



# Town of East Hartford

2016 – 2017

Mayor's Recommended Budget



# Budget Priorities

## Maintain Municipal Services

- Quality Education
- Public Safety Program Paramedic Medical Response
- Full-time Fire Department
- Curbside Refuse
- Bulky Waste
- Leaf Collection
- Elderly and Disabled Transportation
- Tax Reductions for Senior Citizens



## **Second Priority**

Address long-term financial issues:

- Underfunded pension obligation of \$146 million
- Underfunded OPEB obligation of \$160 million



# Compiled Using the Following

- This budget was created using Generally Accepted Accounting Principles
- No borrowing or use of one-time revenue sources to balance this budget
- This budget fully funds the town's pension obligation based on an independent actuary's recommended contribution.
- This budget funds current employee and retiree medical payments and begins to address the unfunded OPEB liability



# Financial Exposures in this Budget

- FY 17 State municipal aid is at risk (until budget adoption)
- FY 18 State municipal aid - \$4.4M old MM&E is at risk
- FY 18 Municipal spending must be less than 2.5%
- Revaluation is next year; will Grand List growth recur?
- We will exhaust I & P Building fee revenue
- Did we catch all the DMV grand list corrections?

**CAUTION: If in your review of this budget you choose to add revenue or decrease expenditures, please carefully consider the following:**

Because FY 18 Municipal spending must be less than 2.5% under the threat of penalty, thoughtful consideration to these items should be made in FY 17

# Governor's Budget

Grant:	Current Year FY 16	Gov. Proposed FY 17	Gov. Proposed FY 17 v. FY 16	
	(\$)	(\$)	(\$)	(%)
Adult Education	219,999	207,440	-12,559	- 5.7%
ECS Grant	49,561,048	49,561,048	0	0.0%
Non-Public School Transportation	47,057	44,002	-3,055	- 6.5%
Public School Transportation	458,669	444,741	-13,928	- 3.0%
LoCIP	446,673	446,673	0	0.0%
Pequot-Mohegan Grant	312,071	294,784	-17,287	- 5.5%
PILOT: Colleges	989,051	490,893	-498,158	-50.4%
PILOT: State-Owned Property	566,261	559,597	-6,664	- 1.2%
Town Aid Road	585,805	585,805	0	0.0%
Grants for Municipal Projects	4,447,536	4,447,536	0	0.0%
MRSA Select PILOT	0	214,997	214,997	
MRSA Sales Tax Sharing	0	2,036,894	2,036,894	
MRSA Motor Vehicle	0	3,927,886	3,927,886	
Total	57,634,170	63,262,296	5,628,126	9.8%

# Revenue

Grand list \$28.5M growth-R/E and PP	+\$1.5M
Lost revenue MW mill to 32	-\$3.9M
State MVMR Grant-New	+3.9M
State MRSA Grant-new	+2.0M
<b>Net Revenue Increase</b>	<b>+3.6</b>



# Items Incorporated

- Year three funding for revaluation
- Increased FICA, Severance, CIRMA, Demo, Debt, Cap
- Right sizing Overtime for Public Safety staff
- Adding One Community Service Officer
- Increased Cost for Medical Supplies



# Items Incorporated

- Higher MDC and related sewer funding
- Pension
- Town Contractual Wages
- Board of Education

# Capital Improvements and Equipment

Combination of leasing & LOCIP grants to fund the following Capital items.

BONDING	LEASE	LOCIP
TBD	Up to 10 Police cars A Public Works backhoe An F-550 dump truck with plow/sander Two Fire AWD Vehicles CCC Phone System A zero turn mower Local share for a senior bus Computer equipment	Facility Sign replacement Golf Course path replacement Tax Dept security upgrade Underground tank replacement Carpet replacement-Town Clerk's Office



# Key Budget Statistics

- Total budget spending is \$181.8 million
- Town government is budgeted at \$55.7 million
- Educational spending is budgeted at \$89.3 million
- Town & BOE Debt Service spending is budgeted at \$7.5 million
- Health Benefit/Insurances is budgeted at \$12.4 million
- Pension & Retirement is budgeted at \$15.0 million
- Capital Improvement spending is budgeted at \$1.9 million
- The mill rate remains 46.86 for Real Estate and Personal Property
- Motor vehicle mill rate to 32



Thank you