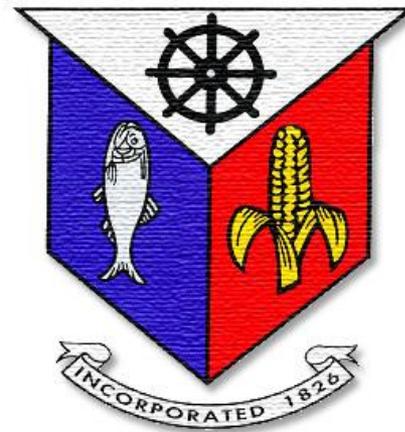


TOWN OF MADISON, CT BOARD OF FINANCE

**2015 – 2016
Budget Public
Hearing**



APRIL 21, 2015

Board of Finance Members

Joseph MacDougald, Chairman

Sandy McKissick, Vice Chair

Scott Gyllensten

Sharon Kokoruda

Bennett Pudlin

Jennifer S. Tung

Tonight's Agenda

2015-2016 Budget

- Budget Process
- Budget as Presented
 - Board of Finance Recommended Budget
 - Board of Finance Changes
 - Budget Details (Town and Madison Public Schools)
- Questions and Answers
- Possible Board of Finance Final Action on Budget, after Public Hearing.

Process that Brought Us Here

- Budgets are developed throughout the fall.
- The Town and Board of Education develop the budgets in the beginning of the year. Budgets requested as follows:
 - Town Budget: 1.75% Increase
 - BOE Budget : 2.49% Increase
 - Total Budget: 2.27% Increase
- Board of Selectmen recommends the budgets to Board of Finance. Budgets recommended as follows:
 - Town Budget: 3.50% Increase
 - BOE Budget : 2.49% Increase
 - Total Budget: 2.80% Increase

The Budget we're presenting

- Board of Finance receives the Board of Selectmen's recommended budgets, holds workshops, and proposes changes.
- Board of Finance recommends the budgets to the Public.
Budgets recommended as follows:
 - Town Budget: 3.16% Increase
 - BOE Budget : 2.49% Increase
 - Total Budget: 2.70% Increase

The Board of Finance to Set Mill Rate

What does “Mill Rate” mean?

- The amount of tax payable per dollar of the assessed value of a property.
- One “Mill” is equivalent to one-tenth of a cent.

Example: One “Mill” equals \$0.001

Example: Current Mill Rate = 25.17

Assessed Value of Home = \$400,000

Taxes = \$400,000 x 25.17 x .001

Taxes = \$10,068

The Board of Finance to Set Mill Rate

What goes into the Mill Rate Calculation?

- Total Net Budgeted Expenditures (Budgeted Expenditures less anticipated revenues)
- Adjustments for Abatements and Deferrals (i.e. Senior Tax Relief)
- Tax Collection Rate Assumptions
- Amount assigned from Fund Balance for the subsequent year's budget

- Net Grand List (0.12% increase on 3/31/15)

The Board of Finance to Set Mill Rate

- *What does “Use of Fund Balance to reduce the Mill Rate” mean?*
 - Fund Balance is the accumulation of revenues over expenditures.
 - The Board of Finance has a Policy to assign a portion of Fund Balance to remain untouched.
 - Projected Unassigned Fund Balance today amounts to \$1.5 million.
 - The Board of Finance may appropriate an amount of the Unassigned Fund Balance to offset the budgeted expenditures, which in turn reduces the Mill Rate.

Potential 2015-2016 Mill Rate

Total Town of Madison Budget, as presented = \$77,794,313

\$0 Assigned from Fund Balance = 25.92 Mill Rate
.75 Mill Increase / 2.98% Increase

\$500,000 Assigned from Fund Balance = 25.74
.57 Mill Increase / 2.26% Increase

The Budget

Budget Changes Made to Date...

	2014/2015 Approved Budget	BOS Recommended Budget	BOF Recommended Budget	BOF Changes
Town of Madison Budget	23,237,743	24,050,543	23,970,990	(79,553)
Board of Education Budget	52,513,300	53,823,323	53,823,323	0
Total Budget	75,751,043	77,873,866	77,794,313	(79,553)
Percentage Increase	2.33%	2.80%	2.70%	

Town of Madison

	2014/2015 Approved Budget	2015/2016 BOF Recommended Budget	Change	% Increase
Operational Budget	16,963,226	17,301,907	338,681	1.90%
Private Schools	298,887	306,659	7,772	2.60%
Capital Projects	2,583,533	2,924,889	341,356	13.21%
Planned & Cycled Maint.	125,000	130,000	5,000	4.00%
Health Insurance	1,568,472	1,608,910	40,438	2.58%
Debt Service	1,698,625	1,698,625	0	0.00%
Total	23,237,743	23,970,990	733,247	3.16%

Town Operations from the BOS

Comprehensive Overview	2014/2015 Approved	2015/2016 BOS	BOF Adjustments	2015/2016 BOF Recommended	% Increase over last year	% of total Budget Increase
Salaries / Benefits	11,945,537	12,355,764	(14,778)	12,340,986	3.31	1.70
Facilities / Maintenance and Utilities	2,680,379	2,778,846		2,778,846	3.67	.42
Debt Service	1,698,625	1,698,625		1,698,625	0	0
Community Support / Transportation	1,708,859	1,665,037		1,665,037	(2.56)	(.19)
Fire/Ambulance Equip. & Oper.	1,544,020	1,590,234		1,590,234	2.99	.20
Purchased Services	1,232,962	1,262,465		1,262,465	2.39	.13
Infrastructure, Roads and Construction Services	1,085,090	1,150,453		1,150,453	6.02	.28
Operations / Supplies & Equipment	507,015	638,985		638,985	26.03	.57
Vehicles and Repair	372,500	382,500		382,500	2.68	.04
General Insurance	337,756	377,634	(39,775)	337,859	.03	0
Contingency	125,000	150,000	(25,000)	125,000	0	0
Total \$	23,237,743	24,050,543	(79,553)	23,970,990	3.16	3.16

Madison Public Schools

	2014/2015 Approved Budget	2015/2016 BOF Recommended Budget	Change	% Increase
General Education	30,812,033	31,510,368	698,335	2.27%
Special Ed.	8,108,899	8,301,122	192,223	2.37%
School Facilities	4,880,204	4,981,710	101,506	2.08%
Planned & Cycled Maint.	237,938	284,500	46,562	19.57%
Health Insurance	5,788,107	6,021,176	233,069	4.03%
Debt Service	2,686,119	2,724,447	38,328	1.43%
Total	52,513,300	53,823,323	1,310,023	2.49%

BOE Operations From the BOS

Comprehensive Overview	2014/2015 Approved	2015/2016 BOS	BOF Adjustments	2014/2015 BOF Recommended	% Increase Over last year	% of total Budget Increase
Salaries and Overtime	30,772,811	31,497,642		31,497,642	2.37	1.39
Benefits (without Insurance)	2,335,099	2,335,567		2,335,567	.14	.01
Health Insurance	5,788,107	6,021,176		6,021,176	4.03	.44
Tuition / External Placements	1,435,086	1,421,274		1,421,274	6.46	.16
Transportation / Students	3,171,775	3,187,565		3,187,565	.41	.03
Purch. Svces / Supplies / Equip	3,396,224	3,643,778		3,643,778	7.29	.28
Facilities / Maint. / Utilities	2,928,079	2,991,874		2,991,874	2.18	.11
Debt Service	2,686,119	2,724,447		2,724,447	1.43	.07
Total	52,513,300	53,823,323		53,823,323	2.49	2.49

Board of Finance Changes to the Board of Selectmen's Recommended Budget

Line Item	Additions (Reductions) Made
Reduction in Contingency (level budget remains)	(25,000)
Net Reduction for Personnel	(24,778)
Reduction in General Insurance	(39,775)
Increase in Self Insurance Reserve	10,000

Increase in funding to Capital Project Funds

	BOS Recommended	BOF Changes	BOF Recommended
LOCAP/CNRE	\$109,356		\$109,356
Technology	117,000		117,000
Equipment/Vehicles	10,000		10,000
Major Roads	65,000		65,000
North Madison Fire Dept. Truck Replacement	20,000		20,000
Madison Fire Dept. Truck Replacement	20,000		20,000
	\$341,356		\$341,356
Total Funding into Capital Project Funds			\$2,924,889

Long Term Capital Maintenance Fund (LOCAP) Projects Approved for 2015-2016

Town Campus Playground	\$ 81,101
Polson Roof Replacement	704,000
Northside Parking Lot Repaving	45,000
Jeffrey Elementary School Boiler	441,630
Surf Club Entrance and Parking Lot	79,000
Brown Energy Efficiency Enhancements	220,400
	\$1,571,131

Town of Madison

Board of Finance Recommended 2015-2016 Budget

	2014-2015 Approved Budget	2015-2016 Recommended Budget	Change From Last Year	Percent Change
Town of Madison Budget	23,237,743	23,970,990	733,247	3.16%
Board of Education Budget	52,513,300	53,823,323	1,310,023	2.49%
Total Budget	75,751,043	77,794,313	2,043,270	2.70%

Next Steps

- Board of Finance takes final action on 2015-2016 Budget
- Referendum Vote on May 12, 2015
- After the budget passes, the Board of Finance will then:
 - Determine the use of fund balance to reduce the 2015-2016 Mill Rate.
 - Set the 2015-2016 Mill Rate.

Public Comments

Please state your:

- Name & Address
- Please try to stay within three minutes so we can get to everyone.

**Referendum Vote
May 12, 2015**

