

AGENDA ITEM BACKGROUND

ITEM: Submission of the amended Town Manager's Recommended FY 20-21 Budget and consideration of a resolution to set the Budget Public Hearing thereon for June 2, 2020.

FOR COUNCIL MEETING: May 26, 2020

ITEM SUMMARY: The Town Manager will submit his amended Recommended FY 20-21 Budget and a Public Hearing needs to be set for the budget discussion on June 2, 2020.

FINANCIAL SUMMARY: N/A

TOWN ATTORNEY REVIEW: N/A

COUNCIL ACTION DESIRED: Consideration of the resolution.

SUPPORTING MATERIALS:

- Town Manager's Budget Memo
- Town Manager's Budget Message
- Revised Budget Book Pages
- Budget Memo from Finance Director & Fund Balance Analysis
- Draft Resolution



TOWN of TOLLAND/ 21 Tolland Green, Tolland Connecticut 06084

Michael Rosen
Town Manager
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May 26, 2020

In order to provide the Town Council with a budget that will reflect a zero mill rate increase, I worked closely with the Town Department Heads and the Superintendent of Schools to discuss various areas where we could make reductions and still try to maintain the best level of service for our citizens. We reviewed our various revenue accounts that needed adjusting since the first budget that I presented, due to the impact of the COVID-19 situation. We also included the adjusted grand list after the Board of Assessment appeals. On the revenue side, adjustments were made to investment income, property taxes, and an additional use of \$300,000 from unassigned fund balance. The estimated use of fund balance for next year is a total of \$600,000. I am recommending that we phase out this additional increased use of fund balance over the next year or two. We feel comfortable with the additional use of fund balance this year due to the current balance, as well as the estimated savings that may be returned to fund balance from this year due to COVID-19 and other savings.

With a combination of the additional use of fund balance and a reduction in expenditures of \$672,881 we were able to achieve a zero mill rate increase. The amounts reduced were as follows:

Town	\$ 95,663
Board of Education	473,118
Capital Improvements	<u>104,100</u>
 Total Reductions	 \$672,881

The split on the reduction was mainly based on the Town and Board of Education proportionate share of operating expenditure percentages, with the Town at 23% and the BOE at 77%. The amount to be lowered was then reduced by Capital Projects that were to be funded by the general fund, for both the Town and Board of Education. The Town intends on doing three projects that were removed from next FY's Capital Plan with savings within the current fiscal year, totaling \$39,100. This will be a one-time use of available funds for a one-time expenditure. The Board of Education may decide, if they wish, to pursue the two capital projects that were similarly identified for the Schools. By funding these from this fiscal year's potential savings, it will offset the amount that will need to be reduced by \$45,000. These projects are included within the attached list of reductions.

In summary, I attempted to make as many one-time cuts to the Town budget as possible that will not need to be reprogrammed in the near future, preventing a spike from happening to a future mill rate when these costs would have to be returned to the budget. Instead, by reducing mostly one-time line items, and using funding sources other than cash, most (if not all) of these costs will not have to be built back into next year's budget.

Revised Town Manager Budget - Reductions

ACCOUNT NUMBER	NAME	DESCRIPTION OF SAVINGS	MANAGER LEVEL	MANAGER REVISED LEVEL	ONE TIME SAVINGS
Town Manager:					
11100072-722100	COMMUNICATIONS	NO UPGRADE TO PHONE OR IPAD	2,000	1,500	500
11100072-733100	OFFICE SUPPLIES	REDUCE OFFICE SUPPLIES	1,700	1,500	200
11100072-733500	FOOD & CLOTHING	MISC MEETING FOOD ETC	600	400	200
Retirement:					
11311172-766800	PENSION	USE OF PENSION FORFIETURE ACCOUNT TO OFFSET PENSION	305,000	285,000	20,000
Employee Insurance:					
11311272-766300	HEALTH INSURANCE	REDUCTION IN RATE	1,185,622	1,179,716	5,906
11311272-766100	WORKER'S COMPENSATION	REDUCTION IN RATE	215,708	205,302	10,406
Building Inspection:					
General Fund Capital	PERMIT SOFTWARE	PURCHASING IN FY 19-20 WITH SAVINGS FROM TROOPERS	17,000	-	17,000
Planning & Commissions:					
12600072-722000	PROFESSIONAL SVCS	REDUCE 1/2 FUNDS UPDATE ZONING REG CONSULTANT	15,000	7,500	7,500
Public Works:					
General Fund Capital	UNDERGROUND FUEL TANKS	USE SAVINGS IN THIS YEAR AND DO PROJECT	12,100		12,100
General Fund Capital	ADA PATHWAYS	USE SAVINGS IN THIS YEAR AND DO PROJECT	10,000		10,000
16106072-733700	FUEL AND OIL	REDUCE DIESEL RATE (\$2.30 TO \$1.87)	23,920	19,448	4,472
16106072-733700	FUEL AND OIL	REDUCE DIESEL RATE (\$2.30 TO \$1.87)	460	374	86
16106672-733700	FUEL AND OIL	REDUCE DIESEL RATE (\$2.30 TO \$1.87)	920	748	172
16108372-733700	FUEL AND OIL	REDUCE DIESEL RATE (\$2.30 TO \$1.87)	230	187	43
16507472-733700	FUEL AND OIL	REDUCE DIESEL RATE (\$2.30 TO \$1.87)	57,500	46,750	10,750
Public Safety:					
General Fund Capital	FIRE MARSHAL VEHICLE	USE AN ADDITIONAL \$20,000 FROM CNRE	20,000	-	20,000
Ambulance:					
17100072-722100	COMMUNICATIONS	REDUCTION IN 911 FEE (\$2,845) & OTHER COMMUNICATIONS	60,273	54,434	5,839
17100072-744500	OFFICE MACHINES	PORTABLE PROJECTOR - CURRENT IS OLD BUT WORKS	2,000	500	1,500
17100072-744600	OTHER EQUIPMENT	CPR & MEDICAL BAG REPLACEMENTS - TRY TO BUY THIS YEAR	8,880	6,390	2,490
17100072-733700	FUEL AND OIL	REDUCE DIESEL RATE (\$2.30 TO \$1.87)	10,350	8,415	1,935
Animal Control:					
17200072-722700	OTHER SERVICES & FEES	NEGOTIATING REDUCED RADIO COST	6,640	5,390	1,250
Fire Prevention:					
17400072-722700	OTHER SERVICES & FEES	VEHICLE REPAIR-TRY TO GET FM VEHICLE ON LINE SOONER	2,500	1,500	1,000

Revised Town Manager Budget - Reductions

ACCOUNT NUMBER	NAME	DESCRIPTION OF SAVINGS	MANAGER LEVEL	MANAGER REVISED LEVEL	ONE TIME SAVINGS
Fire Suppression:					
17500072-722100	COMMUNICATIONS	REDUCTION IN 911 FEE (\$2,845) & OTHER COMMUNICATIONS	57,919	52,080	5,839
17500072-722200	SERVICE CONTRACTS	SCBA TESTING-NEW EQUIP BUDGETED-CUT IN HALF	34,564	32,864	1,700
17500072-722800	TRAINING & DEVELOPMENT	REMOVED ONE FIRE TRAINING CLASS	8,200	7,400	800
17500072-733600	AGRICULTURAL & CUSTODIAL	REPLACE FIRE APPARATUS FOAM IN FY 19-20 INSTEAD	2,700	700	2,000
17500072-733700	FUEL AND OIL	REDUCE DIESEL RATE (\$2.30 TO \$1.87)	11,500	9,350	2,150
State Trooper:					
17600071-722100	COMMUNICATIONS	SAVINGS IN 911 FEE	18,350	15,505	2,845
Assessor:					
18200071-711200	OVERTIME	CUT OVERTIME	500	-	500
Audit:					
18500072-722000	INDEPENDENT AUDIT	BID CAME IN LOWER THAN ESTIMATE	28,000	27,450	550
Registrars of Voters:					
18600071-711130	TEMPORARY HELP	DUAL PRIMARY SINGLE WAS BUDGETED USING PO ETC	10,350	7,150	3,200
Revenue Collection:					
18700071-711300	TEMPORARY HELP	CUT HIGH DEMAND PERIOD SEASONAL STAFF	1,622	-	1,622
	CONTINGENCY				208
	Total before other capital				154,763
Other Capital Reductions to Benefit BOE:					
	THS VCT Tiles	Maybe BOE can do out of this year budget?	10,000		10,000
	TIS Sidewalk connection	Maybe BOE can do out of this year budget?	35,000		35,000
	Total with other capital for BOE Credit				199,763
Reduction to Board of Education Budget	Net after using Capital Reductions	To be determined by BOE	40,590,408	40,117,290	473,118
	Total All Reductions				672,881

May 26, 2020

Dear Town Council:

When I first submitted my budget message to you on March 4, 2020, we lived in a different world prior to the COVID-19 Pandemic. While so much has changed since then, I can still confidently say that I am honored to have been selected to serve your community and guide us through this historic situation. There is much for Tolland to be proud of: an outstanding school system, cost effective and highly efficient municipal services, and a wide array of amenities for our residents to enjoy such as acres of open space and a number of recreation areas. Tolland is certainly a wonderful place to work, live, and raise a family! In addition, we are one of the few towns in our population group with a Triple A bond rating from the Standard and Poor's Financial Rating Agency as well as the Fitch Rating Agency, which reflects our strong financial management and adherence to sound financial policies.

In updating the FY 2020-2021 municipal budget, I am simultaneously taking into consideration the realities of the COVID-19 Pandemic, while also trying to balance the uncertainties of future State Aid and the loss of potential revenue due to Crumbling Foundations, lower investment income, and uncertainty over the collection rate.

In recent years as our State revenues have declined, there has been a call from some to rely greater on the use of fund balance as a source of revenue replacement. Fund balance is the Town's emergency savings account, and any use in a given year to offset on-going expenditures creates in subsequent years a revenue gap if the funding level cannot be sustained. Typically, larger than normal use of fund balance in any given year would be to address non-recurring costs, such as emergency facility repairs or to address the impacts of severe weather conditions. The Town's fund balance policy specifies that the use of unassigned fund balance should be in the range of 10-15% of GAAP expenditures, with overall fund balance being a range of 10-17%. The policy further states that if unassigned fund balance goes below 10%, then fund balance cannot be used as a revenue source until such time that the use would allow for a 10% cushion.

Our unassigned fund balance over the years as a percentage is as follows, based on not using \$300,000 as planned in FY 2019-20, and using \$600,000 in FY 2020-21, and paying for one fire truck in cash:

2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
12.40	11.88	11.98	12.27	13.17	13.53	12.87	11.79 (estimated)

Our unassigned fund balance over the years as a percentage is as follows, based on not using \$300,000 as planned in FY 2019-20, and using \$600,000 in FY 2020-21, and borrowing for the fire truck:

2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
12.40	11.88	11.98	12.27	13.17	13.53	14.08	12.97 (estimated)

The FY 2019-20 has been an extraordinary year due to the COVID-19 Pandemic. We had anticipated using \$300,000 of unassigned fund balance, but it is now anticipated that there will be additional savings to not necessitate the need to use fund balance in FY 19-20. As we are trying to maintain the FY 19-20 mill rate for FY 20-21, I feel that we can use up to \$600,000 of unassigned fund balance and phase out the use over the next year or two. We will not violate our fund balance policy and it will assist with managing the budget constraints during this unusual time. I do not feel it is financially prudent or sustainable to use unassigned fund balance in an amount significantly greater than that which I am recommending as a revenue source to fund on-going expenditures.

I believe what I have recommended for expenditures is necessary for the Town's overall operation, including capital improvements as well as money needed for debt services. In regard to the Board of Education budget, I have reduced the budget as adopted by the Board of Education of \$40,590,408 by \$473,118. The amount being forwarded to the Town Council for their consideration and deliberation is \$40,117,290. This figure was reached collaboratively with the Superintendent of Schools.

Tolland is a community that has properly managed its finances over the years, has kept mill rate increases well below the rate of inflation, built up proper reserves, changed health plans to high deductible plans, formed the first multi-Town health insurance program, saving hundreds of thousands of dollars in premiums, never instituted defined benefit pension plans and has taken the lead in developing programs to address the regional concern with crumbling foundations. I hope that in the near future we will see a number of homes with repaired foundations that can then return to full assessment.

Unfortunately, Tolland, like many other smaller, primarily residential communities, is impacted by a lack of diversified revenue sources, limited growth in grand lists, the continuation of expensive unfunded mandates, and the constant uncertainty of the State fiscal situation. In addition, Tolland's financial stability will be impacted by the need to reconstruct the Birch Grove Primary School due to its crumbling foundation, which will cause an increase in debt service starting in FY 2020-21 for at least the following five fiscal years.

The summary of expenditure increases is as follows:

- Increase the Board of Education budget by 0.35% or \$141,685.
- Increase the Town budget by 1.91% or \$231,558.
 - Fuel increased by \$3,850 partially due to the increase in square footage at the garage for heating needs, as well as the increase in fuel costs.
 - The budget continues to include one free bulky waste pickup which was used by some 1,600 residents last October. Our vendor Willimantic Waste Paper (WWP) has offered to continue another one-year contract addendum due to the poor recycling market conditions. This would see Recycling disposal at \$30.90 per ton (up 3%) with all fees based on 5,200 units for an estimated total of \$45,175. Also, WWP would waive the fee (\$14,924) for the one-month free Bulky Waste pick-up. The Town would only be responsible for the Bulky Waste disposal tonnage for the one-month free Bulky Waste pick-up estimated at \$15,810. These two costs total approximately \$60,985 and would again be charged to the Solid Waste Program Capital Account.

Other increases impacting the Town budget:

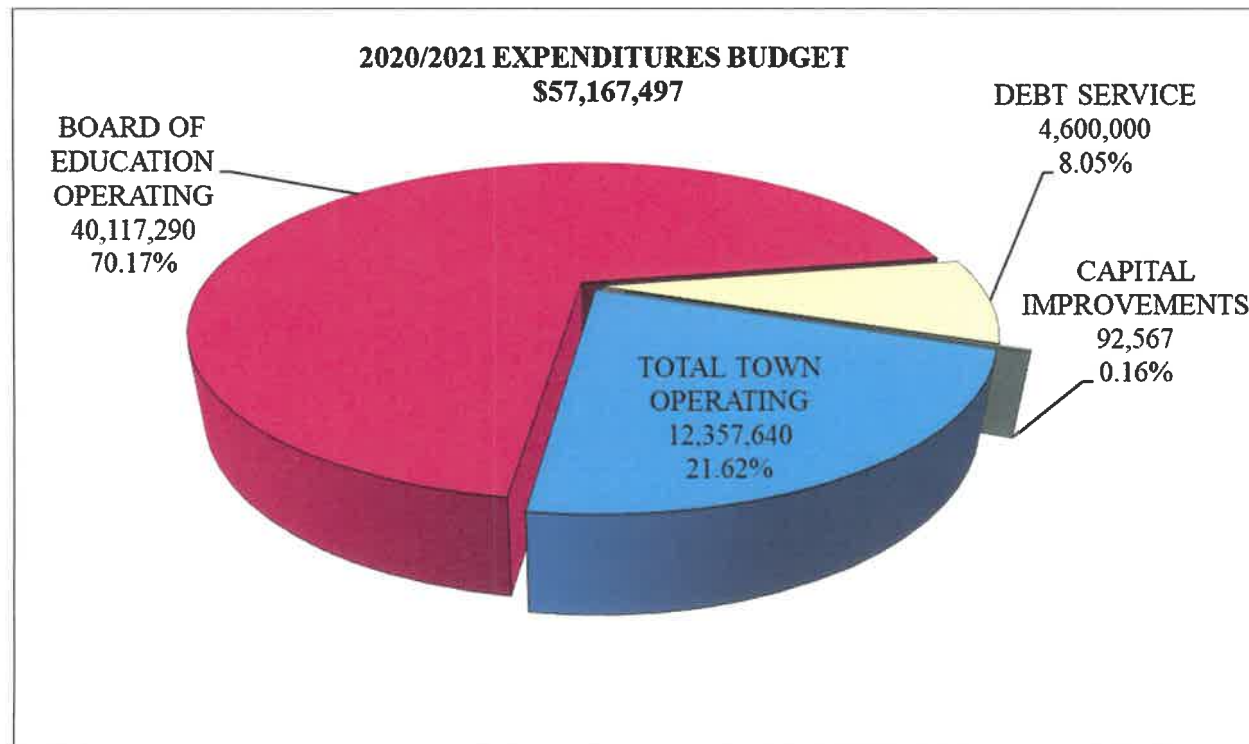
Item	Cost Increase
Salary increases (including overtime needs)	\$51,128
FICA, Medicare, Employee Deferred Contribution Plan	\$21,788
Health Insurance	\$95,361
Communications Account	\$5,297
Recreation – Phase-in of costs for utilities at the Recreation Center. These costs (\$27,000 in total) were moved to the Recreation Fund several years ago to assist the Town in reducing the General Fund budget. The Rec Fund is not growing as in the past and expenditures are needed for certain capital improvements making it difficult for the Fund to absorb these costs.	\$9,000
Other Services and Fees – Increased cost of physicals for more volunteers (\$4,100) and new radios for multi-agency communication needs (\$4,940).	\$9,040

After a trend review by our Health Insurance Consultants, along with our internal review, we have budgeted a 10.45% increase in health costs in FY 2020-21.

Our Grand List decreased by \$5,258,726, due primarily to the town-wide property revaluation process, which represents a 0.41% decrease in Tolland's taxable property value. The loss in taxes after adjustments for new construction, motor vehicle supplement, and elderly exemptions result in a loss of \$189,577 based on the FY19-20 mill rate of 36.05.

The budget which I am presenting to you retains basic services, both in the Town as well as the Board of Education, and provides for an increase in overall expenditures of 0.70%, with Town operation expenses increasing by 1.91% or \$231,558, the Board of Education increasing by 0.35% or \$141,685, Capital Improvements decreased by \$28,481, and Debt Service increased by \$50,000. The mill rate will remain unchanged at 36.05 mills. The use of Fund Balance is budgeted at \$600,000.

This budget again is impacted by the potential loss of State revenue and the modest decrease in the Grand List.



Each year as part of this budget message, the Town Manager shows the tax impact to the average low-middle-higher assessed homes. After Revaluation, the average assessment for these categories of homes was \$185,100 - \$255,530 - \$448,750. It is important when trying to determine the impact of the change in the mill rate for each individual circumstance to base it on the prior year assessed value and the mill rate for that year against the new year assessed value and the new mill rate. This will reflect the actual impact of the change in the mill rate for each individual situation.

Property Tax Impact of the Town Managers Proposed Budget for Three Average Assessments						
2014 Assessment	Market Value	Taxes at 36.05 (FY 19-20)	2019 Assessment	Market Value	Taxes at 36.05 (FY 20-21)	Difference
\$117,093	\$167,276	\$4,221	\$129,570	\$185,100	\$4,671	\$450
\$188,285	\$268,979	\$6,788	\$178,870	\$255,530	\$6,498	- \$339
\$360,369	\$514,813	\$12,991	\$314,125	\$448,750	\$11,324	- \$1,667

The Town is proud of the fact that while we have held the line on general expenditures, we continue through the efforts of dedicated staff to achieve many significant results including:

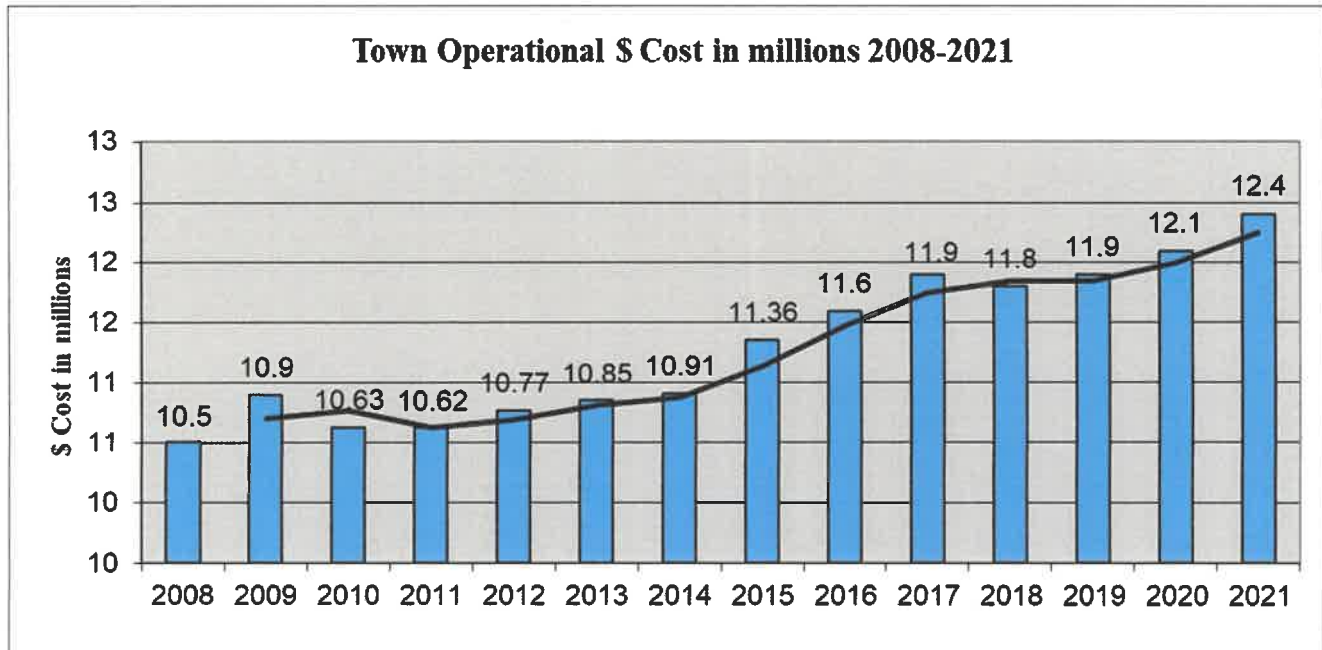
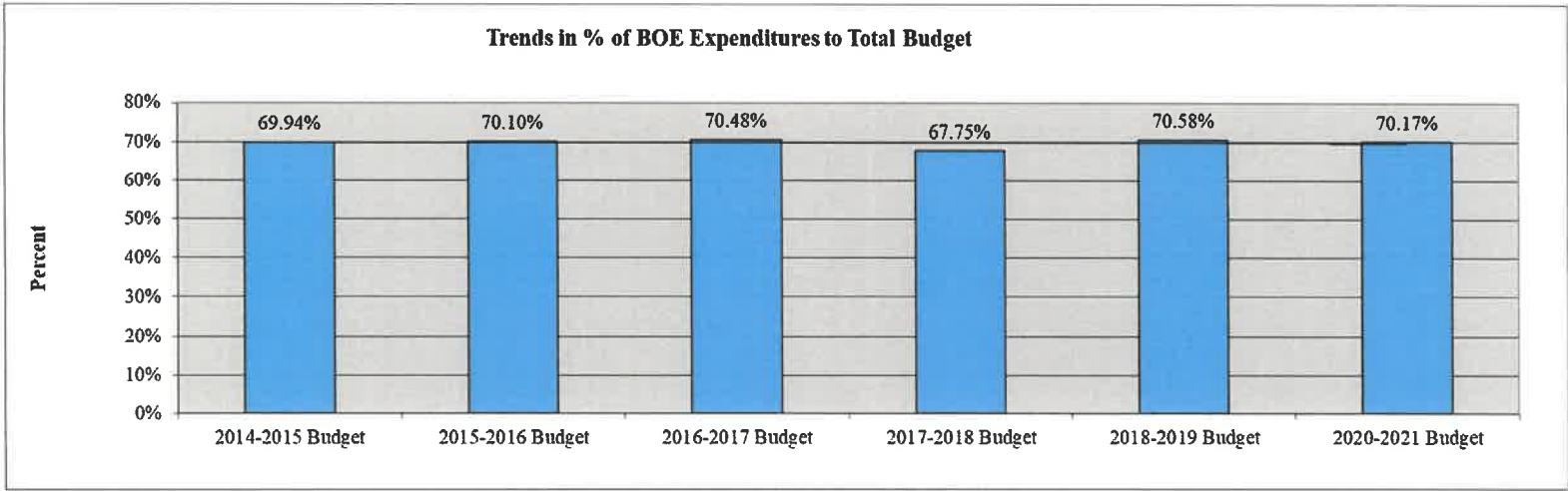
- Reaffirmed its Triple A Financial rating from Standard and Poor's and Fitch.
- Completed the construction of the expansion of the Highway Garage.
- Working with the Access Agency, completed the construction for the conversion of the former Parker School into 37 units of elderly housing funded by State Grants.
- Completion of the Tolland Green Project.

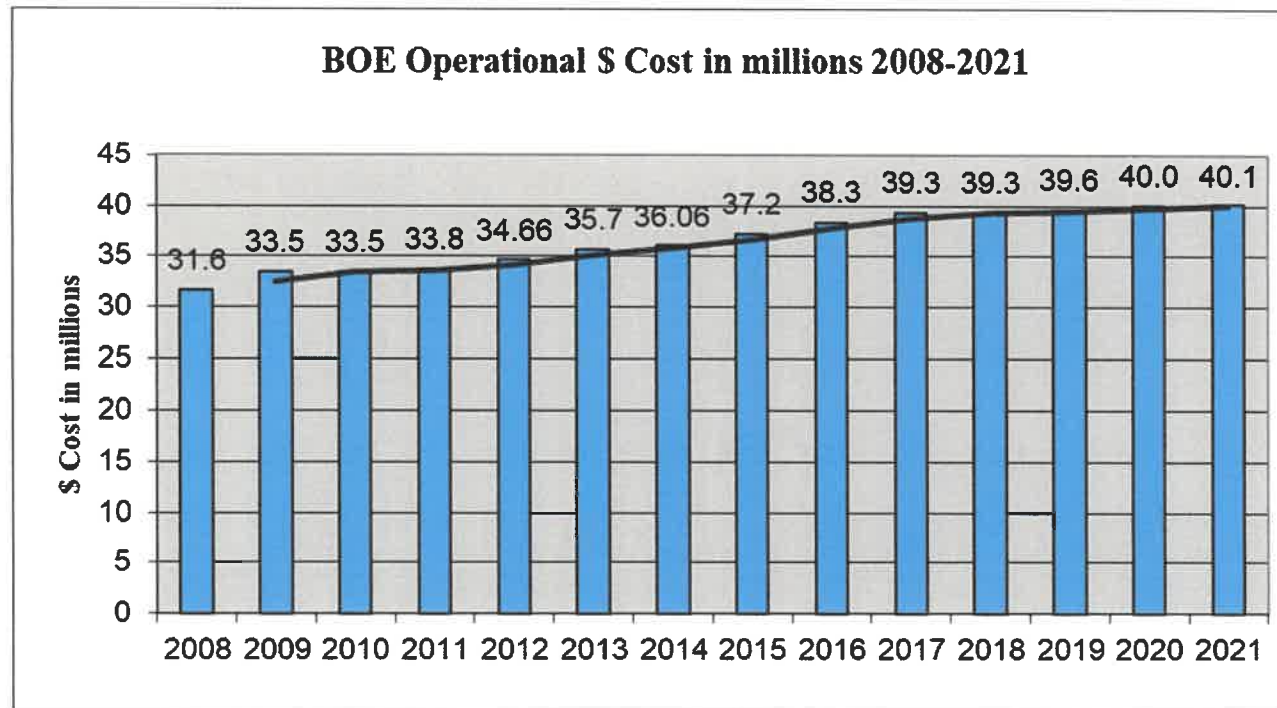
In the next fiscal year I see as major tasks:

- Continue work associated with addressing the issue of residential/commercial crumbling foundations.
- Addressing the needs of the Birch Grove Primary School construction project.
- Potential for regionalization of certain Town services, including a feasibility study of back office consolidation between the Town and Schools.
- Consider forming two or more new commissions to aid and advocate for our residents.
- Starting a review of facility needs within the Fire Department, as well as the inclusion of a new Public Safety Officer position to be advertised for an April 2021 start date. This decision is based on the growing needs of the community for trained firefighters and EMTs.

This budget proposes Town operating expenditures at \$12,357,640, which is considerably less than the statewide average for Towns with populations between 10,000-30,000, which is \$23,274,052 (State Office of Policy and Management) and \$231,558 more than current year expenditures.

It would be unrealistic to expect over the next several fiscal years any substantial growth in state aid to lessen the burden on our local taxpayers who are already overburdened by reliance on property tax as the main source to fund municipal expenses. We are closely monitoring our current year revenue projections. It should be remembered that revenues have been budgeted at reduced amounts from previous years. Pequot funds were at \$34,843 in 2017-18, and next year they will be \$0. Conveyance tax was at \$197,854 in 2018-19, and next year is projected to be \$160,000. Many State grants have been eliminated and we always risk further reductions. Other operating revenue sources have minimal changes. We are fortunate that interest rates have risen as compared to previous years, but that also can be cyclical.





The Town is fortunate to have a strong cadre of highly qualified and dedicated Town employees. Several years ago we changed the method of compensation for unaffiliated employees to one based on merit. Normally I would recommend that merit increases be within a range of 0-4.5% with an average of not more than 3%. However based on the economic realities, I am recommending an average of not more than 2.00% for all employees involved. It is important for succession purposes and for fair compensation that we ensure going forward that our ranges and salaries within ranges are competitive with the general market place.

All too often in difficult budget years there is a tendency to try and save money by deferring maintenance of facilities and equipment. The Town Council in the current year's budget demonstrated a commitment to fund capital improvements at a level necessary to ensure that the community's investment in infrastructure, facilities, and heavy equipment is maintained. Failure to continue this commitment on a yearly basis will result in deteriorating facilities, crumbling roads and bridges, and the use of heavy equipment much longer than its useful life. The recommended general fund expenditure for capital improvements is \$196,667. This amount has been reduced to \$92,567. A detailed presentation on the Capital Plan was presented to the Town Council and general public on February 13, 2020.

The Town of Tolland remains a community seen as desirous to live, work, and play. The unique charm, the recreational and cultural amenities, the preservation of open space, the sensitivity of plan design so as not to intrude on the rural village atmosphere and a strong education system are just some of the reasons people are willing to make a significant financial investment to locate to this town. Continued change in this community is inevitable, and the impact of some of the change may be that additional dollars, when available, are needed for municipal services even during difficult times. Having a vibrant, growing community remains a better position to be in than a community that is stagnant or economically depressed. We must ensure through adequate funding that we do not regress in this regard.

The input of staff has been critical to the development of this document. I wish to express thanks to Finance Director, Lisa A. Hancock, Director of Administrative Services, Mike Wilkinson, Assistant Finance Director, Christopher Jordan, Executive Assistants, Lynn Bielawiec and Kim Kowalyshyn, Senior Account Clerk, Noreen Botticello and Accountant, Laura Schwabe, who were invaluable during this process. As we proceed through the budget review process, my office as well as other Town Staff remains available to answer any questions or provide information as required regarding budget matters. For the general public's information, budget documents can be accessed on the Town's web page at www.tolland.org.

Respectfully submitted,

A handwritten signature in cursive script that reads "Michael Rosen". The ink is dark and the signature is fluid, with the first and last names being clearly legible.

Michael Rosen, Town Manager

TOWN OF TOLLAND GENERAL FUND BUDGET SUMMARY				
2018-2019 Adopted Budget	2019-2020 Adopted Budget	BUDGET APPROPRIATIONS:	2020-2021 Proposed Budget	PERCENT CHANGE FROM PRIOR BUDGET
2,937,288	2,979,678	General Government	3,120,505	
415,570	437,295	Planning and Community Development	444,028	
918,468	934,157	Community Services	971,425	
4,410,043	4,494,404	Public Works and Environmental Maintenance	4,552,430	
2,139,104	2,128,204	Public Safety Services	2,104,318	
1,095,711	1,152,344	Finance and Records	1,164,934	
11,916,184	12,126,082	TOTAL -- TOWN GOVERNMENT	12,357,640	1.91%
39,642,607	39,975,605	Board of Education Operations	40,117,290	
39,642,607	39,975,605	TOTAL -- BOARD OF EDUCATION	40,117,290	0.35%
51,558,791	52,101,687	TOTAL -- OPERATING TOWN AND BOARD OF EDUCATION	52,474,930	0.72%
4,550,000	4,550,000	Debt Service	4,600,000	1.10%
61,906	121,048	Teachers Retirement	0	
4,611,906	4,671,048	General Fund Contribution for Capital Improvements	92,567	-23.53%
		TOTAL -- CAPITAL IMPROVEMENTS AND DEBT SERVICE	4,692,567	
56,170,697	56,772,735	TOTAL TOWN APPROPRIATIONS	57,167,497	0.70%
11,141,196	10,603,705	LESS: Estimated Revenues from Non-Tax Sources	10,977,894	
690,000	300,000	LESS: General Fund Balance Applied	600,000	
44,339,501	45,869,030	AMOUNT TO BE RAISED BY CURRENT TAXES	45,589,603	
56,170,697	56,772,735	TOTAL TOWN REVENUES	57,167,497	0.70%
1,278,985,708	1,282,255,811	NET GRAND LIST REAL ESTATE, MOTOR VEHICLE AND PERSONAL PROPERTY	1,276,614,985	
7,300,000	6,500,000	LESS: Senior Tax Relief Program	6,400,000	
8,546,424	5,031,020	LESS: Corrections, and Assessment Appeals	7,759,680	
500,000	700,000	PLUS: New Construction	500,000	
16,000,000	16,800,000	PLUS: Motor Vehicle Supplement	15,500,000	
	3,000,000	LESS: Crumbling Foundation Reductions	1,059,915	
1,279,639,284	1,285,224,791	NET TAXABLE GRAND LIST	1,277,395,390	
1,266,842,891	1,272,372,543	NET ADJUSTED COLLECTIBLE GRAND LIST @ 99.0%	1,264,621,436	
35.00	36.05	MILL RATE	36.05	0.00%

THREE YEAR REVENUE AND EXPENDITURE COMPARISON

	2018-2019 Actual	2019-2020 Adopted Budget	2020-2021 Proposed Budget	\$ Change 2019/20 to 2020/21	% Change 2019/20 to 2020/2021
PROPERTY TAXES	45,048,508	46,306,504	46,064,580	(241,924)	-0.52%
STATE & FEDERAL GRANTS	222,822	517,805	517,405	(400)	-0.08%
LICENSES, PERMITS & FEES	322,380	258,500	273,500	15,000	5.80%
CHARGES FOR CURRENT SERVICES	354,971	323,940	332,940	9,000	2.78%
INVESTMENT INCOME/OTHER REVENUE	505,212	190,000	265,000	75,000	39.47%
EDUCATION GRANTS	9,770,068	8,875,986	9,114,072	238,086	2.68%
CONTRIBUTION FROM FUND BALANCE	280,000	300,000	600,000	300,000	100.00%
REVENUE TOTALS	<u>56,503,961</u>	<u>56,772,735</u>	<u>57,167,497</u>	<u>394,762</u>	<u>0.70%</u>
TOTAL TOWN OPERATING	11,661,838	12,126,082	12,357,640	231,558	1.91%
BOARD OF EDUCATION OPERATING	39,950,833	39,975,605	40,117,290	141,685	0.35%
CAPITAL IMPROVEMENTS	627,030	121,048	92,567	(28,481)	-23.53%
TEACHERS RETIREMENT	0	0	0	-	
DEBT SERVICE	4,549,565	4,550,000	4,600,000	50,000	1.10%
EXPENDITURES TOTALS	<u>56,789,266</u>	<u>56,772,735</u>	<u>57,167,497</u>	<u>394,762</u>	<u>0.70%</u>

GENERAL FUND FINANCIAL RESULTS AND ADOPTED BUDGET

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
	Actual	Actual	Actual	Estimated Actual	Proposed Budget	Projected Budget
Revenues:						
Property taxes	\$ 43,606,051	44,200,499	45,048,508	46,377,413	46,064,580	47,882,309
Intergovernmental	11,626,792	9,861,706	9,992,890	9,925,651	9,631,477	9,311,477
Charges for services, Licenses, Permits and Fees	681,566	647,046	677,351	626,498	606,440	600,000
Investment income	90,895	115,143	393,603	346,000	250,000	275,000
Other revenues	46,090	116,672	73,440		15,000	15,000
Total revenues	56,051,394	54,941,066	56,185,792	57,275,562	56,567,497	58,083,786
Expenditures:						
Current:						
General government	2,866,904	2,893,573	2,865,362	2,982,542	3,120,505	3,182,915
Planning and community development	400,984	433,219	401,292	449,576	444,028	452,909
Community services	941,530	907,175	915,399	880,452	971,425	990,854
Public works	4,413,405	4,384,733	4,389,897	4,500,043	4,537,430	4,624,012
Public safety services	1,945,099	1,682,030	2,000,511	2,013,590	2,104,318	2,150,571
Finance and records	931,217	943,671	931,755	976,441	1,000,657	1,020,670
Contingency and other	218,567	160,609	132,622	97,316	164,277	167,563
Board of Education	38,889,235	38,113,122	39,557,494	39,075,849	40,117,290	40,919,636
Debt service	4,550,091	4,557,129	4,468,517	4,504,540	4,600,000	4,750,000
Teachers Retirement					-	
Total expenditures	55,157,032	54,075,261	55,662,849	55,480,349	57,059,930	58,259,129
Excess of Revenues over Expenditures	894,362	865,805	522,943	1,795,213	(492,433)	(175,343)
Other Financing Sources (Uses) :						
Sources:						
Bond Premium						
Cancellation of prior year purchase orders	178,154	70,278	38,169			
Contribution of fund balance						
Contribution of fund balance - other fund	15,000		280,000	7,000		
Contribution of Fund Balance for Storm Fund Assigned Balance						
Uses:						
Additional appropriation bond premium						
Transfer to Capital Improvement fund from General Fund - Education	(54,578)	(54,578)	(105,000)			
Transfer to Capital Improvement fund from General Fund			(61,906)	(196,048)	(92,567)	(259,657)
Transfer to Capital Improvement fund from General Fund -Education			(460,124)			
Transfers out (General Fund to Debt Service Fund)			(81,048)	(45,460)		
Transfers out (General Fund to new Municipal Tax Stabilization Fund)				(225,000)		
Transfers out (Dog, Sewer Reserve and Other Funds)	(242,615)	(25,000)	(25,000)	(15,000)	(15,000)	(15,000)
Transfers out (Education Reserve Fund) After 3/31			(393,339)	(85,113)	(399,756)	
Net other financing (Uses) Sources	(104,039)	(9,300)	(808,248)	(559,621)	(507,323)	(274,657)
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	790,323	856,505	(285,305)	1,235,592	(999,756)	(450,000)
Fund Balance at Beginning of Year	7,363,653	8,153,976	9,010,481	8,725,176	9,960,768	8,961,012
Fund Balance, budgetary basis at End of Year	\$ 8,153,976	9,010,481	8,725,176	9,960,768	8,961,012	8,511,012
Fund Balance as a percentage of budgetary expenditures	14.70%	16.64%	15.36%	17.77%	15.59%	14.54%
Fund Balance, GAAP basis:						
Committed for Education & Other funds Use	46,580	46,580	421,522	506,635	906,391	906,391
Encumbrances included as expenditures in budgetary basis	1,754,146	1,582,231	1,541,511	1,550,000	1,550,000	1,550,000
Prior year Encumbrances	69,136	91,133	189,010	200,000	200,000	200,000
Assigned and Unassigned fund balance, GAAP basis at the End of the Year	\$ 10,023,838	\$ 10,730,425	\$ 10,877,219	\$ 12,217,403	\$ 11,617,403	\$ 11,167,404
Assigned with designation for specific purpose in future budget	(400,000)	(690,000)	(300,000)	(999,756)	(450,000)	(450,000)
Assigned for encumbrances	(1,823,282)	(1,673,364)	(1,730,521)	(1,700,000)	(1,700,000)	(1,700,000)
Restricted for use of Bond Premium for Debt Payments			(275,000)	(275,000)	(275,000)	(275,000)
Supplemental appropriation of Use of Fund Balance	(46,580)	(46,580)	(421,522)	(506,635)	(906,391)	(906,391)
Unassigned and available Fund Balance (GAAP Basis)	7,753,976	8,320,481	8,150,176	8,736,012	8,286,012	7,836,013
GAAP Basis Expenditures (Includes Excess Cost)	63,172,806	63,179,227	60,227,660	62,034,490 *	63,895,524 *	65,812,390
Unassigned Fund Balance as a percentage of GAAP expenditures	12.27%	13.17%	13.53%	14.08%	12.97%	11.91%

* Estimated GAAP Expenditures

TOWN OF TOLLAND
PERCENTAGES OF TOTAL REVENUES AND EXPENDITURES

Revaluation year

Revaluation year

<i>Revenues</i>	2014-2015 Budget	2015-2016 Budget	2016-2017 Budget	2017-2018 Budget	2018-2019 Budget	2019-2020 Budget	2020-2021 Proposed
Property Taxes	76.30	76.83	77.66	78.89	79.79	81.56	80.58
State and Federal Grants	1.18	1.15	1.56	0.91	0.36	0.91	0.91
Licenses, Permits and Fees	0.43	0.65	0.47	0.49	0.47	0.46	0.48
Charges for Current Services	0.72	0.63	0.59	0.61	0.64	0.57	0.58
Investment Interest/Other	0.12	0.11	0.10	0.13	0.16	0.33	0.46
Educational Related Grants	20.76	20.18	19.34	18.25	17.35	15.63	15.94
Use of Fund Balance	0.49	0.46	0.27	0.72	1.23	0.53	1.05
	100.00	100.00	99.99	100.01	100.0	100.0	100.00

<i>Expenditures</i>	2014/15	2015/16	2016/17	2017-2018	2018-2019	2019-2020	2020-2021
Town Operating							
General Government	5.27	5.20	5.13	5.20	5.23	5.23	5.46
Planning & Community Development	0.66	0.65	0.72	0.77	0.74	0.74	0.78
Community Services	1.56	1.69	1.66	1.63	1.63	1.63	1.70
Public Works	8.34	8.22	7.94	7.91	7.85	7.85	7.96
Public Safety	3.46	3.43	3.65	3.58	3.81	3.81	3.68
Records/Financial	1.71	1.78	1.77	1.69	1.69	1.69	1.75
Contingency/Other	0.36	0.28	0.40	0.35	0.26	0.26	0.29
Total Town Operating	21.36	21.24	21.28	21.14	21.21	21.21	21.62
Education	69.94	70.10	70.48	70.59	70.58	70.58	70.17
Debt Service	8.54	8.32	8.15	8.17	8.10	8.10	8.05
Capital Improvements	0.16	0.34	0.10	0.10	0.11	0.11	0.16
	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Mill Rate	31.05	33.36	34.19	34.48	35.00	36.05	36.05
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Grand Levy	40,444,416	41,832,151	43,257,259	43,959,145	44,787,375	46,332,354	46,050,104
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Mill Rate Increases	0.86	2.31	0.83	0.29	0.52	1.05	0.00
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	<u>2019 Grand List</u>	<u>2018 Grand List</u>
NET GRAND LIST REAL ESTATE, MOTOR VEHICLE AND PERSONAL PROPERTY	1,276,614,985	1,282,255,811
LESS: Senior Tax Relief Program	6,400,000	6,500,000
LESS: Corrections, and Assessment Appeals	8,819,595	8,031,020
PLUS: New Construction	500,000	700,000
PLUS: Motor Vehicle Supplemental	15,500,000	16,800,000
 NET TAXABLE GRAND LIST	 1,277,395,390	 1,285,224,791
NET ADJUSTED COLLECTIBLE GRAND LIST @ 99%	1,264,621,436	1,272,372,543

<u>AMOUNT TO BE RAISED BY CURRENT TAXES @ 99% COLLECTIBLE RATE</u>	=	<u>45,589,603</u>	=	0.03605	TO COLLECT
NET TAXABLE GRAND LIST @ 99% COLLECTIBLE RATE		1,264,621,436			
 <u>AMOUNT TO BE TAXED BY CURRENT TAXES @ 100%</u>	=	<u>46,050,104</u>	=	0.03605	LEVY
NET TAXABLE GRAND LIST @ 100 %		1,277,395,390			

FISCAL TREND ANALYSIS OF FUTURE TOWN BUDGETS AND MILL IMPACTS

FISCAL YEARS:	Actual 2018-2019	Adopted 2019-2020	Estimated Actual 2019-2020	Proposed 2020-2021	Estimated 2021-2022
PROPERTY TAXES	45,054,021	46,306,504	46,377,413	46,064,580	47,882,309
Current Taxes	43,870,000	45,263,390	45,178,371	45,030,828	46,832,332
Prior Year Taxes	355,000	257,474	392,563	296,977	296,977
Interest and Lien Fees	195,000	160,000	175,000	160,000	160,000
Motor Vehicle and Supplement	610,000	605,640	610,000	558,775	575,000
Suspense	3,707	1,000	1,355	1,000	1,000
Telecommunications Access Line	20,314	19,000	20,124	17,000	17,000
STATE AND FEDERAL GRANTS	222,106	517,805	518,922	517,405	517,405
State Property Pilot	0	24,569	24,569	24,569	24,569
SDE/MH & AS/DEEP Grants	23,493	22,000	23,493	23,000	23,000
Civil Defense Grant	7,425	6,000	6,000	6,000	6,000
Miscellaneous	42,900	42,000	43,000	42,000	42,000
Disability Grant	1,395	1,395	1,398	1,395	1,395
Veterans	8,458	8,300	6,921	6,900	6,900
Town Clerk Record Preservation	4,500	5,500	5,500	5,500	5,500
Municipal Projects - Road Maintenance Aid	85,064	85,064	85,064	85,064	85,064
Municipal Projects - Sales Tax	48,871	322,977	322,977	322,977	322,977
INVESTMENT INCOME	384,740	190,000	346,000	265,000	290,000
Interest Income	310,000	175,000	340,000	250,000	275,000
Other Revenues	74,740	15,000	6,000	15,000	15,000
LICENSE, PERMITS & FEES	319,190	258,500	278,522	273,500	267,060
Zoning Permit Fees	8,570	8,200	10,000	8,200	8,200
Building Permit Fees	260,000	205,000	220,000	220,000	213,560
Fines, Fees and Licenses	120	300	5,052	300	300
Pistol Permits	7,300	4,500	3,490	4,500	4,500
DMV Reporting Fees	17,300	16,000	16,800	16,000	16,000
Town Clerk Fees	17,900	17,000	17,000	17,000	17,000
Library Fees	8,000	7,500	6,180	7,500	7,500
CHARGES FOR CURRENT SERVICES	365,745	323,940	347,976	332,940	332,940
Planning and Zoning and IWWC	8,500	2,000	4,349	2,000	2,000
Rents/PILOTS	34,607	32,000	38,369	36,000	36,000
Property Conveyance Tax	165,000	160,000	180,000	165,000	165,000
Document Recording Fees	67,000	70,000	67,000	70,000	70,000
Map and Copy Sales	12,000	12,000	12,000	12,000	12,000
Town Preservation	5,000	5,000	4,600	5,000	5,000

FISCAL TREND ANALYSIS OF FUTURE TOWN BUDGETS AND MILL IMPACTS

FISCAL YEARS:	Actual 2018-2019	Adopted 2019-2020	Estimated Actual 2019-2020	Proposed 2020-2021	Estimated 2021-2022
Zoning Board of Appeals	1,834	1,800	1,048	1,800	1,800
Public Safety Services	1,600	1,000	410	1,000	1,000
Solid Waste Fees	30,000	0	0	0	0
Ambulance	39,140	39,140	39,140	39,140	39,140
Notary Fees	1,064	1,000	1,060	1,000	1,000
EDUCATION GRANTS	9,770,068	8,875,986	9,406,729	9,114,072	8,794,072
Adult Education	8,505	9,115	8,600	8,544	8,544
ECS Education Grant	9,761,563	8,866,871	9,398,129	9,105,528	8,785,528
OTHER FINANCING SOURCES	806,134	300,000	7,000	600,000	450,000
TOTAL REVENUES	56,922,004	56,772,735	57,282,562	57,167,497	58,533,786
EXPENDITURES:					
TOWN OPERATING BUDGET	12,054,742	12,126,082	12,225,073	12,357,640	12,604,493
		1.76%		1.91%	2.00%
EDUCATION OPERATING BUDGET	39,557,494	39,975,605	39,075,849	40,117,290	40,919,636
		0.84%		0.35%	2.00%
TOTAL TOWN & BOE OPERATING BUDGETS	51,612,236	52,101,687	51,300,922	52,474,930	53,524,129
PERCENTAGE CHANGE FOR OPERATIONS ONLY		1.05%		0.72%	2.00%
DEBT SERVICE	4,550,000	4,550,000	4,550,000	4,600,000	4,750,000
		0.00%		1.10%	3.26%
CAPITAL IMPROVEMENT FUND	627,030	121,048	196,048	92,567	259,657
		95.54%		-23.53%	180.51%
TOTAL EXPENDITURES	56,789,266	56,772,735	56,046,970	57,167,497	58,533,786
REQUIRED MILL RATE TO BALANCE BUDGET	35.00	36.05		36.05	37.49
PROJECTED MILL RATE INCREASE TO BALANCE BUDGETS		1.05		0.00	1.44
PROJECTED ANNUAL TAX INCREASE PERCENTAGE		3.00%		0.00%	3.99%

Assumptions:

Used Governors FY 20-21 estimate for State Revenues-trended other historical revenues
 Worked with Planning to try to estimate potential development revenues
 Debt Service is based on Debt Management Plan
 CIP Plan includes funding for Sewer Plant Improvements in future years
 Mill Rate for FY 21-22 is an example if the grand list stayed the same.

Note: This document is based upon variability in State Revenues estimated in FY 19-20 and assumptions for potential reductions in the future. The State of Connecticut Budget includes various new revenue and mandated expenditure assumptions for the future. There is much uncertainty at the State level for future years municipal funding and these amounts are subject to change. At this time we have decided not to project future years due to these uncertainties.

REVENUE

Overview

There are seven major revenue categories: Property Taxes, State and Federal Grants, Licenses, Permits and Fees, Charges for Current Services, Investment Income, Education Grants and Contribution from Fund Balance.

THREE YEARS REVENUE COMPARISON

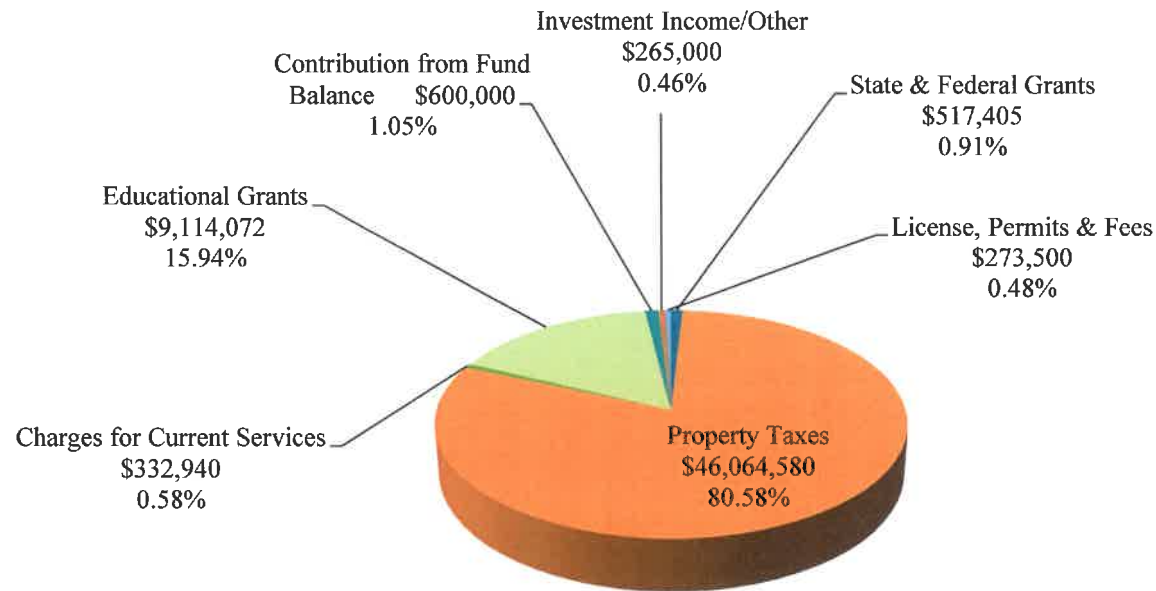
	2018-2019 Actual	2019-2020 Adopted	2020-2021 Manager	\$ Change 2019/2020 to 2020/2021 Budget	% Change 2019/2020 to 2020/2021 Budget	Percentage of total budget
PROPERTY TAXES	45,048,508	46,306,504	46,064,580	(241,924)	-0.52%	80.57%
STATE & FEDERAL GRANTS	222,822	517,805	517,405	(400)	-0.08%	0.91%
LICENSES, PERMITS & FEES	322,380	258,500	273,500	15,000	5.80%	0.48%
CHARGES FOR CURRENT SERVICES	354,971	323,940	332,940	9,000	2.78%	0.59%
INVESTMENT INCOME /OTHER	505,212	190,000	265,000	75,000	39.47%	0.46%
EDUCATION GRANTS	9,770,068	8,875,986	9,114,072	238,086	2.68%	15.94%
CONTRIBUTION FROM FUND BALANCE	280,000	300,000	600,000	300,000	100.00%	1.05%
REVENUE TOTALS	<u>56,503,961</u>	<u>56,772,735</u>	<u>57,167,497</u>	<u>394,762</u>	<u>0.70%</u>	<u>100.00%</u>

**PROJECTED DECREASES/INCREASES FOR 2020/2021
FROM NON-TAX REVENUE SOURCES**

(DECREASES)/INCREASES:

State Aid for Education		\$238,086
• ECS	238,657	
• Adult Education	(571)	
Non-Education State and Federal Grants		(400)
• Youth Services Grant	1,000	
• Veterans Grant	(1,400)	
Licenses, Permits & Fees		15,000
Charges for Current Services		9,000
Interest Income		75,000
NET REVENUE INCREASE		\$336,686

2020/2021 Revenue \$57,167,497



■ State & Federal Grants	\$517,405	■ Property Taxes	\$46,064,580
■ Charges for Current Services	\$332,940	■ Educational Grants	\$9,114,072
■ Contribution from Fund Balance	\$600,000	■ Investment Income/Other	\$265,000
■ License, Permits & Fees	\$273,500		

REVENUE SUMMARY STATEMENT								
Fiscal Year 2020-2021								
2017-2018 Actual	2018-2019 Actual	2019-2020 Adopted Budget	2019-2020 Estimated Actual	Account Code	Code Descriptions	2020-2021 Department Proposed	2020-2021 Manager Proposed	\$ Change from 2019/2020 Adopted to 2020/2021 Proposed
				110	PROPERTY TAXES			
43,129,357	43,867,500	45,263,390	45,178,371	611010	Current Taxes	45,999,094	45,030,828	(232,562)
307,096	350,478	257,474	392,563	611020	Prior Year Taxes	300,000	296,977	39,503
170,857	197,854	160,000	175,000	611030	Interest and Lien Fees	160,000	160,000	0
0	0	0	0	611039	Motor Vehicle Taxes			0
570,609	608,318	605,640	610,000	611040	Motor Vehicle Supplement	644,350	558,775	(46,865)
1,895	4,044	1,000	1,355	611050	Suspense	1,000	1,000	0
20,685	20,314	19,000	20,124	631100	Telecommunications Access	17,000	17,000	(2,000)
44,200,499	45,048,508	46,306,504	46,377,413		Subtotal -- Property Taxes	47,121,444	46,064,580	-241,924
				120	STATE AND FEDERAL GRANTS			
0	0	0	0	621020	Elderly Circuit Breaker	0	0	0
1,396	1,395	1,395	1,398	621160	Disability Grant	1,395	1,395	0
0	0	24,569	24,569	621050	PILOT: State Owned Property	24,569	24,569	0
3,874	0	0	0	621060	Interest Subsidy	0	0	0
257,695	0	0	0	621070	Bond Subsidy	0	0	0
23,008	23,493	22,000	23,493	621100	Youth Services Grants	23,000	23,000	1,000
9,893	7,424	6,000	6,000	621130	Civil Defense Grant	6,000	6,000	0
34,843	0	0	0	621140	Pequot-Mohegan Grant	0	0	0
43,384	43,617	42,000	43,000	621150	Miscellaneous	42,000	42,000	0
8,748	8,458	8,300	6,921	621170	Veterans	6,900	6,900	(1,400)
4,000	4,500	5,500	5,500	621190	Town Clerk Preservation Grant	5,500	5,500	0
85,064	85,064	85,064	85,064	621200	MRSA: Municipal Road Maintenance	85,064	85,064	0
48,871	48,871	322,977	322,977	621201	MRSA: Sales Tax Funds	322,977	322,977	0
520,776	222,822	517,805	518,922		Subtotal -- State & Federal Grants	517,405	517,405	(400)

REVENUE SUMMARY STATEMENT								
Fiscal Year 2020-2021								
2017-2018 Actual	2018-2019 Actual	2019-2020 Adopted Budget	2019-2020 Estimated Actual	Account Code	Code Descriptions	2020-2021 Department Proposed	2020-2021 Manager Proposed	\$ Change from 2019/2020 Adopted to 2020/2021 Proposed
				130	LICENSES, PERMITS AND FEES			
213,525	261,886	205,000	220,000	631020	Building Permit Fees	220,000	220,000	15,000
8,820	9,195	8,200	10,000	631030	Zoning Permit Fees	8,200	8,200	0
472	116	300	5,052	631040	Fines, Fees and Licenses	300	300	0
4,550	6,920	4,500	3,490	631050	Pistol Permits	4,500	4,500	0
18,919	18,899	17,000	17,000	631070	Town Clerk Fees	17,000	17,000	0
8,889	8,050	7,500	6,180	631080	Library Fees	7,500	7,500	0
16,326	17,314	16,000	16,800	631095	DMV Reporting Fee	16,000	16,000	0
271,501	322,380	258,500	278,522		Subtotal -- Licenses, Permits & Fees	273,500	273,500	15,000
				140	CHARGES FOR CURRENT SERVICES			
4,445	8,788	2,000	4,349	641010	Planning and Zoning and IWWC	2,000	2,000	0
34,130	34,607	32,000	38,369	641020	Rents/PILOTs	36,000	36,000	4,000
167,944	160,709	160,000	180,000	641030	Property Conveyance Tax	165,000	165,000	5,000
67,106	61,734	70,000	67,000	641040	Document Recording Fees	70,000	70,000	0
12,490	12,315	12,000	12,000	641050	Map and Copy Sales	12,000	12,000	0
5,133	4,644	5,000	4,600	641055	Town Preservation	5,000	5,000	0
3,082	1,834	1,800	1,048	641060	Zoning Board of Appeals	1,800	1,800	0
874	1,649	1,000	410	641070	Public Safety Services	1,000	1,000	0
40,271	28,477	0	0	641080	Solid Waste Fees / Bulky Waste Fees	0	0	0
39,140	39,140	39,140	39,140	641090	Ambulance	39,140	39,140	0
0	0	0		641095	Tuition	0	0	0
930	1,074	1,000	1,060	641051	Notary Fees	1,000	1,000	0
375,545	354,971	323,940	347,976		Subtotal -- Charges for Current Services	332,940	332,940	9,000

REVENUE SUMMARY STATEMENT								
Fiscal Year 2020-2021								
2017-2018 Actual	2018-2019 Actual	2019-2020 Adopted Budget	2019-2020 Estimated Actual	Account Code	Code Descriptions	2020-2021 Department Proposed	2020-2021 Manager Proposed	\$ Change from 2019/2020 Adopted to 2020/2021 Proposed
				150	INVESTMENT INCOME AND OTHER			
115,143	393,603	175,000	340,000	651010	Interest Income	325,000	250,000	75,000
116,672	73,440	15,000	1,000	651030	Other Revenues	15,000	15,000	0
			5,000	680060	Athletic Turf Funds			
70,278	38,169				Education and Town closed encumbrances			
302,093	505,212	190,000	346,000		Subtotal -- Investment Income	340,000	265,000	75,000
				160	EDUCATION GRANTS			
8,627	8,505	9,115	8,600	661030	Adult Education Grant	9,115	8,544	(571)
9,332,303	9,761,563	8,866,871	9,398,129	661040	ECS Education Grant	9,134,840	9,105,528	238,657
				661070	Other Grants			0
9,340,930	9,770,068	8,875,986	9,406,729		Subtotal -- Education Grants	9,143,955	9,114,072	238,086
				170	CONTRIBUTION FROM FUND BALANCE			
	280,000	300,000	7,000	671010	Contribution from Fund Balance and other Funds	300,000	600,000	300,000
0	280,000	300,000	7,000		Subtotal -- Contribution from Fund Balance	300,000	600,000	300,000
55,011,344	56,503,961	56,772,735	57,282,562	FY 2020-2021 REVENUE TOTALS		58,029,244	57,167,497	394,762

EXPENDITURES

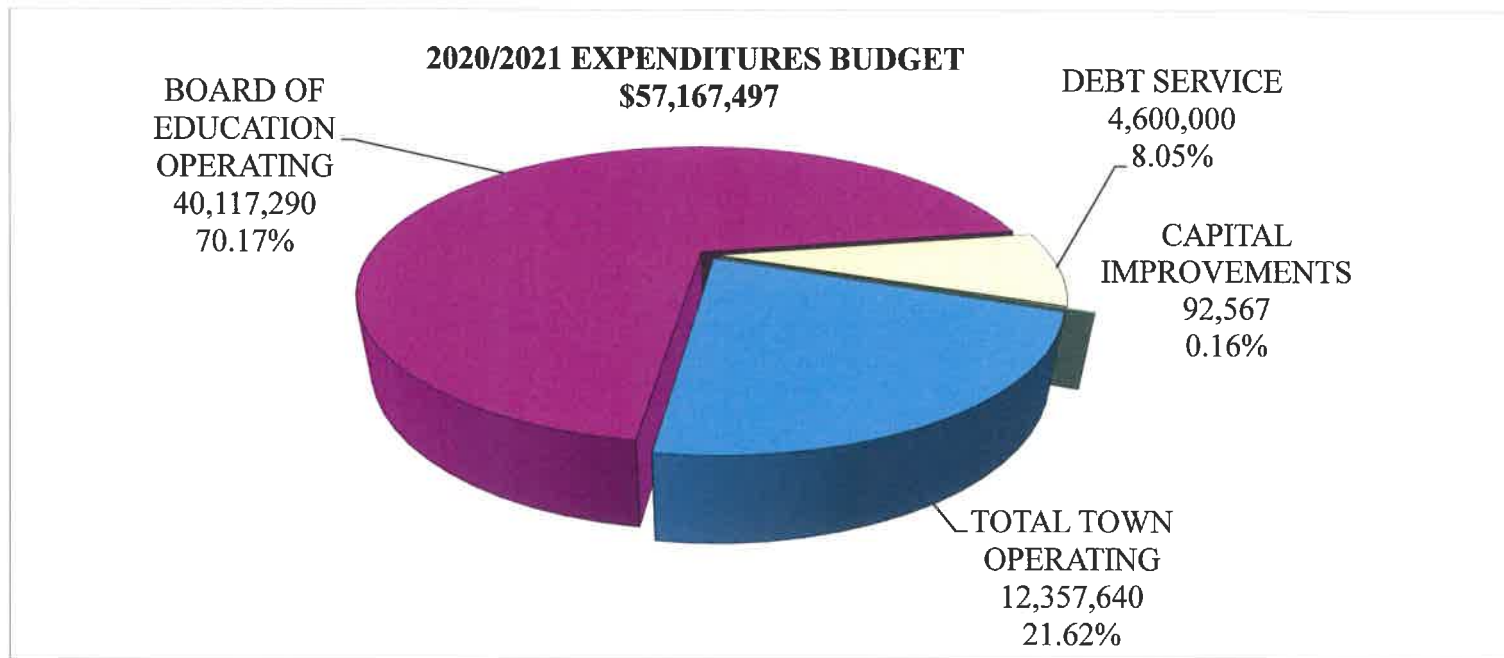
Overview

There are four major expenditure categories budgeted for FY 2020-21: Town Operating, Board of Education Operating, Debt Service, and Capital Improvements.

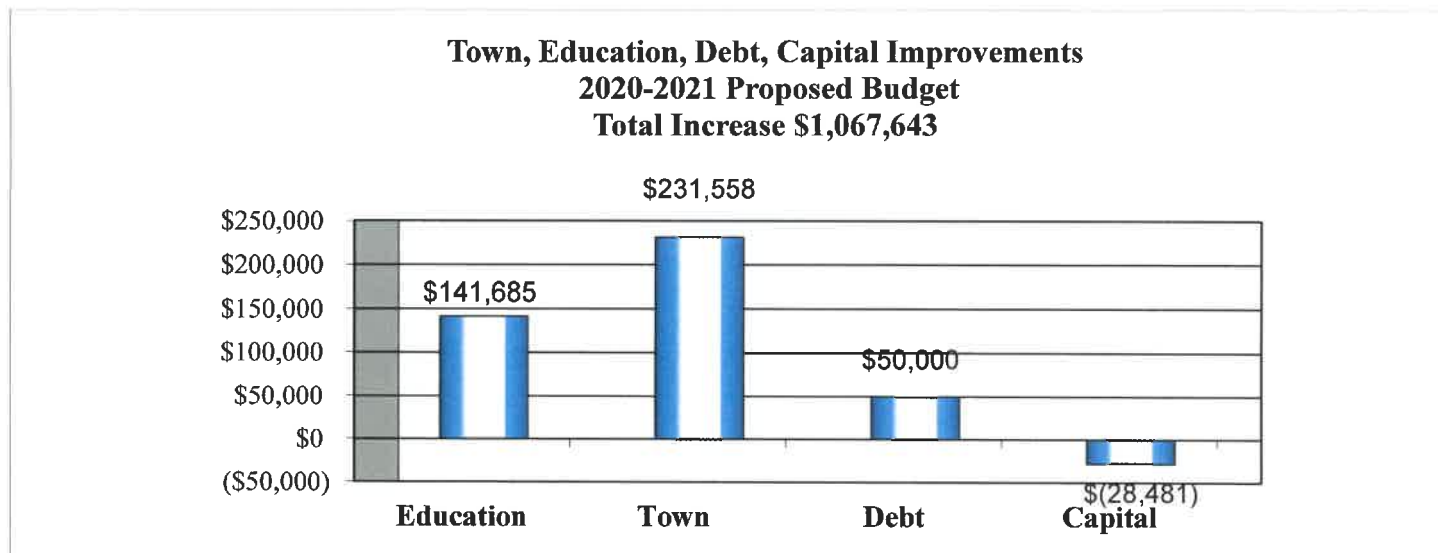
COMPARISON THREE YEARS EXPENDITURES

	2017-2018 Actual	2018-2019 Actual	2019-2020 Adopted Budget	2020-2021 Manager Budget	\$ Change 2019/20 to 2020/2021	% Change 2019/2020 to 2020/2021	Percentage of Total Budget
TOWN OPERATING							
General Government	2,893,573	2,865,362	2,979,678	3,120,505	140,827	4.73%	5.46%
Planning and Community Development	433,219	401,292	437,295	444,028	6,733	1.54%	0.78%
Community Services	907,175	915,399	934,157	971,425	37,268	3.99%	1.70%
Public Works	4,399,733	4,404,897	4,494,404	4,552,430	58,026	1.29%	7.96%
Public Safety Services	1,692,030	2,010,511	2,128,204	2,104,318	(23,886)	-1.12%	3.68%
Finance and Records	943,671	931,755	966,640	1,000,657	34,017	3.52%	1.75%
Contingency	160,609	132,622	185,704	164,277	(21,427)	-11.54%	0.29%
TOTAL TOWN OPERATING	11,430,010	11,661,838	12,126,082	12,357,640	231,558	1.91%	21.62%
BOARD OF EDUCATION OPERATING	38,113,122	39,950,833	39,975,605	40,117,290	141,685	0.35%	70.17%
DEBT SERVICE	4,557,129	4,549,565	4,550,000	4,600,000	50,000	1.10%	8.05%
BOE TEACHERS' RETIREMENT CONTRIBUTION	0	0	0	0	-	0.00%	0.00%
CAPITAL IMPROVEMENTS	54,578	627,030	121,048	92,567	(28,481)	-23.53%	0.16%
EXPENDITURES TOTALS	54,154,839	56,789,266	56,772,735	57,167,497	394,762	0.70%	100.00%

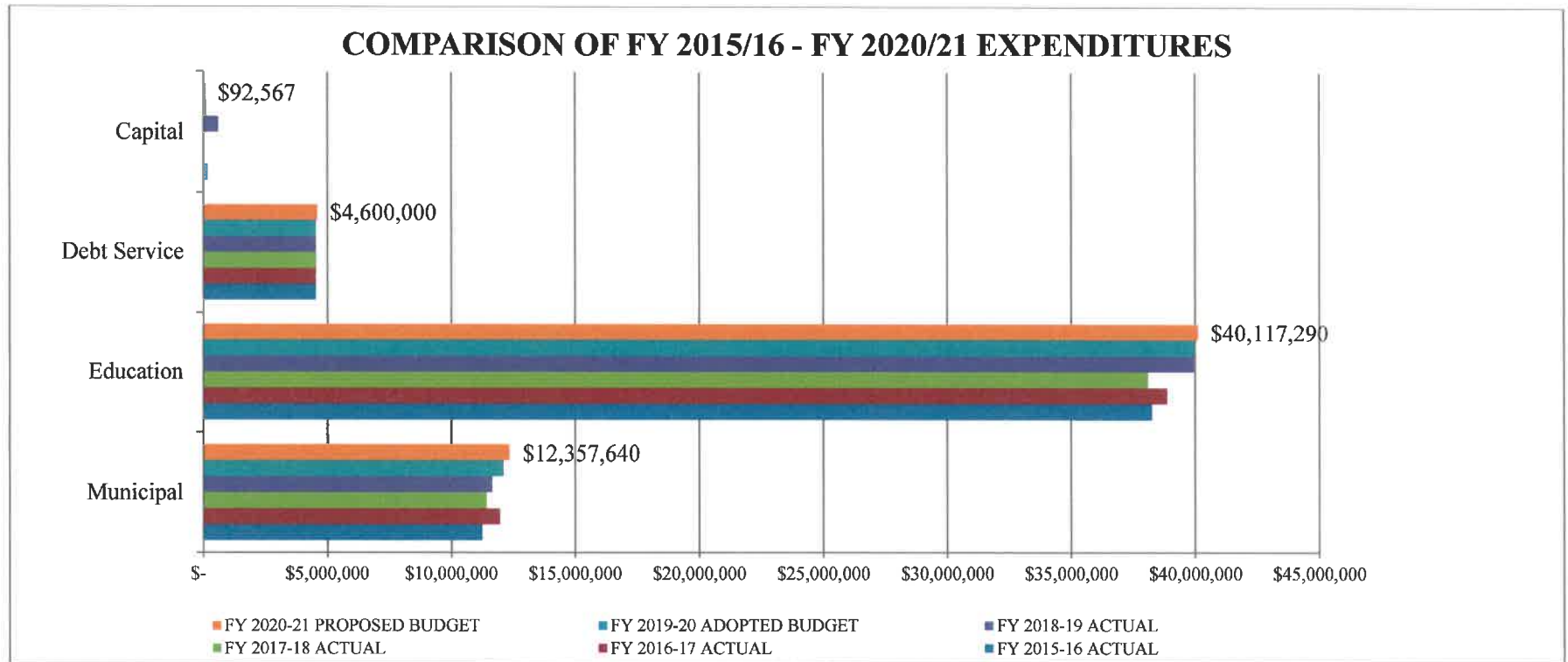
The chart below represents Tolland's four major expenditure components of the budget.



The graph below represents current budget increases by major expenditure categories.



The chart below illustrates the appropriations made to each of these areas throughout the past six years.



EXPENDITURE SUMMARY STATEMENTS								
Fiscal Year 2020-2021								
2017-2018 Actual	2018-2019 Actual	2019-2020 Adopted Budget	2019-2020 Estimated Actual	Account Code	Descriptions	2020-2021 Department Request	2020-2021 Manager Proposed	\$ Change 2019/2020 Adopted Budget to 2020/2021 Manager
GENERAL GOVERNMENT								
34,837	38,978	37,329	37,587	100-00	Town Council	37,734	37,734	405
216,202	178,112	224,303	234,809	110-00	Town Manager	229,848	228,948	4,645
20,981	5,256	6,001	6,001	120-00	Economic Development Commission	6,001	6,001	0
2,048,870	2,087,956	2,161,887	2,124,356	130-00	Human Resources and Benefits Administration	2,298,427	2,270,833	108,946
58,672	43,891	60,148	60,023	140-00	Miscellaneous Support Services	56,025	56,025	(4,123)
171,599	176,963	172,122	172,122	140-10	Information Technology and Telecommunications	197,591	197,591	25,469
239,797	230,319	239,643	243,412	150-00	Insurance	232,491	232,491	(7,152)
90,974	92,163	66,000	94,072	160-00	Legal Services	76,000	76,000	10,000
11,641	11,724	12,245	10,160	170-00	Probate Services	14,882	14,882	2,637
2,893,573	2,865,362	2,979,678	2,982,542		Subtotal -- General Government	3,148,999	3,120,505	140,827
PLANNING AND COMMUNITY DEVELOPMENT								
119,804	119,673	126,310	147,528	200-00	Building Inspection Services	131,827	131,827	5,517
3,599	1,856	3,500	3,140	210-00	Zoning Board of Appeals	3,500	3,500	0
78,625	78,540	79,790	79,794	230-00	Public Health Services	83,314	83,314	3,524
202,685	189,891	199,715	191,599	240-00	Planning and Zoning Services	204,972	204,972	5,257
3,094	3,436	3,685	3,575	250-00	Inland Wetlands Commission	3,660	3,660	(25)
24,492	5,742	20,560	20,505	260-00	Planning and Zoning Commission	20,670	13,170	(7,390)
720	2,030	2,235	2,135	270-00	Conservation Commission	2,985	2,985	750
200	124	1,500	1,300	280-00	Agricultural Commission	600	600	(900)
433,219	401,292	437,295	449,576		Subtotal -- Planning and Community Development	451,528	444,028	6,733

EXPENDITURE SUMMARY STATEMENTS								
Fiscal Year 2020-2021								
2017-2018 Actual	2018-2019 Actual	2019-2020 Adopted Budget	2019-2020 Estimated Actual	Account Code	Descriptions	2020-2021 Department Request	2020-2021 Manager Proposed	\$ Change 2019/2020 Adopted Budget to 2020/2021 Manager
COMMUNITY SERVICES								
58,172	59,010	58,881	60,274	310-00	Senior Center Services	61,045	61,045	2,164
330,260	334,634	343,694	346,880	320-00	Human Services	355,981	355,981	12,287
418,602	419,591	417,417	356,789	400-00	Library Services	429,551	429,551	12,134
100,141	102,164	114,165	116,509	500-00	Recreation and Adult Education	124,848	124,848	10,683
907,175	915,399	934,157	880,452		Subtotal -- Community Services	971,425	971,425	37,268
PUBLIC WORKS								
25,153	10,946	96,836	95,971	600-00	Engineering Services	76,600	76,600	(20,236)
1,317,371	1,432,375	1,417,837	1,434,801	610	Parks and Facilities	1,456,636	1,451,863	34,026
978,554	951,098	948,721	957,624	630-67	Refuse and Recycling Services	972,181	972,181	23,460
15,000	15,000	15,000	15,000	640-67	Sewage Disposal	15,000	15,000	0
2,063,655	1,995,478	2,016,010	2,011,647	650	Streets and Roads	2,047,536	2,036,786	20,776
4,399,733	4,404,897	4,494,404	4,515,043		Subtotal -- Public Works	4,567,953	4,552,430	58,026
PUBLIC SAFETY SERVICES								
88,034	93,115	96,686	96,686	700-00	Water Supply	110,187	110,187	13,501
351,231	361,853	385,859	370,013	710-00	Ambulance Services	450,385	399,912	14,053
59,829	57,500	59,794	59,794	720-00	Animal Control Services	75,384	74,134	14,340
14,189	14,650	16,347	16,347	730-00	Emergency Preparedness	15,347	14,347	(2,000)
74,297	74,016	82,145	82,330	740-00	Fire Prevention	89,610	89,610	7,465
645,902	655,951	647,941	666,660	750-00	Fire Suppression	735,336	670,888	22,947
4,917	1,998	3,250	3,250	755-00	Certified Emergency Response Team	3,250	3,250	0
453,631	751,428	836,182	718,510	760-00	Law Enforcement	744,835	741,990	(94,192)
1,692,030	2,010,511	2,128,204	2,013,590		Subtotal -- Public Safety Services	2,224,334	2,104,318	(23,886)

EXPENDITURE SUMMARY STATEMENTS								
Fiscal Year 2020-2021								
2017-2018 Actual	2018-2019 Actual	2019-2020 Adopted Budget	2019-2020 Estimated Actual	Account Code	Descriptions	2020-2021 Department Request	2020-2021 Manager Proposed	\$ Change 2019/2020 Adopted Budget to 2020/2021 Manager
FINANCE AND RECORDS								
337,924	332,241	347,298	354,015	810-00	Accounting Services	357,464	357,464	10,166
221,996	218,713	222,937	227,713	820-00	Assessment Services	239,698	239,198	16,261
317	109	590	321	830-00	Board of Assessment Appeals	600	600	10
25,250	25,250	25,250	25,250	850-00	Independent Audit	33,000	27,450	2,200
52,559	54,967	58,724	56,132	860-00	Registrar of Voters	61,290	58,090	(634)
157,989	154,901	164,102	164,816	870-00	Revenue Services	168,216	166,594	2,492
147,636	145,574	147,739	148,194	880-00	Town Clerk	151,261	151,261	3,522
160,609	132,622	185,704	97,316	890-00	Contingency	144,485	164,277	(21,427)
1,104,280	1,064,377	1,152,344	1,073,757		Subtotal -- Finance and Records	1,156,014	1,164,934	12,590
11,430,010	11,661,838	12,126,082	11,914,960		Subtotal--Town Government	12,520,253	12,357,640	231,558
BOARD OF EDUCATION								
38,113,122	39,557,494	39,975,605	39,075,849	900-00	Board of Education	40,722,324	40,117,290	141,685
38,113,122	39,557,494	39,975,605	39,075,849		Subtotal -- Board of Education	40,722,324	40,117,290	141,685
DEBT SERVICE								
4,557,129	4,549,565	4,550,000	4,550,000	840-00	Debt Service	4,600,000	4,600,000	50,000
4,557,129	4,549,565	4,550,000	4,550,000		Subtotal -- Debt Service	4,600,000	4,600,000	50,000
BOE TEACHERS' RETIREMENT CONTRIBUTION								
0	0	0	0	845-00	BOE Teachers' Retirement Contribution	0	0	0
0	0	0	0		Subtotal -- BOE Teachers' Retirement Contribution	0	0	0
CAPITAL IMPROVEMENTS								
54,578	627,030	121,048	196,048	910-00	Capital Improvements	186,667	92,567	(28,481)
54,578	627,030	121,048	196,048		Subtotal -- Capital Improvements	186,667	92,567	(28,481)
TRANSFERS OUT								
	393,339		310,113		BG School and Stabilization Fund and Education Reserve			
54,154,839	56,789,266	56,772,735	56,046,970		FY 2020-2021 EXPENDITURE TOTALS	58,029,244	57,167,497	394,762

Fund Balance

Fund Balance is a measure of the Town's capacity to withstand financial emergencies or to undertake unforeseen but necessary projects. Rating agencies place special emphasis on fund balance when assigning bond ratings to municipalities and view adequate fund balance as an indication of sound financial management. The **fund balance at the end of a fiscal year** can be derived by subtracting current total Expenditures and Transfers Out from current total Revenues and Transfers In, and adding that difference to the fund balance present at the beginning of the fiscal year.

$$\begin{array}{rcl} & \text{Fund Balance at the Beginning of a Fiscal Year} & \\ \text{Minus} & & (\text{Expenditures} + \text{Transfers Out}) \\ \text{Plus} & & \underline{\text{Revenues} + \text{Transfers In}} \\ & \text{Fund Balance at the End of a Fiscal Year} & \end{array}$$

Before GASB 54, the equity of the fund was defined as “fund balance” and was classified in the following categories:

- **Reserved:** A portion of fund balance such as encumbrances, contracts and commitments is reserved and will not be available for appropriation.
- **Designated:** Represents tentative management plans that are subject to change.
- **Unreserved:** Serves as measure of current available financial resources and represents the Town's savings, collected from unexpended appropriations over previous fiscal years.

Under GASB 54, requirements a fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Non-Spendable fund balance** — amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund)
- **Restricted fund balance** — amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions, or by enabling legislation

Unrestricted fund balance consists of:

- **Committed fund balance** — amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint
- **Assigned fund balance** — amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority
- **Unassigned fund balance** — amounts that are available for any purpose; these amounts are reported only in the general fund.

It is the Town of Tolland's policy to maintain a level of fund balance ranging from 10% to 17% of its General Fund operating budget including Non-spendable, Restricted and Unrestricted funds. The Unassigned fund balance for the General Fund at June 30, 2019 was \$8,150,176 or 13.5% of GAAP expenditures. The Town, only in accordance with the Town Charter and the Fund Balance Reserve Policy, may use fund balance.

ANALYSIS OF GENERAL FUND BALANCE OF 2020/2021
GENERAL FUND FINANCIAL RESULTS AND ADOPTED BUDGET (Excludes potential funding for Fire Truck in FY 19-20)

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
	Actual	Actual	Actual	Actual	Actual	Estimated Actual	Estimated Budget	Estimated Budget
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-209,456	260,419	790,323	856,505	-285,305	1,235,592	-999,756	-450,000
Fund Balance at Beginning of Year	7,312,690	7,103,234	7,363,653	8,153,976	9,010,481	8,725,176	9,960,768	8,961,012
Fund Balance, budgetary basis at End of Year	7,103,234	7,363,653	8,153,976	9,010,481	8,725,176	9,960,768	8,961,012	8,511,012
Fund Balance as a percentage of budgetary expenditures	13.35%	13.56%	14.70%	16.64%	15.36%	17.80%	15.57%	0
Fund Balance, GAAP basis:								
Committed for Education & Other funds Use	75,249	63,813	46,580	46,580	421,522	506,635	906,391	906,391
Encumbrances included as expenditures in budgetary basis	1,113,237	1,291,606	1,754,146	1,582,231	1,541,511	1,550,000	1,550,000	1,550,000
Prior year Encumbrances	174,500	223,367	69,136	91,133	189,010	200,000	200,000	200,000
Assigned and Unassigned fund balance, GAAP basis at the End of the Year	8,466,220	8,942,439	10,023,838	10,730,425	10,877,219	12,217,403	11,617,403	11,167,403
Assigned with designation for specific purpose in future budget	-250,000	-150,000	-400,000	-690,000	-300,000	-999,756	-450,000	-450,000
Assigned for encumbrances	-1,287,737	-1,614,973	-1,823,282	-1,673,364	-1,730,521	-1,700,000	-1,700,000	-1,700,000
Restricted for use of Bond Premium for Debt Payments					-275,000	-275,000	-275,000	-275,000
Committed for Education Reserve Fund	-75,249	-63,813	-46,580	-46,580	-421,522	-506,635	-906,391	-906,391
Unassigned and available Fund Balance (GAAP Basis)	6,853,234	7,113,653	7,753,976	8,320,481	8,150,176	8,736,012	8,286,012	7,836,012
GAAP Basis Expenditures (Includes Excess Cost)	57,685,731	59,387,889	63,172,806	63,179,227	60,227,660	62,034,490	63,895,524	65,812,390
Unassigned Fund Balance as a percentage of GAAP expenditures	11.88%	11.98%	12.27%	13.17%	13.53%	14.08%	12.97%	11.91%
* Estimated GAAP Expenditures for FY 19-20 & Following years								

Fund Structure, Basis of Accounting & Measurement Focus

The General Fund is the Town of Tolland's sole fund with a legally adopted annual budget and uses the "modified accrual" basis of accounting for both budgeting and reporting.

Governmental funds are used to account for some of a government's tax-supported activities but also special revenues and capital projects funding. They all share a common measurement focus and basis of accounting. Proprietary funds are used to account for a government's business type activities and therefore share a common measurement focus and basis of accounting with private-sector business enterprises. Fiduciary funds are those funds used to report assets held in a trust or agency capacity for others and therefore cannot be used to support the government's own programs. The town's main operating fund, the general fund, is always reported as **major**. Other funds would be classified as major if the following two conditions are met:

1. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 10 % of the corresponding total of all funds of that category.
2. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the total for all governmental and enterprise funds combined.



TOWN of TOLLAND

Lisa A. Hancock
Director, Finance and Records

May 18, 2020

To: Tolland Town Council and Michael Rosen, Town Manager
FR: Lisa A. Hancock, Director of Finance & Records
RE: Financial overview for fiscal period ending May 12, 2020 & Comparative Data for March 31, 2020 vs. March 31, 2019

Attached please find the summary for revenues and expenditures as of May 12, 2020 with estimates for year-end at June 30, 2020. Please understand that these are the best estimates at this time and **are highly subject to change**.

Financial Highlights

Revenue

- **Property tax revenue** – We still need to collect \$175,020 to meet our budget. I estimate that we will fall short for the current levy budget by \$85,019. The impact on this number is due to the Tax Office not being able to perform the normal delinquent collection process with the Marshal due to the COVID-19 restraints. It will all depend on any additional changes for certificates of correction to the grand list in the upcoming month and any additional collections through June 30. Currently I am estimating that we receive additional revenue for Motor Vehicle Supplemental of about \$4,360 depending on the number of certificates of correction that are issued through the end of the fiscal year. In addition to this, please note that we had made an adjustment to the revenue budget for Motor Vehicle Supplemental to reduce the budget by \$268,966 in order to create the balanced budget to change the ECS revenue budget. The total estimated Motor Vehicle Supplemental is estimated to be an excess of \$273,326. This will make the account look like we collected that much more revenue than the budget estimate. It is not to be considered as over-taxation. This is how any additional funds will flow through to fund balance at year end. I am estimating that prior year delinquent collections to exceed the budget by \$135,089 but this will all depend on the final adjusting entries required at year end pursuant to Generally Accepted Accounting Rules (GAAP) requirements. This account currently appears to be more than the budget however there will be adjusting entries at year-end that will change that number. Interest and fees are estimated to be \$15,000 in excess of the budget.

- **Intergovernmental revenue** – This category is trending close to our budget expectations. We are still waiting to collect \$103,404 in this category. A majority of this amount is for \$85,064 for the municipal projects funding that is to be paid by the end of the year. We have not been advised that it will be eliminated. Last year the grant payment was also delayed until the end of June. In addition, Education revenues are estimated to fall short by \$38,223. This is mainly due to a prior year adjustment to the ECS grant for final numbers calculated for the annual education expenditure reports to the State.
- **Licenses, permits & fees** are estimated to be about \$20,022 more than the budget mainly due to an increased amount of building permits being issued. We had additional permits for some major projects including the Storage Facility, Business Park activity, Parker Place and the Apartments on Route 195. \$12,226 of the budget remains to be collected.
- **Charges for current services** – are estimated to exceed the budget by \$24,036. There are some minor revenue shortfall estimates in document recording fees that will be offset with some additional revenues for property conveyance fees. We have exceeded the budget by \$11,246 so far.

Ambulance fees in excess of \$39,140 are transferred to the capital improvements fund at year-end to fund the cost to replace ambulances in the future. The overall revenue in the actuals shown in this category General Fund should be considered \$213,773 less than what is included in the total because these transfers are not made until year end. Please keep that in mind when referring to the actual revenue numbers shown in the summary.

- **Investment and other miscellaneous income** is estimated to exceed the budget by \$156,000 due to a higher increase in investment earnings rates and an estimate of \$5,000 for Sport team donations. We did increase our budget estimate conservatively due to trends in higher interest rates but had been advised that rates were going to drop. We never anticipated that rates would continue to exceed 2%. We have currently collected \$96,252 in excess of the budget for investment earnings. It will all depend on the amount of cash that is idle to be invested as well as the rates that we can invest it at. We also negotiated a new banking product with our bank that is providing additional interest on idle funds. This has also contributed to the additional revenue. These amounts certainly can change. For our FY 20/21 budget we will significantly increase the budget estimate for this category with the assumption that higher rates will remain level based on the economy.
- **Transfers in from other funds** includes a contribution of \$7,000 from the Athletic Turf Fund towards the Athletic Turf Field debt. As funds accumulate from revenues received for the use of the field and the associated operating expenses are covered within this fund more revenue will be transferred to the General Fund.

Expenditures

- **Administrative** is currently being estimated to have savings of \$10,851. Although there were some savings in employee FICA/Pension costs those funds were required to cover other insurance costs and legal fees.
- **Planning & Community Development** is estimated to have savings of \$11,555. A majority of this savings is attributed to a delay in the hiring process for the replacement of the Assistant Town Planner.
- **Human Services** is estimated to have a savings of \$8,549 mainly due to the delay in the hiring process for the replacement of the Human Services Administrative Secretary and unexpended Visiting Nurse Services due to COVID restrictions.
- **Library** is estimated to be \$60,628 less than the budget due to the impact of employee attrition.
- **Public Works** is estimated to have an excess of \$204. Savings would have been about \$22,000 higher however those funds will be used to finance capital projects that would have been done next year in the CIP plan. Refuse and Recycling is estimated to fall short by about \$10,000. It is anticipated to fund that with Contingency funds.
- **Public Safety** is estimated to have a savings of \$109,543 with about \$105,000 of this amount for savings in the Resident State Trooper contract. The State reduced the amount of the fringe benefit cost applicable to the contract and we also had a retirement of a trooper who was replaced with a lesser paid trooper.
- **Contingency** is estimated to meet budget. We did have several of unanticipated costs for a Public Works Snow Plow truck major engine repair and also for an OSHA required payment. In addition, there were also needs to pay for fire truck repairs. Funds were used out of contingency to pay for those needs. We have set aside funds to cover the shortfall in the Refuse and Recycling budget.
- **Board of Education** – pursuant to a recent presentation done by the Superintendent of Schools we are estimating that the BOE will turn back \$899,756. \$500,000 of this amount will flow to fund balance and the balance of \$399,756 is anticipated to be requested by the BOE for their Education Reserve Fund next year. The savings are a result of COVID related reductions from my understanding.
- **Other Financing Uses – Transfer to Capital Fund and Municipal Tax Stabilization fund** – Earlier in the fiscal year Town Council voted to move an additional \$75,000 to the Capital fund for Board of Education funding needs due to some of the Birch Grove project not being funded by State Grants and also established a Municipal Tax Stabilization fund in order to set aside State grant revenues that exceed the budget (\$225,000). The funding source was from excess revenues to be received within the budget.

- **Other Financing Uses – Transfer to Education Reserve Fund** – the Board of Education requested to have an allocation for their Education Reserve fund from the unexpended budget from last fiscal year. This amount is \$85,113. Town Council approved this transfer in April.

Overall, revenues are currently estimated to be \$124,714 more than the budget. A majority of this is a result of additional State funds that were received and unanticipated investment earnings. The Education Cost sharing revenue budget was adjusted earlier in the year to reflect the appropriate amount of education revenue. The offset to create the balanced budget was in the motor vehicle supplemental tax account. This account will now reflect additional revenue versus the budget much more than it normally would have.

Expenditures are estimated to be \$1,110,880 less than the budget. The Board of Education comprises \$899,756 of this number. The balance of \$211,124 is mainly due to savings from the Resident State Trooper contract and employee attrition savings. If all holds true to these estimates, fund balance will increase by \$1,235,592 on a budgetary basis. We would not have the GAAP basis until after the year is complete and all final accrual entries are completed.

Please be reminded that these are all estimates at this time. Things can and more than likely will change as the year progresses.

I have also included two separate fund balance projections. One includes the use of \$750,000 from fund balance to purchase the new fire truck rather than issuing debt. It just shows the difference of the impact for this. The budget information is only an estimate for FY 20-21. These are not the final numbers as we are still working on the budget. They reflect the use of an increased fund balance amount next year of \$600,000 rather than \$300,000 and reductions from the original Manager proposed budget to get to a zero mill rate increase. There are still changes being worked on and are only projections to give some sort of example of the future impact on fund balance.

TOWN OF TOLLAND, CONNECTICUT
STATEMENT OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL - GENERAL FUND
For the period ending 5-12-2020 with 3/31/2020 vs 3/31/2019 comparison

	Original Budget	Final Budget	5/12/2020 FY 19-20 Actual	Encumbered	Variance With Final Budget	3/31/2020 ** FY 19-20 Actual	3/31/2019 ** FY 18-19 Actual	3/31/2019 vs. 3/31/2020	Estimated to 6/30/2020	FY 19-20 Variance With Budget FOR Estimated
Revenues:										
Property taxes	\$ 46,306,504	46,037,538	46,282,071		244,533	46,073,629	44,623,945	1,449,684	46,377,413	339,875
Intergovernmental	517,805	517,805	414,401		-103,404	401,947	108,384	293,563	518,922	1,117
Intergovernmental - Education	8,875,986	9,444,952	9,403,922		-41,030	4,723,711	4,874,025	-150,314	9,406,729	-38,223
Licenses, Permits & Fees	258,500	258,500	246,274		-12,226	238,519	219,184	19,335	278,522	20,022
Charges for services	323,940	323,940	548,959 *		225,019	467,129	453,115	14,014	347,976	24,036
Investment and Miscellaneous Income	190,000	190,000	277,174		87,174	246,421	309,130	-62,709	346,000	156,000
Other financing Source - Transfer in		0	7,000		7,000	7,000	5,000	2,000	7,000	7,000
Other financing Source - Use of Fund Balance	300,000	385,113			-385,113			0	0	-385,113
					0			0		0
Total revenues & Other Financing Source	\$ 56,772,735	\$ 57,157,848	\$ 57,179,801	\$	\$ 21,953	\$ 52,158,356	\$ 50,592,783	\$ 1,565,573	\$ 57,282,562	124,714
*This number will be reduced by \$213,773 for Ambulance Revenue to be transferred to the Ambulance Reserve Fund.										
Expenditures:										
Administrative	\$ 2,979,678	2,993,393	2,484,487	96,635	412,271	2,257,519	2,120,971	136,548	2,982,542	10,851
Planning and community development	437,295	461,131	366,696	33,250	61,185	313,504	300,236	13,268	449,576	11,555
Human Services	402,575	415,703	338,161	18,618	58,924	303,482	276,497	26,985	407,154	8,549
Library Services	417,417	417,417	299,789	2,088	115,540	265,195	275,812	-10,617	356,789	60,628
Recreation Services	114,165	116,509	95,591		20,918	80,665	79,505	1,160	116,509	0
Public works	4,494,404	4,515,247	3,557,790	235,117	722,340	3,271,722	3,175,208	96,514	4,515,043	204
Public safety services	2,128,204	2,123,133	1,030,714	82,249	1,010,170	935,468	931,849	3,619	2,013,590	109,543
Record, financial services, Debt & Contingency	5,702,344	5,633,549	4,708,670	19,646	905,233	4,492,507	4,797,804	-305,297	5,623,757	9,792
Board of Education	39,975,605	39,975,605	31,344,769		8,630,836	27,529,376	26,965,293	564,083	39,075,849	899,756
Other Financing Uses - Transfer for Capital Plan	121,048	196,048	196,048		0	196,048	166,906	29,142	196,048	0
Transfer to mun tax stabl & ERF fund		310,113	310,113		0	225,000		225,000	310,113	0
Total Expenditures and Other Financing Uses	\$ 56,772,735	\$ 57,157,848	\$ 44,732,828	\$ 487,603	\$ 11,937,417	\$ 39,870,486	\$ 39,090,081	\$ 780,405	\$ 56,046,970	1,110,878
Excess of Revenues over Expenditures	\$ -	\$ -	\$ 12,446,973	\$ -487,603	\$ 11,959,370	\$ 12,287,870	\$ 11,502,702	\$ 785,168	\$ 1,235,592	

****Unfortunately we cannot run a report as of 5/12/19 so the quarter ending March 31 is shown for a comparison.**

Of the amount that the BOE is proposing to turn back \$399,756 is expected to be transferred to the Education Reserve Fund and will reduce fund balance next fiscal year if approved.

Town of Tolland
GENERAL FUND FINANCIAL RESULTS, ESTIMATED AND ADOPTED BUDGET

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020 Estimated	2020-2021 Estimated Budget	2021-2022 Estimated Budget
	Actual	Actual	Actual	Actual	Actual	Actual		
Revenues:								
Property taxes	40,552,478	42,183,337	43,606,051	44,200,499	45,048,508	46,377,413	46,064,580	47,882,309
Intergovernmental	11,688,788	11,624,165	11,626,792	9,861,706	9,992,890	9,925,651	9,631,477	9,311,477
Charges for services, Licenses, Permits and Fees	624,188	585,333	681,566	647,046	677,351	626,498	606,440	600,000
Investment income	64,466	70,918	90,895	115,143	393,603	346,000	250,000	275,000
Other revenues	45,741	75,225	46,090	116,672	73,440		15,000	15,000
Total revenues	52,975,661	54,538,978	56,051,394	54,941,066	56,185,792	57,275,562	56,567,497	58,083,786
Expenditures:								
Current:								
General government	2,766,498	2,808,657	2,866,904	2,893,573	2,865,362	2,982,542	3,120,505	3,182,915
Planning and community development	353,218	348,251	400,984	433,219	401,292	449,576	444,028	452,909
Community services	853,678	938,655	941,530	907,175	915,399	880,452	971,425	990,854
Public works	4,427,252	4,315,317	4,413,405	4,384,734	4,389,897	4,500,043	4,533,345	4,624,012
Public safety services	1,832,529	1,806,659	1,945,099	1,682,030	2,000,511	2,013,590	2,108,403	2,150,571
Finance and records	926,869	967,252	931,217	943,671	931,755	976,441	1,000,657	1,020,670
Contingency and other	135,177	56,341	218,567	160,609	132,622	97,316	164,277	167,563
Board of Education	37,177,650	38,261,928	38,889,235	38,113,122	39,557,494	39,075,849	40,117,290	40,919,636
Teacher Retirement						0		
Debt service	4,443,249	4,105,344	4,550,091	4,557,129	4,468,517	4,504,540	4,600,000	4,750,000
Total expenditures	52,916,120	53,608,404	55,157,032	54,075,261	55,662,849	55,480,349	57,059,930	58,259,129
Excess of Revenues over Expenditures	59,541	930,574	894,362	865,805	522,943	1,795,213	-492,433	-175,343
Other Financing Sources (Uses) :								
Sources:								
Bond Premium								
Cancellation of prior year purchase orders	1,374	8,310	178,154	70,278	38,169			
Contribution of fund balance								
Contribution of fund balance - other fund	15,302		15,000		5,000	7,000		
Contribution of Fund Balance for Debt Service					275,000			
Uses:								
Additional appropriation bond premium								
Transfer to Capital Improvement fund from General Fund	-86,456	-183,814	-54,578	-54,578	-61,906	-196,048	-92,567	-259,657
Supplemental Transfer for BOE capital projects					-105,000			
BOE Capital Projects from BOE List & Amount from CIP 19-20					-460,124			
Transfer out to Municipal tax stabilization fund						-225,000		
Transfers out (General Fund to Debt Service Fund)	-99,000	-443,669			-81,048	-45,460		
Transfers out (General Fund to new Storm Reserve Fund)								
Transfers out (Dog, Sewer Reserve and Other Funds)	-25,000	-25,000	-242,615	-25,000	-25,000	-15,000	-15,000	-15,000
Transfers out (Education Reserve Fund)	-75,217	-25,982			-393,339	-85,113	-399,756	
Net other financing (Uses) Sources	-268,997	-670,155	-104,039	-9,300	-808,248	-559,621	-507,323	-274,657
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-209,456	260,419	790,323	856,505	-285,305	1,235,592	-999,756	-450,000
Fund Balance at Beginning of Year	7,312,690	7,103,234	7,363,653	8,153,976	9,010,481	8,725,176	9,960,768	8,961,012
Fund Balance, budgetary basis at End of Year	7,103,234	7,363,653	8,153,976	9,010,481	8,725,176	9,960,768	8,961,012	8,511,012

Town of Tolland
GENERAL FUND FINANCIAL RESULTS, ESTIMATED AND ADOPTED BUDGET

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020 Estimated Actual	2020-2021 Estimated Budget	2021-2022 Estimated Budget	
	Actual	Actual	Actual	Actual	Actual				
Fund Balance as a percentage of budgetary expenditures	13.35%	13.56%	14.70%	16.64%	15.36%	17.80%	15.57%	0	
Fund Balance, GAAP basis:									
Committed for Education & Other funds Use	75,249	63,813	46,580	46,580	421,522	506,635	906,391	906,391	
Encumbrances included as expenditures in budgetary basis	1,113,237	1,291,606	1,754,146	1,582,231	1,541,511	1,550,000	1,550,000	1,550,000	
Prior year Encumbrances	174,500	223,367	69,136	91,133	189,010	200,000	200,000	200,000	
Assigned and Unassigned fund balance, GAAP basis at the End of the Year	8,466,220	8,942,439	10,023,838	10,730,425	10,877,219	12,217,403	11,617,403	11,167,403	
Assigned with designation for specific purpose in future budget	-250,000	-150,000	-400,000	-690,000	-300,000	-999,756	-450,000	-450,000	
Assigned for encumbrances	-1,287,737	-1,614,973	-1,823,282	-1,673,364	-1,730,521	-1,700,000	-1,700,000	-1,700,000	
Restricted for use of Bond Premium for Debt Payments					-275,000	-275,000	-275,000	-275,000	
Committed for Education Reserve Fund	-75,249	-63,813	-46,580	-46,580	-421,522	-506,635	-906,391	-906,391	
Unassigned and available Fund Balance (GAAP Basis)	6,853,234	7,113,653	7,753,976	8,320,481	8,150,176	8,736,012	8,286,012	7,836,012	
GAAP Basis Expenditures (Includes Excess Cost)	57,685,731	59,387,889	63,172,806	63,179,227	60,227,660	62,034,490	63,895,524	65,812,390 *	
Unassigned Fund Balance as a percentage of GAAP expenditures	11.86%	11.98%	12.27%	13.17%	13.53%	14.08%	12.97%	11.91%	
Total Fund Balance as a percentage of GAAP expenditures	14.68%	15.06%	15.87%	16.98%	18.06%	19.69%	18.18%	16.97%	
* Estimated GAAP Expenditures for FY 19-20 & Following years									

Policy for Fund Balance:
Total fund balance (Total) 10-17%
Unassigned fund balance 10-15%

Note: This document is based upon variability in State Revenues estimated in FY 19-20 and assumptions for potential reductions in the future.
The State of Connecticut Budget includes various new revenue and mandated expenditure assumptions for the future.
There is much uncertainty at the State level for future years municipal funding and these amounts are subject to change. Used 2% dept spending increase for FY 21-22

Town of Tolland**GENERAL FUND FINANCIAL RESULTS, ESTIMATED AND ADOPTED BUDGET
WITH FIRE TRUCK \$750,000**

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020 Estimated Actual	2020-2021 Estimated Budget	2021-2022 Estimated Budget
	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Budget
Revenues:								
Property taxes	40,552,478	42,183,337	43,606,051	44,200,499	45,048,508	46,377,413	46,064,580	47,882,309
Intergovernmental	11,688,788	11,624,165	11,626,792	9,861,706	9,992,890	9,925,651	9,631,477	9,311,477
Charges for services, Licenses, Permits and Fees	624,188	585,333	681,566	647,046	677,351	626,498	606,440	600,000
Investment income	64,466	70,918	90,895	115,143	393,603	346,000	250,000	275,000
Other revenues	45,741	75,225	46,090	116,672	73,440		15,000	15,000
Total revenues	52,975,661	54,538,978	56,051,394	54,941,066	56,185,792	57,275,562	56,567,497	58,083,786
Expenditures:								
Current:								
General government	2,766,498	2,808,657	2,866,904	2,893,573	2,865,362	2,982,542	3,120,505	3,182,915
Planning and community development	353,218	348,251	400,984	433,219	401,292	449,676	444,028	452,909
Community services	853,678	938,655	941,530	907,175	915,399	880,452	971,425	990,854
Public works	4,427,252	4,315,317	4,413,405	4,384,734	4,389,897	4,500,043	4,533,345	4,624,012
Public safety services	1,832,529	1,806,659	1,945,099	1,682,030	2,000,511	2,013,590	2,108,403	2,150,571
Finance and records	926,869	967,252	931,217	943,671	931,755	976,441	1,000,657	1,020,670
Contingency and other	135,177	56,341	218,567	160,609	132,622	97,316	164,277	167,563
Board of Education	37,177,650	38,261,928	38,889,235	38,113,122	39,557,494	39,075,849	40,117,290	40,919,636
Teacher Retirement						0		
Debt service	4,443,249	4,105,344	4,550,091	4,557,129	4,468,517	4,504,540	4,600,000	4,750,000
Total expenditures	52,916,120	53,608,404	55,157,032	54,075,261	55,662,849	55,480,349	57,059,930	58,259,129
Excess of Revenues over Expenditures	59,541	930,574	894,362	865,805	522,943	1,795,213	-492,433	-175,343
Other Financing Sources (Uses) :								
Sources:								
Bond Premium								
Cancellation of prior year purchase orders	1,374	8,310	178,154	70,278	38,169			
Contribution of fund balance								
Contribution of fund balance - other fund	15,302		15,000		5,000	7,000		
Contribution of Fund Balance for Debt Service					275,000			
Uses:								
Additional appropriation bond premium								
Transfer to Capital Improvement fund from General Fund	-86,456	-183,814	-54,578	-54,578	-61,906	-946,048	-92,567	-259,657
Supplemental Transfer for BOE capital projects					-105,000			
BOE Capital Projects from BOE List & Amount from CIP 19-20					-460,124			
Transfer out to Municipal tax stabilization fund						-225,000		
Transfers out (General Fund to Debt Service Fund)	-99,000	-443,669			-81,048	-45,460		
Transfers out (General Fund to new Storm Reserve Fund)								
Transfers out (Dog, Sewer Reserve and Other Funds)	-25,000	-25,000	-242,615	-25,000	-25,000	-15,000	-15,000	-15,000
Transfers out (Education Reserve Fund)	-75,217	-25,982			-393,339	-85,113	-399,756	
Net other financing (Uses) Sources	-268,997	-670,155	-104,039	-9,300	-808,248	-1,309,621	-507,323	-274,657
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	-209,456	260,419	790,323	856,505	-285,305	485,592	-999,756	-450,000
Fund Balance at Beginning of Year	7,312,690	7,103,234	7,363,653	8,153,976	9,010,481	8,725,176	9,210,768	8,211,012

Town of Tolland

GENERAL FUND FINANCIAL RESULTS, ESTIMATED AND ADOPTED BUDGET WITH FIRE TRUCK \$750,000

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	
	Actual	Actual	Actual	Actual	Actual	Estimated Actual	Estimated Budget	Estimated Budget	
Fund Balance, budgetary basis at End of Year	7,103,234	7,363,653	8,153,976	9,010,481	8,725,176	9,210,768	8,211,012	7,761,012	
Fund Balance as a percentage of budgetary expenditures	13.35%	13.56%	14.70%	16.64%	15.36%	16.24%	14.26%	0	
Fund Balance, GAAP basis:									
Committed for Education & Other funds Use	75,249	63,813	46,580	46,580	421,522	506,635	906,391	906,391	
Encumbrances included as expenditures in budgetary basis	1,113,237	1,291,606	1,754,146	1,582,231	1,541,511	1,550,000	1,550,000	1,550,000	
Prior year Encumbrances	174,500	223,367	69,136	91,133	189,010	200,000	200,000	200,000	
Assigned and Unassigned fund balance, GAAP basis at the End of the Year	8,466,220	8,942,439	10,023,838	10,730,425	10,877,219	11,467,403	10,867,403	10,417,403	
Assigned with designation for specific purpose in future budget	-250,000	-150,000	-400,000	-690,000	-300,000	-999,756	-450,000	-450,000	
Assigned for encumbrances	-1,287,737	-1,614,973	-1,823,282	-1,673,364	-1,730,521	-1,700,000	-1,700,000	-1,700,000	
Restricted for use of Bond Premium for Debt Payments					-275,000	-275,000	-275,000	-275,000	
Committed for Education Reserve Fund	-75,249	-63,813	-46,580	-46,580	-421,522	-506,635	-906,391	-906,391	
Unassigned and available Fund Balance (GAAP Basis)	6,853,234	7,113,653	7,753,976	8,320,481	8,150,176	7,986,012	7,536,012	7,086,012	
									Policy for Fund Balance:
									Total fund balance (Total) 10-17%
									Unassigned fund balance 10-15%
GAAP Basis Expenditures (Includes Excess Cost)	57,685,731	59,387,889	63,172,806	63,179,227	60,227,660	62,034,490	63,895,524	65,812,390	*
Unassigned Fund Balance as a percentage of GAAP expenditures	11.88%	11.98%	12.27%	13.17%	13.53%	12.87%	11.79%	10.77%	
Total Fund Balance as a percentage of GAAP expenditures	14.68%	15.06%	15.87%	16.98%	18.06%	18.49%	17.01%	15.83%	
* Estimated GAAP Expenditures for FY 19-20 & Following years									

Note: This document is based upon variability in State Revenues estimated in FY 19-20 and assumptions for potential reductions in the future.
The State of Connecticut Budget includes various new revenue and mandated expenditure assumptions for the future.
There is much uncertainty at the State level for future years municipal funding and these amounts are subject to change. Used 2% dept spending increase for FY 21-22

Agenda Item #8.2

Submission of the amended Town Manager's Recommended FY 20-21 Budget and consideration of a resolution to set the Budget Pubic Hearing thereon for June 2, 2020.

MOTION that the following resolution be introduced and set down for a Public Hearing on June 2, 2020 at 7:00 p.m. via Zoom Remote Meeting:

DRAFT RESOLUTION

BE IT RESOLVED, by the Tolland Town Council that it hereby sets down for Public Hearing on June 2, 2020 the amended Town Manager's Recommended FY 20-21 budget.

Approved by the Tolland Town Council on _____, 2020.

Town Clerk

Date