

Citizen's Guide to the Town of Pomfret Budget Process

March, 2014

Inside this issue:

First Selectman's Message	1
Get Involved with the Process	1
How Our Town Budget Works	2
It's About Choices	2
The Town Household Budget	2
Fiscal Responsibility	3
Budget Schedule	4

In Pomfret, the method we use to determine our town budget is an open process. Every adult citizen who is registered to vote is welcome and encouraged to participate in determining the town budget.

This guide provides basic information about the budgeting process. It can help you to take part in the ongoing conversation about your taxes and the services they pay for.

Your input is important.

Your vote counts!

Please take the time to vote on your town's budget!

A Message from the First Selectman



Maureen Nicholson,
First Selectman

As we begin preparation of Pomfret's 2014-2015 town, education and fire department budgets, we will once again have to make some difficult choices.

The background for making these choices is encouraging. Pomfret is a successful community in just about every respect. Working together over the years, we've been able to control our costs, maintain our assets, preserve our open space and continue to offer an excellent education to our youth. Through the greatest depression in 80 years, we maintained services and did so with very moderate increases in taxes.

There is no reason we can't continue this success even though there is little doubt that in next year's budget we will have to deal with flat or decreasing revenues and the rising cost of maintaining services. This appears to be "the new normal" for most cities and towns. Again our 2014-2015 budget will have to cover the increased costs for utilities and commodities. We'll also have to be cautious esti-

imating the monies we can expect to take in. State aid to education, which last year accounts for approximately 26% of our revenues, is expected to remain level. Certain other state grants that we'd normally expect can't be counted on. We hope that increases in health insurance costs for school and town employees will be modest. We have to continue to honor wage and salary increases that are mandated by collective bargaining agreements.

To gain the maximum effect on the long-term cost of running our town over the last decade, we have been very careful to control our costs and that's a good starting point now. As in previous years, there will be several workshops and meetings scheduled to get your input and ideas on all our budgets. I hope you will find this guide a useful introduction and accept it as an invitation to participate in creating a budget that maintains the services that we as Pomfret residents expect. Working together, we have met the budget challenge before and we can do it again!

Get Involved with the Process

Creating a budget that maintains important services, provides a good education for our children and doesn't raise taxes to unacceptably high levels is not an easy thing to do and it simply can't be done without citizen input. The Board of Selectmen, the Board of Education, the Board of

Finance, the Fire District, and myself want to know what you think as we prepare our town budget.

You can do that in a number of ways. Gain a better understanding of the budget process by attending a public budget workshop. You can also attend any BOS, BOE,

BOF, and Fire District meeting and make yourself heard. If you aren't comfortable with speaking before a group, you can send a note or email (through the Town of Pomfret website) outlining your ideas and concerns. What's most important is to be heard.



How Our Town Budget Works

Beginning in December of each year, town employees begin to review programs and services to estimate how much it will cost to operate the town in the 12 months beginning July 1. That money comes from property taxes, federal and state grants and from town agencies that collect fees. At the same time, the town makes an estimate of how much it will have to spend to maintain and/or enhance the services that residents and businesses

expect. Also during this period, the Board of Education and the Pomfret Community School's administrative staff estimates how much it will cost to operate our school and cover tuition for high school students for the next year. Proposed budgets are prepared and presented to the Board of Finance. Forums, workshops, and Public Hearings are scheduled to elicit citizen feedback. The Board of Finance then makes a budget recom-

mendation and the voters in Pomfret are then asked to approve—or disapprove—the budget.

If voters don't approve the budget, the Board of Selectmen and the Board of Education modify and resubmit their proposals to the Board of Finance and the budgets once again go to the voters.

Only after the voters have approved the budget does it become the income and spending plan for the town.



Citizen's provide important feedback on proposed budgets.

Each year the town must estimate how much it will spend to maintain and/or enhance services that residents expect.

The Budget is About Choices

In making budget choices, the Board of Selectmen and the Board of Education have to face certain realities. There are many new services that we would all like the town to provide but that we simply can't afford. In fact, we may not be able to afford some things that we

have enjoyed in the past. There are certain expenses that must be included in the budget at some level. If we choose to reduce what we are willing to pay for essential and other services by too much, our town will change in ways that none of us want. Rising utilities, gas and oil

prices, road maintenance requirements and the promise of a solid education for our young people are considered each year. Consideration is given to each of these needs while still providing at least as many services as residents have come to expect.

The Town's 'Household' Budget

Your Household → The Town Budget

- Mortgage or Rent → Debt Service
- Taxes → Required Services
- Utilities, Food, Gas → Utilities, Gas, Salaries, Benefits
- Savings Account → Fund Balance, Reserves
- Maintenance Projects → Capital Improvement Plan
- Phone, Cable, Internet → Technology and Replacements
- "Nice to Have" Items → Enhanced Services/Programs



Each Budget is About Fiscal Responsibility & Looking Ahead



The taxes we pay on real estate, automobiles and other personal property have a long-term influence on our town. We must be aware of our residents' ability and willingness to pay for services. If our tax rate is perceived as being too high, residents living on fixed incomes will move out of town and those shopping for new homes will avoid moving in. Businesses may relocate to areas that are cheaper—or will be unwilling to move into town. The vitality and diversity that makes our town such a good place to live would quickly disappear. Like any household or business, we have to maintain a savings account. For the town, that's called our Fund Balance and it represents revenues collected over the years, but not spent. It is tempting to dip into those savings to cover our ongoing expenses but that may not always be fiscally responsible. The size of our Fund Balance is closely watched by the financial community and various government agencies. Our challenge then, is to figure out just how much, if anything, we can spend on each service the town provides. Fortunately, the Town of Pomfret has a healthy Fund Balance and has been managed responsibly over the years.

Things to Consider....

Seniors & Veterans...

You may be eligible for reduced taxes. There are a variety of benefits available to qualified residents as determined by State of CT regulations. To learn more, visit the Assessors page on the town's website or call the Town Assessor's office at 860- 974-1674 or email at : bonnie.duncan@pomfretct.gov

The Mill Rate: Calculating Your Taxes

One "mill" produces one dollar for each \$1,000 of property assessment.

For example: If your house has a current fair market value of \$200,000 (The assessment is 70% of it's current market value : \$140,000)

The current Mill Rate for the Town is 23.79 and 1.0 for the Fire District for a total of 24.79.

$$140 \times 24.79 = \$3,471 \text{ in tax.}$$

Stay
Informed
Get
Involved

Keep Up With Budget Process Developments

The town's website, www.pomfretct.gov is the best resource for budget information. You can stay up to date on meeting schedules. To keep pace with the process, watch our News and Announcements area, and sign-up to receive agendas and minutes through e Alerts on the home page.

Remember: all meetings and workshops are open to the public, and you are invited.



APPROPRIATIONS ONLY FISCAL YEAR 2014 – 2015 PROPOSED BUDGETS

Education	General Government	Fire District	Total Proposed
Proposed Spending \$9,897,878	Proposed Spending \$2,463,477	Proposed Spending \$358,000	Proposed Spending \$12,719,355
% Increase 2%	% Increase 1.47%	% Increase 0%	% Increase 1.8%
\$ Increase \$194,076	\$ Increase \$35,793	\$ Increase \$0	\$ Increase \$229,869

Assuming Revenues Remain at FY 2013 – 2014 Levels

*2013 – 2014 Mill Rate
1 Mill = 24.79*

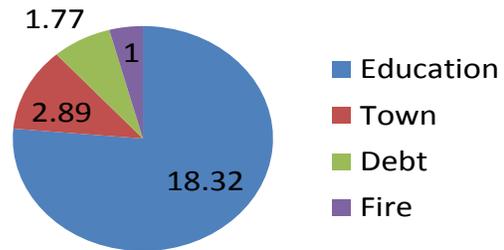
*One "mill" produces one dollar for
Each \$1,000 of property assessment.*

*For example: If your house has a current fair
Market value of \$200,000 (The assessment is 70% of
it's current market value = \$140,000)*

*The current Mill Rate for the Town is 23.79 and 1.0
for the Fire District for a total of 24.79*

140 x 24.79 = \$3,471 in tax.

2013-2014 Mill Rates



Schedule for 2014-2015 Budget

Considerations



March 10th, Monday

BOF Meeting at PCS —6:30 PM
BOS and BOE present budgets

March 17th, Monday

BOS Meeting at C/S C—8:00 AM

March 19th, Wednesday

Fire District meeting at Fire House
7:00 PM

March 20th, Thursday

Budget Forum at PCS—7:00 PM
Public can ask questions and com-
ment on initial budgets.

March 26th, Wednesday

BOE Meeting at PCS—6:30 PM

April 3rd, Wednesday

BOF Budget Workshop & Special
Meeting at PCS—6:30 PM

April 7th, Monday

BOS meeting at C/S C - 7:00 PM

April 16th, Wednesday

Fire District meeting at Fire House
—7:00 PM , Budget discussion

April 22nd, Tuesday

Public Hearing at PCS—7:00 PM
Public can comment on budget for
additional consideration

April 23rd, Wednesday

BOE Meeting at PCS —6:30 PM
Action on budget as required by
BOF.

April 24th, Thursday

BOS meeting at C/S C 8:00 AM
Action on budget as required by
BOF.

May 5th

BOS Meeting—7:00 PM. Action on
budget as required

May 21st, Wednesday

Fire District Meeting
Vote on Budget
7:00 PM—Location TBD

Annual Town Meeting

Early May-Date TBD

Citizens VOTE on budgets