

*Board of Finance*

**Special Meeting**

**2012-2013 BUDGETS**

**November 17, 2011**



# Agenda

- Presentation, Paul Henault, Chairman, Board of Finance
  - Current Financial Review
  - 2012-2013 Budgets
    - Board of Selectman Budget
    - Board of Education Budget
    - Captial Budget
- Public Audience



## *Budget Schedule*

- Budget procedure outlined by the Town Charter.
- Operating Budget and Capital budget process officially begins by Jan 15<sup>th</sup>.
- Process runs through the Automatic Referendum in May.



## *Board of Finance Role*

- Elected Citizen Oversight Board
- Balance Expenditure & Revenue
- Authority from CT Law and Town Charter
- Hold Public Hearing(s)
- Approve Operating and Capital Budgets
- Submit to Town Meeting & Referendum
- Set Mill Rate (Tax Rate)



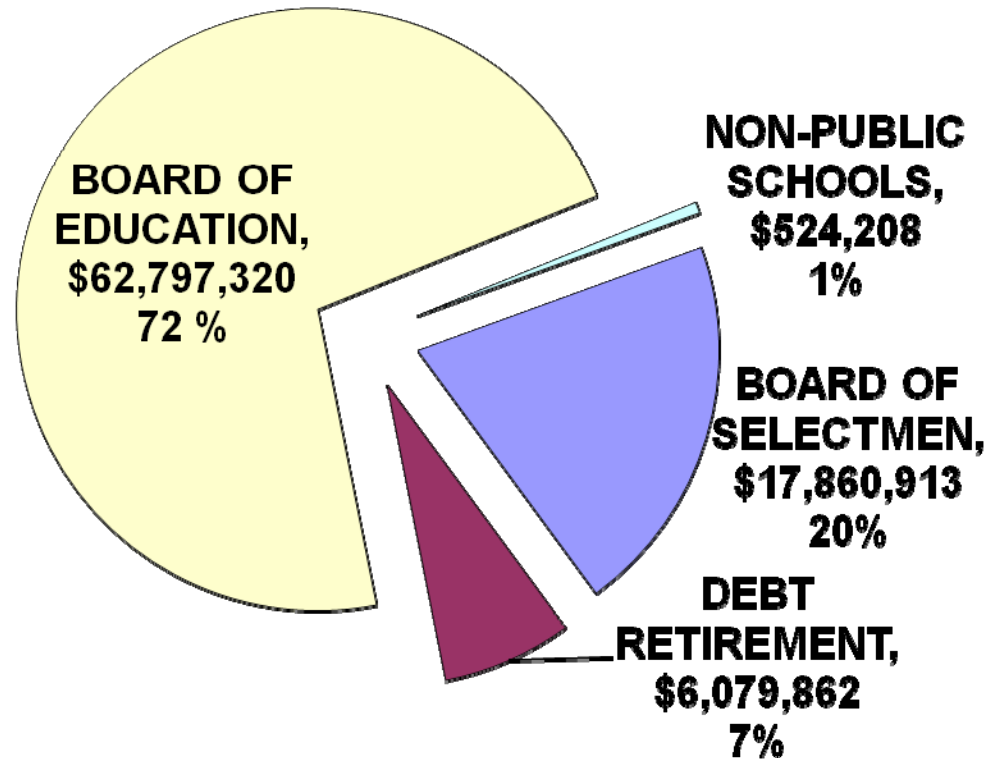
## *June 30, 2011 Financial Indicators*

- Reserves: \$10.5 Million (General Fund)
- Bond Rating Aaa - Moody's
- Debt Service \$51,256,850 (Outstanding)
  - \$33,610,000 General Obligation Bonds
  - \$17,540,653 2% Loan, Clean Water Fund
  - \$ 106,197 1% Housing Loan



# Expenditures by Budget

**TOTAL EXPENDITURES FY2011-12**  
**\$87,262,303**



# Current Budgets 2011-2012

	CURRENT BUDGETS FY2011-12	PRIOR BUDGETS FY2010-11	CHANGE	
			\$	%
BOARD OF SELECTMEN	17,860,913	17,823,752	37,161	0.21%
DEBT RETIREMENT	6,079,862	6,052,606	27,256	0.45%
BOARD OF EDUCATION	62,797,320	61,842,419	954,901	1.52%
NON-PUBLIC SCHOOLS	524,208	519,624	4,584	0.87%
TOTAL EXPENDITURES	87,262,303	86,238,401	1,023,902	1.17%



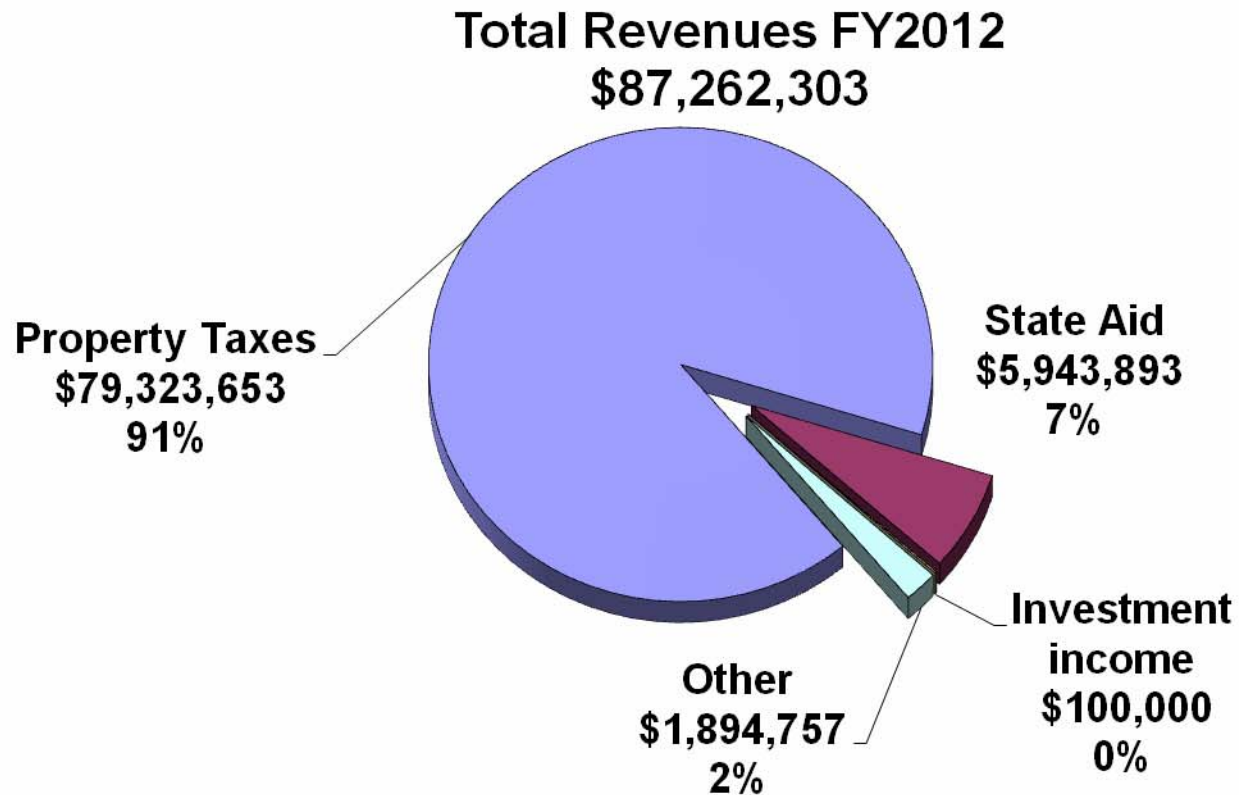
## *Revenue Sources - 2011/2012*

● Property Taxes	\$79,323,653
● State Aid	\$ 5,943,893
● Investment Income	\$ 100,000
● <u>Other</u>	<u>\$ 1,894,757</u>
● Total Revenues	\$87,262,303

**Property Taxes come from Residential, Motor Vehicles, Commercial/Industrial and Personal Property taxes.**

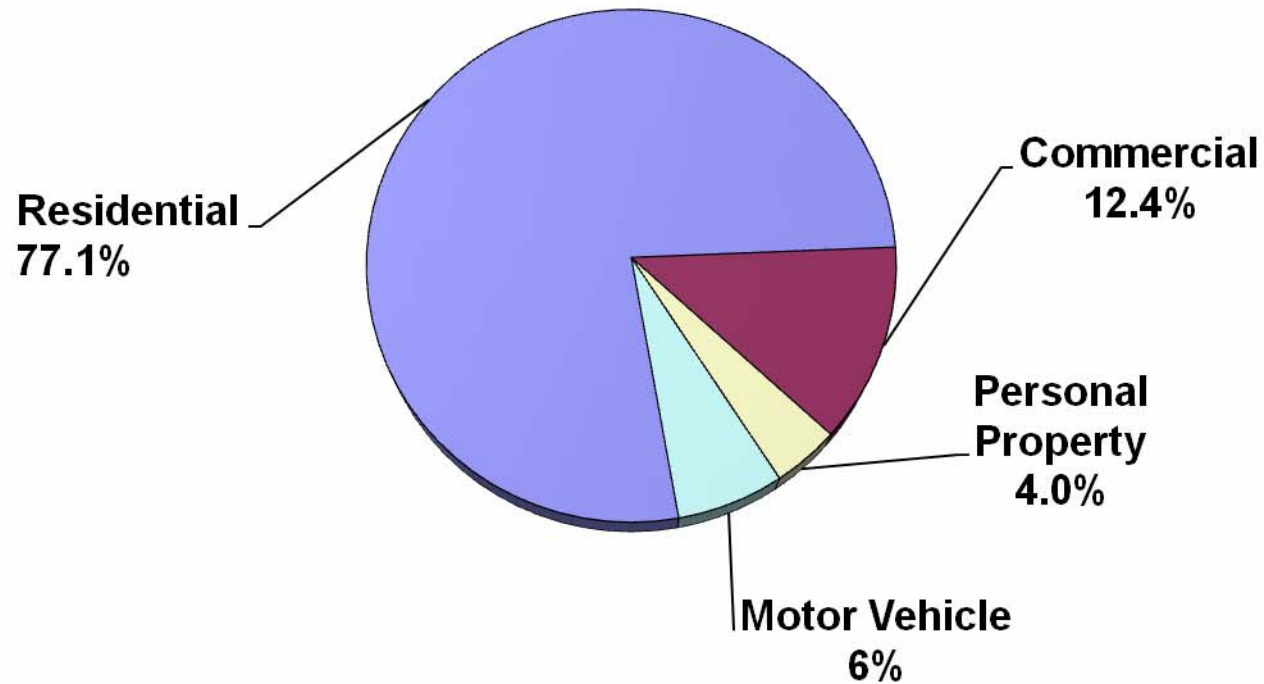


# Revenue by Source

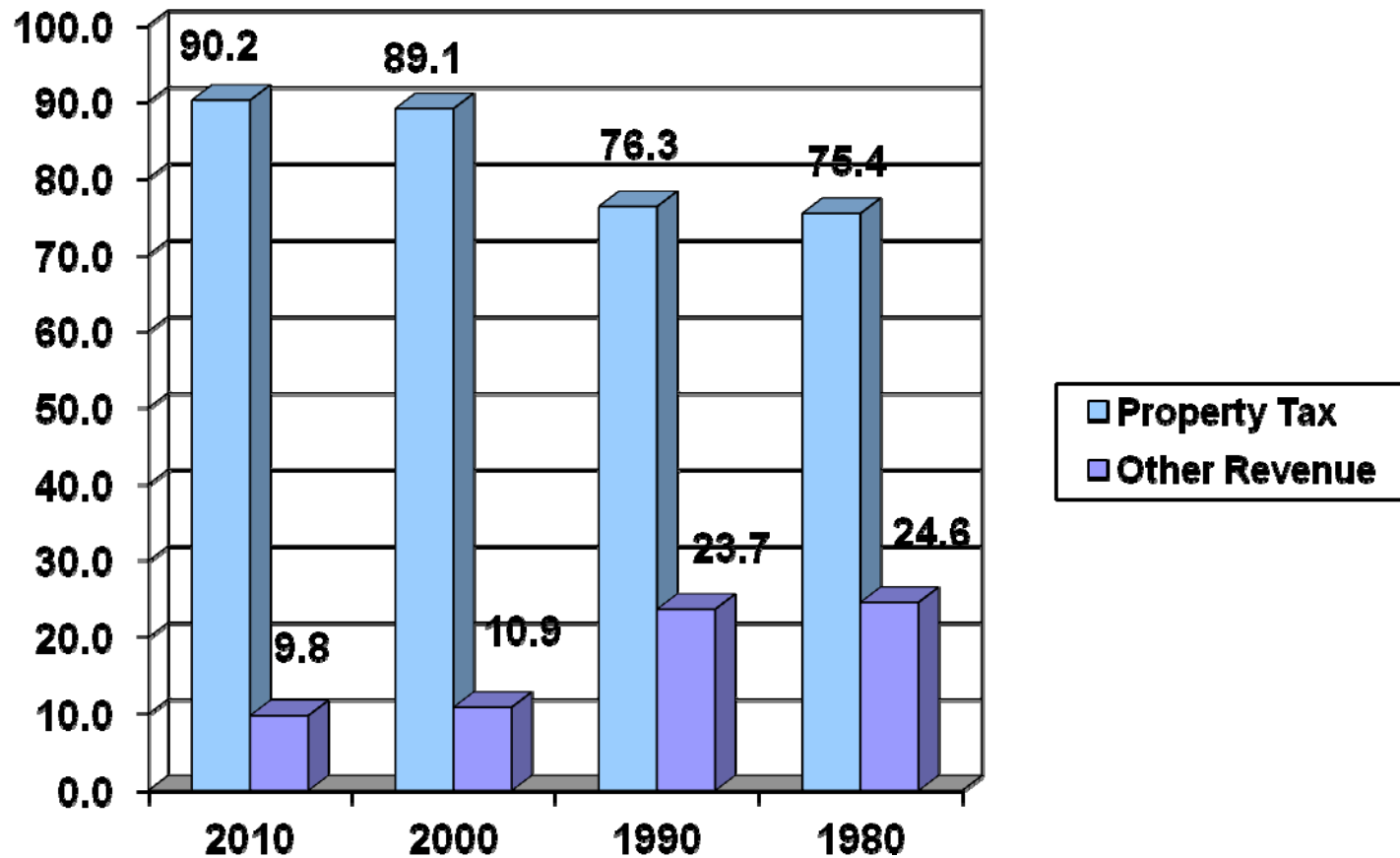


# Source of Property Tax Revenues

## Property Tax Source



# *Dependence on Property Tax Revenue*



# Large Capital Project Review

- **Capital Projects Approved by the Voters**

- **Simsbury High School** (01/02) \$43,178,567
- **Sewer Plant Ren/Exp** (01/02) \$26,840,000
- **Ethel Walker Land** (06/07) \$ 8,000,000
- **Tariffville School** (05/06) \$ 6,200,000
- **Library Expansion** (05/06) \$ 6,100,000
- **Triangle Land Purchase** (07/08) \$ 2,750,000
- **Paving Management** (09/10) \$ 2,400,000
- **Police Station Expansion** (02/03) \$ 2,300,000
- **SHS Track & Stadium** (04/05) \$ 1,905,000
- **Simsbury Farms** (05/11) \$ 3,061,000



## *The Mill Rate*

- One “Mill” produces one dollar for each \$1,000 of property valuation. Example:
- Your house has a valuation of \$250,000  
(This valuation is 70% of its estimated market value.)
- Your tax is calculated as follows:  
$$\$250,000 / \$1,000 \times 30.86 \text{ mills} = \$7,715$$

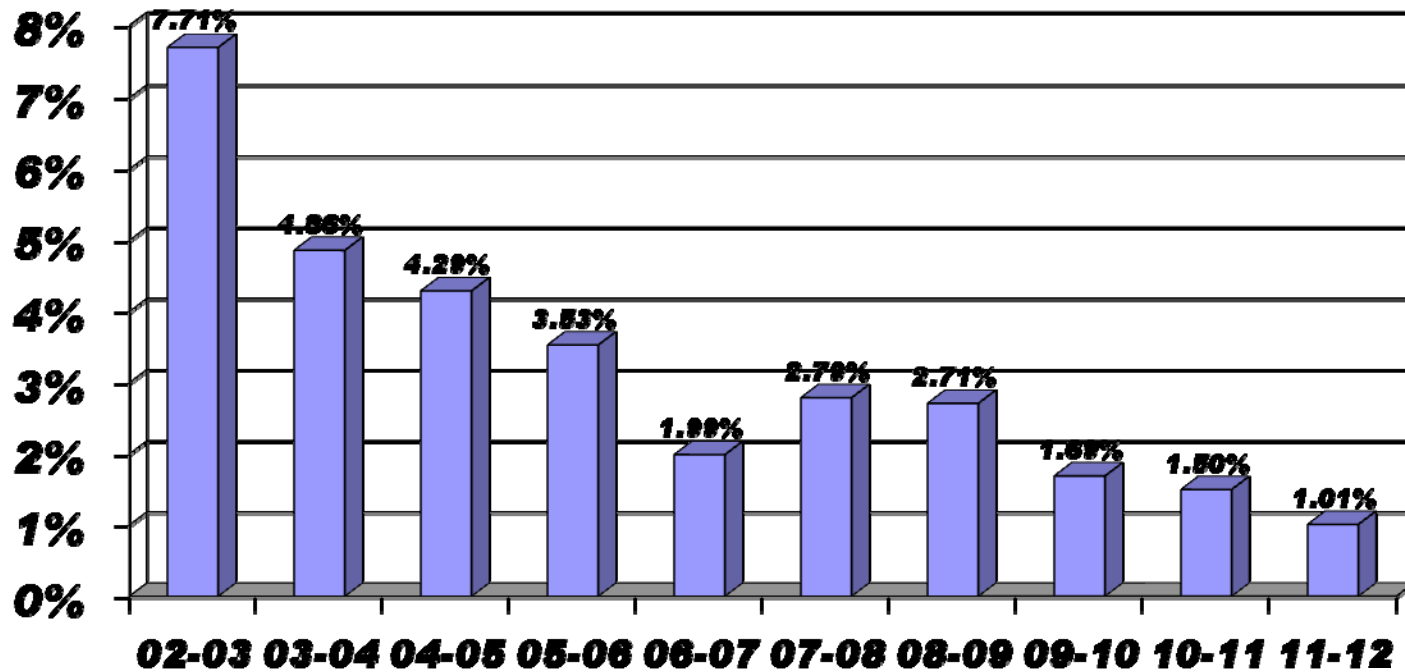


## *Current Mill Rate*

- Town 30.86 mills
- Fire District 1.02 mills
- Total 31.88 mills



# 10 Year Town Mill Rate Growth



Note: All change approved by Voters at Referendum.



## *Factors for 2012-2013 Budgets*

- Economy
- Revenue Estimates
- Community Needs
- Education Needs
- Pension Obligations
- Salary/Benefits
- Social Security Cola
- Grand List growth
- Current Debt
- Storm Implications
- Tax Impact



## *Challenges for 2012-2013 Budgets*

- Continued Minimal Grand List Growth
- State Aid – year to year
- Economic Conditions
- Additional State Taxes imposed in 2011
- Low Interest Rates on Investments
- Health Care Costs continue to rise
- Capital Requests for 2012



## *Important Note - Tax Relief Programs*

- Elderly and Disabled Tax Credit Program
- Veteran's Exemption Program
- Volunteer Fireman and EMT program

**\*\*Contact Town Assessor's Office for 2012 filing deadlines.**



## *Final Thoughts*

- Thank you for attending.
- Your involvement is important.
- Everyone has a stake in the process.
- Watch for important budget dates.
- Review Town Website for Financial information: [www.townofsimsbury.com](http://www.townofsimsbury.com)
- Contact BOF at: [finance1@simsbury-ct.gov](mailto:finance1@simsbury-ct.gov)



*Public Audience*

Comments on 2012-2013 Budgets

