals to other veterans' services and facilities.
   - The Assessor's Office implemented a fully computerized Renters' Rebate program in conjunction with the state.
   - The Transfer Station expanded hours for residents to dispose of leaves and Christmas trees drop-off and pick-up.

- The Senior Center received a $13,635 grant from the North Central Area Agency on Aging to assist with free or reduced dental care, foot care, weekly social day programming, social service delivery, support groups, and specialized fitness training.
- The library initiated a new computer system for all library functions in cooperation with Library Connection, Inc.

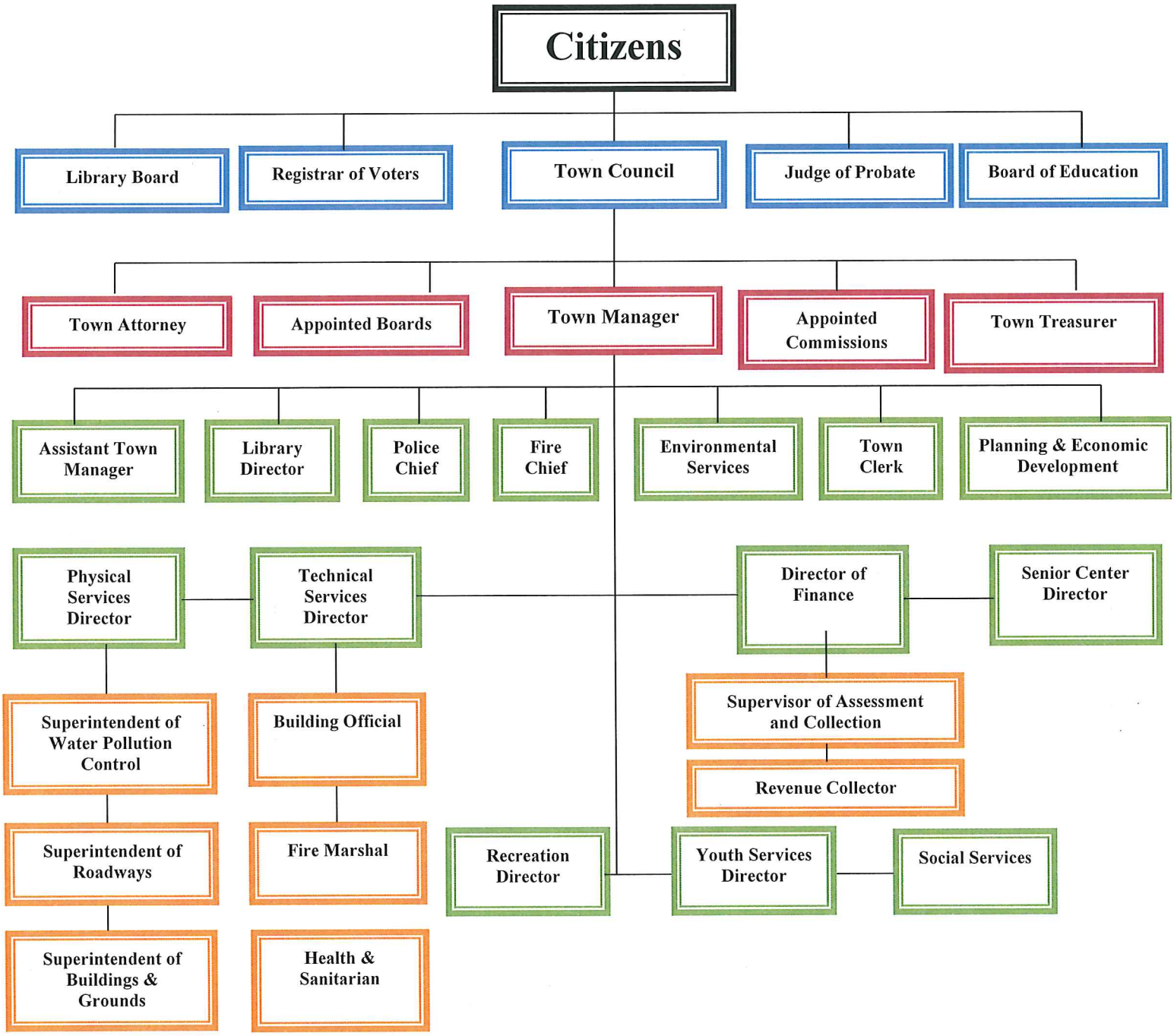
B. FY 2017 Priorities

The Town of Plainville budget process pays close attention to National and State economic trends. While striving to maintain a healthy fund balance is paramount, seeking innovative ways to reduce tax burdens in economically challenging times is also necessary. Another way Plainville successfully utilized the recent economic downturn was to re-bond existing debt service at lower interest rates. This proved to be a simple, but significant way of controlling expenditures attributable to our debt service. As the recent recession tightened its grip, Plainville's Economic Development Agency efforts kicked into high gear. Every opportunity to advertise incentive programs, both local and State, was made. In many cases, incentives could be combined, which resulted in slow, but steady development activity throughout the recession. With offsets from the savings realized in reduced debt service, these minor gains in our grand list had a tangible impact on our budget process, enabling the Town to weather national and state trends better than many CT municipalities. Even so, Connecticut is ranked 8th in the nation in states ready for growth in the "New Economy." The New Economy index measures how states are positioned to drive economic evolution in today's changing society. This ranking is based on measures in five key areas: knowledge jobs, globalization, economic dynamism, digital economy, and innovation capacity. Plainville is eager to take advantage of Connecticut's conducive environment and to offer opportunities to companies that are capitalizing on the latest global economic trends.* FY 2017 priorities are based heavily on these macro-economic considerations. The Town realizes the need for exploring ways to control spending and consolidation of finances and resources wherever possible, be it municipally and/or with regional organizations.

*Source: 2015 Connecticut Economic Review (p.16)/Information Technology and Innovation Foundation, New Economy Index, 2014.

1. **<u>Explore Ways to Control Spending</u>**:
   - Continue to explore regional initiatives.
   - Consider energy savings wherever possible.
   - Study departmental organization and efficiency (i.e. staff equipment use, etc.).
   - Attempt to maintain the same level of services to the public without increasing budgeted expenditures.

2. **<u>Cross Training of Town Departments:</u>** - Continue to work to train and cross train employees in several town departments to perform basic functions of other departments in an effort to promote teamwork, continued workflow, and operational efficiencies. This is all an effort to maintain the current level of services provided to the public using existing resources and personnel.

3. **<u>Explore Ways to Share Resources Regionally:</u>** - Continue to work with area towns and officials to secure State/Federal grant funds aimed at regionalization and coordination of resources. There are several grant opportunities available to promote local consolidation of efforts and services. The Town of Plainville will look to maximize this effort and continue to offer services to residents.

TOWN OF PLAINVILLE
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