



TOWN OF MADISON

CONNECTICUT

Budget Public Hearing

Board of Finance

March 22, 2017
Polson Middle School Auditorium

Your Board of Finance Members

Mark Casparino, Vice Chair

Ron Cozean

Joe MacDougald, Chair

Bennett Pudlin

Jennifer Tung

Jason Ulstad

Overall Budget Process

- Begins in September with the Town and Education Staffs.
- Boards help build the budgets throughout the fall.
- Opens in January with a combined BOF-BOS meeting for town staff.
- Combined BOS-BOF-BOE meeting for the education budget.

The Process Up Till Now

- Education Budget has been approved by the Board of Education & Board of Selectmen.
- Town Budget has been approved by the Board of Selectmen.
- Both are only recently submitted to the Board of Finance.

Municipal Spending Cap

- The Cap is the greater of the inflation rate or 2.5% or more of the prior fiscal year's authorized general budget expenditures.
- Exemptions:
 - Debt Service
 - Special Education
 - Arbitration Awards
 - Disaster or Emergency Declarations

Tonight!

We Want to Hear From You!

- Tonight begins the Board of Finance Budget Review.
- Public Input is an incredibly important part of the process.
- But it doesn't stop here, please come to our meetings and workshops. (A meeting schedule can be found at [2017-2018 Budget Workshop Schedule](#))

What's next?

- Series of Board of Finance Budget Workshops
- Board of Finance Recommends 2017-2018 Budget
- Referendum, May 16, 2017
- Board of Finance to Set Mill Rate

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 = 26.49

Assessed Value of Home = \$400,000

Taxes = \$400,000 x 26.49 x .001

Taxes = \$10,596

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 Freeze)
- Tax Collection Rate Assumptions
- Amount assigned from Fund Balance for the subsequent year's budget
- Net Grand List

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.
 - Current FYE 2017 Projected Unaudited Unassigned Fund Balance (over the BOF Policy) is estimated at \$1.6 million
 - Excluding considerations for use of Fund Balance and State aid reductions
 - 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.

Tonight's Proceedings

- Board of Ed Budget Presentation by Superintendent, Tom Scarice.
- Capital Improvement Program by CIP Chair, Jean Fitzgerald
- Town Budget Presented by First Selectman, Tom Banisch
- Questions and comments from the public.
- Please try to keep your *comments* to around 2 minutes so everyone can speak.



TOWN OF MADISON

CONNECTICUT

Budget Public Hearing

Board of Education

March 22, 2017
Polson Middle School Auditorium

Madison Public Schools

2017-2018 Recommended Budget

| | 2016-2017 Recommended Budget | 2017-2018 Recommended Budget | Change from Approved Budget | % Change |
|--|------------------------------------|------------------------------------|-----------------------------------|-------------|
| General Education | \$31,523,138 | \$31,742,029 | \$218,891 | .69% |
| Special Education | \$8,800,007 | \$9,356,927 | \$556,920 | 6.33% |
| School Facilities | \$5,192,564 | \$5,359,743 | \$167,179 | 3.22% |
| Health Insurance / Self-Funding | \$7,333,232 | \$7,863,871 | \$530,639 | 7.24% |
| Debt Service | \$2,637,263 | \$2,596,635 | (\$40,628) | -1.54% |
| Total Comprehensive BOE Budget | \$55,486,204 | \$56,919,205 | \$1,433,001 | 2.58% |

Madison Public Schools

2017-2018 Recommended Budget

| | 2016-2017 Approved Budget | 2017-2018 Recommended Budget | Change from Approved Budget | % Change |
|---|---------------------------------|------------------------------------|-----------------------------------|--------------|
| | | | | |
| Total Comprehensive BOE Budget | \$55,486,204 | \$56,919,205 | \$1,433,001 | 2.58% |
| | | | | |
| Breakdown of Budget Increase: | | | | |
| • Health Insurance | | | 530,639 | .96% |
| • Personnel / Benefits | | | 573,107 | 1.02% |
| • Unallocated Reduction | | | 300,000 | .54% |
| • Debt Service | | | (\$40,628) | -.07% |
| • Other | | | \$69,883 | .13% |
| Total Recommended Increase to BOE Budget | | | \$1,433,001 | 2.58% |

Approved Madison Public Schools Budget History

| Year | Percent Increase | |
|-----------|----------------------|--------------------|
| 2012-2013 | 0.76% | |
| 2013-2014 | 2.41% | |
| 2014-2015 | 1.22% | |
| 2015-2016 | 2.49% | |
| 2016-2017 | 3.09% | |
| 2017-2018 | 2.58% | Recommended to BOF |
| | 2.09% 6-year average | |

Enrollment and Staffing Changes 2010-2011 through 2017-2018

Certified Staff Reductions = 1 position per 19.3 student enrollment decline, on average

| Grades | Enrollment Changes 2010-2011 to 2017-2018 | Certified Staffing Changes 2010 - 2011 to 2017 - 2018 (FTEs) | Classified Staffing Changes 2010 - 2011 to 2017 - 2018 (FTEs) |
|---------------------------------------|---|--|---|
| K - Grade 4 | (290.0) | (17.1) | (10.6) |
| Grade 5 - Grade 6 | (198.0) | (8.3) | (1.9) |
| Grade 7 - Grade 8 | (194.0) | (10.0) | (1.6) |
| Grade 9 - Grade 12 | <u>(163.0)</u> | <u>(4.3)</u> | <u>(1.0)</u> |
| Total | (845.0) | (43.7) | (15.1) |
| Total Certified and Classified | | (58.8) | |



TOWN OF MADISON

CONNECTICUT

Budget Public Hearing

Town of Madison and Madison

Public Schools

Capital Improvement Program

March 22, 2017

Polson Middle School Auditorium

The Committee Charge

The Committee shall:

- Evaluate and prioritize the requested capital expenditures
- Propose funding plans and the annual funding of capital project funds
- Submit a recommended Capital Improvement Program to the Board of Selectmen and the Board of Finance for review and approval

CIP Committee Review

- Reviewed the Requests submitted by the First Selectman in early October
- Held a Public Hearing, October 13, 2016
- Deliberated over 10 workshop meetings
- Consulted with Department Heads
- Held a Public Hearing, January 11, 2017
- Additional deliberations through January
- Recommended Capital Improvement Program to be submitted to the Board of Selectmen and Board of Finance

Town of Madison
Recommended Capital Needs by Department
CIP Committee Recommended
Fiscal year ended 2018 - 2022

| Department | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | Total |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Beach and Recreation | \$ 402,000 | \$ 826,000 | \$ 670,000 | \$ 500,000 | \$ 495,000 | \$ 2,893,000 |
| Education | 360,800 | 357,261 | 5,000 | | 165,000 | \$ 888,061 |
| Facilities | 69,220 | 337,000 | 608,500 | 729,920 | 277,900 | \$ 2,022,540 |
| Public Safety | 739,771 | 923,960 | 2,864,460 | 817,753 | 536,622 | \$ 5,882,565 |
| Public Works | 712,400 | 707,728 | 750,080 | 775,255 | 814,135 | \$ 3,759,598 |
| Technology | 142,500 | 285,000 | 360,000 | 335,000 | 135,000 | \$ 1,257,500 |
| Total Capital Expenditures | \$ 2,426,691 | \$ 3,436,949 | \$ 5,258,040 | \$ 3,157,928 | \$ 2,423,657 | \$ 16,703,264 |

Town of Madison

Annual Capital Budget Summary

CIP Committee Recommended

Fiscal Year Ended 2018-2022

| | Fiscal Year | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------|
| Capital Project Fund | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | Total | % |
| Ambulance Replacement | \$ 155,000 | \$ 155,000 | \$ 185,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 865,000 | 4.70% |
| Capital Non-Recurring Expenditures | 1,353,306 | 1,393,905 | 1,435,722 | 1,478,794 | 1,523,157 | 1,568,852 | 7,400,430 | 40.18% |
| Communications | 350,000 | 400,000 | 400,000 | 375,000 | 375,000 | 375,000 | 1,925,000 | 10.45% |
| Fire Protection Water Tanks | | 25,000 | 50,000 | 50,000 | 50,000 | 50,000 | 225,000 | 1.22% |
| Highway Equip & Town Vehicle | 155,000 | 155,000 | 170,000 | 185,000 | 200,000 | 215,000 | 925,000 | 5.02% |
| Madison Hose Co. No. 1 Apparatus/Truck Repl | 235,000 | 235,000 | 250,000 | 275,000 | 290,000 | 310,000 | 1,360,000 | 7.38% |
| Madison Hose Co. No. 1 Hose & Equip | 25,000 | 25,000 | 45,000 | 55,000 | 55,000 | 65,000 | 245,000 | 1.33% |
| Major Roads | 460,000 | 460,000 | 520,000 | 580,000 | 640,000 | 700,000 | 2,900,000 | 15.74% |
| NOMAD Apparatus/Truck Repl | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 650,000 | 3.53% |
| NOMAD Hose & Equip | 60,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 250,000 | 1.36% |
| Police Vehicles | 96,000 | 96,000 | 96,000 | 96,000 | 96,000 | 96,000 | 480,000 | 2.61% |
| Technology | 187,000 | 195,000 | 225,000 | 275,000 | 300,000 | 200,000 | 1,195,000 | 6.49% |
| Total Capital Budget | \$ 3,206,306 | \$ 3,319,905 | \$ 3,556,722 | \$ 3,724,794 | \$ 3,884,157 | \$ 3,934,852 | \$ 18,420,430 | 100.00% |
| <i>Annual % Increase</i> | 9.62% | 3.54% | 7.13% | 4.73% | 4.28% | 1.31% | | |

CIP Website

<http://www.madisonct.org/592/Capital-Improvement-Program-Committee>



TOWN OF MADISON

CONNECTICUT

Budget Public Hearing

Board of Selectmen

March 22, 2017
Polson Middle School Auditorium

Board of Selectmen

- Tom Banisch, First Selectman
- Al Goldberg
- Robert Hale
- Scott Murphy
- Bruce Wilson

BOS Goals

- Develop a responsible Budget
- Continue existing programs
- Continue to support CIP
- Minimize impact to the tax payers by attempting to keep the mill Rate stable
- Introduce new ideas

BOS Recommended Budget 2017-2018

| | Approved 2016-2017 | Recommended 2017-2018 | Change | Percent |
|--------------------|-----------------------|--------------------------|--------------------|--------------|
| Education | \$55,486,204 | \$56,919,205 | \$1,433,001 | 2.58% |
| | | | | |
| Town Operations | 18,086,863 | 18,670,583 | 583,720 | 3.23% |
| Health Insurance | 1,821,330 | 1,920,667 | 99,337 | 5.45% |
| Capital Projects | 3,206,306 | 2,996,306 | (210,000) | (6.55%) |
| Debt Service | 1,200,331 | 1,151,408 | (48,923) | (4.08%) |
| Total Town | 24,314,830 | 24,738,964 | 424,134 | 1.74% |
| Grand Total | \$79,801,034 | \$81,658,172 | \$1,857,138 | 2.33% |

Town of Madison

2017-2018 BOS Recommended Town Budget

| | 2016-2017 Approved Budget | 2017-2018 Recommended Budget | Change from Approved Budget | % Change |
|--|---------------------------------|------------------------------------|-----------------------------------|--------------|
| Total Comprehensive Town Budget | 24,314,830 | 24,738,964 | 424,134 | 1.74% |
| Breakdown of Budget Increase: | | | | |
| <ul style="list-style-type: none"> • Continued Operations <i>Mostly Salary/Benefits</i> • Health Insurance • Capital Projects • Debt Service | | | 583,720 | 2.41% |
| | | | 99,337 | .41% |
| | | | (210,000) | (.88%) |
| | | | (48,923) | (.20%) |
| Total Recommended Increase to Town Budget | | | 424,134 | 1.74% |

Town of Madison

Annual Capital Budget Summary

CIP Committee vs BOS Recommended

Fiscal Year 2017-2018

| | | Committee | BOS | Change |
|---|------------------|------------------|------------------|------------------|
| Capital Project Fund | 2016-2017 | 2017-2018 | 2017-2018 | |
| Ambulance Replacement | 155,000 | 155,000 | 155,000 | |
| Capital Non-Recurring Expenditures | 1,353,306 | 1,393,906 | 1,153,306 | (240,600) |
| Communications | 350,000 | 400,000 | 350,000 | (50,000) |
| Fire Protection Water Tanks | | 25,000 | | (25,000) |
| Highway Equip & Town Vehicle | 155,000 | 155,000 | 155,000 | |
| Madison Hose Co. No. 1 Apparatus/Truck Repl | 235,000 | 235,000 | 235,000 | |
| Madison Hose Co. No. 1 Hose & Equip | 25,000 | 25,000 | 25,000 | |
| Major Roads | 460,000 | 460,000 | 460,000 | |
| NOMAD Apparatus/Truck Repl | 130,000 | 130,000 | 130,000 | |
| NOMAD Hose & Equip | 60,000 | 50,000 | 50,000 | |
| Open Space | | | | |
| Police Vehicles | 96,000 | 96,000 | 96,000 | |
| Technology | 187,000 | 195,000 | 187,000 | (8,000) |
| Total Capital Budget | 3,206,306 | 3,319,906 | 2,996,306 | (323,600) |
| Annual % Increase | 9.62% | 3.54% | -6.55% | |

Other Board of Selectmen Considerations

- Recommend that the Board of Finance continue to use a Tax Collection Rate of 98.75%
 - Based on historical collections
- Recommend that the Board of Finance utilize \$750K from Fund Balance to offset the Mill Rate
- Recommend that the Board of Finance modify funding of CIP Projects

Questions

| | Approved 2016-2017 | Recommended 2017-2018 | Change | Percent |
|--------------------|-----------------------|--------------------------|--------------------|--------------|
| Education | \$55,486,204 | \$56,919,205 | \$1,433,001 | 2.58% |
| Town Operations | 18,086,863 | 18,670,583 | 583,720 | 3.23% |
| Health Insurance | 1,821,330 | 1,920,667 | 99,337 | 5.45% |
| Capital Projects | 3,206,306 | 2,996,306 | (210,000) | (6.55%) |
| Debt Service | 1,200,331 | 1,151,408 | (48,923) | (4.08%) |
| Total Town | 24,314,830 | 24,738,964 | 424,134 | 1.74% |
| Grand Total | \$79,801,034 | \$81,658,172 | \$1,857,138 | 2.33% |