

The City of New London



Statement of Finances and Fiscal Year 2019-2020 Budget

Presented to the City Council

April 2, 2019

Agenda

Historical Financial Performance

Revenues and Expenses

Fund Balance

FY 2020 Mayor's Recommended Budget

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New London Grand List Growth

Local Municipal Grand List Growth Comparison

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Charges for Services

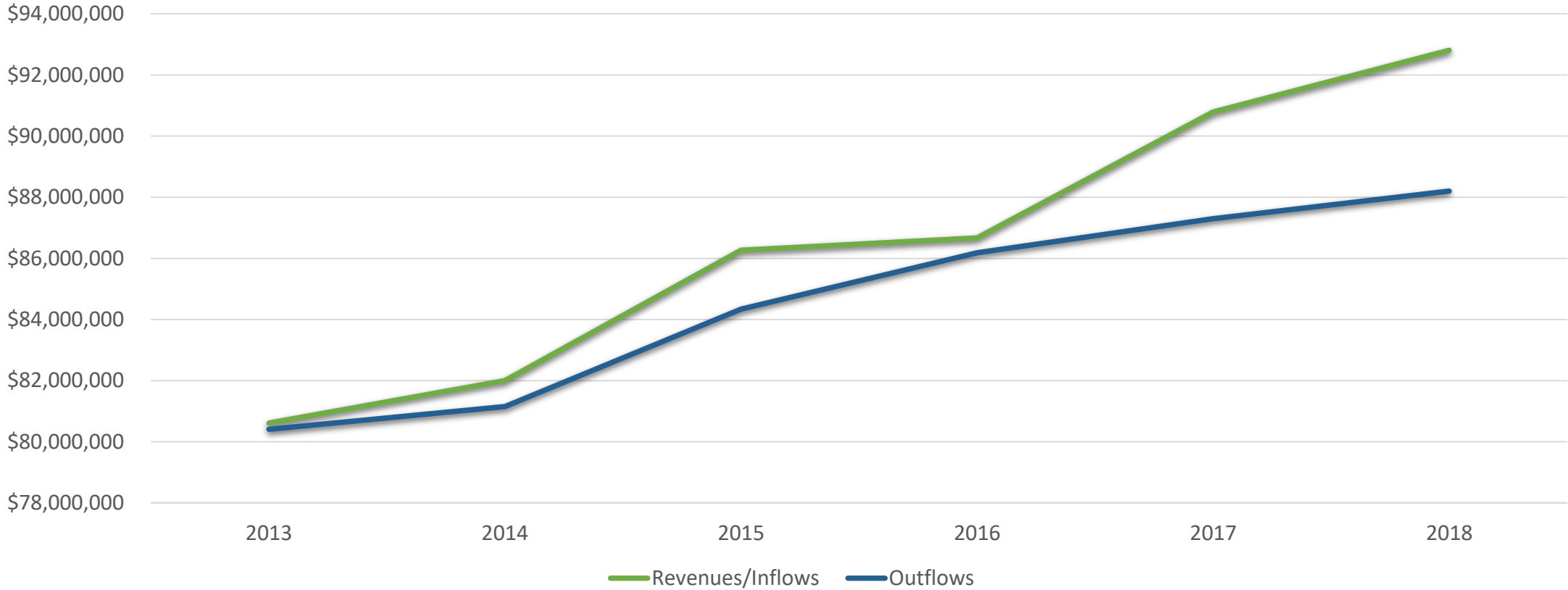
Budgeted Expenditures

Total Budget Summary

Total Taxpayer Support

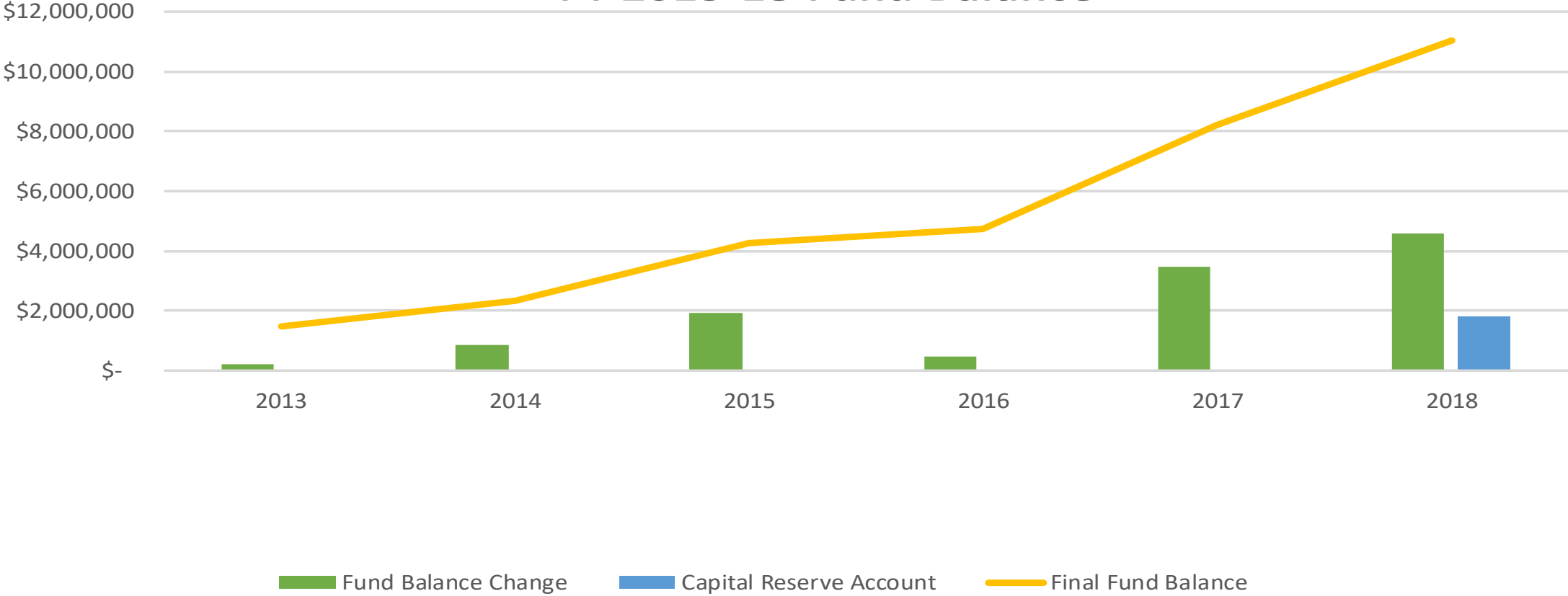
Proposed Mill Rates and tax impact

FY 2013-2018 Revenues and Expenses



	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u> <small>(unaudited)</small>	<u>Avg. Annual Growth</u>
Revenues	\$ 80,613,875	\$ 81,999,709	\$ 86,264,613	\$ 86,665,349	\$ 90,791,973	\$ 92,808,426	2.9%
Expenses	\$ 75,166,494	\$ 75,876,946	\$ 78,675,446	\$ 81,166,073	\$ 81,390,475	\$ 81,386,235	1.6%

FY 2013-18 Fund Balance



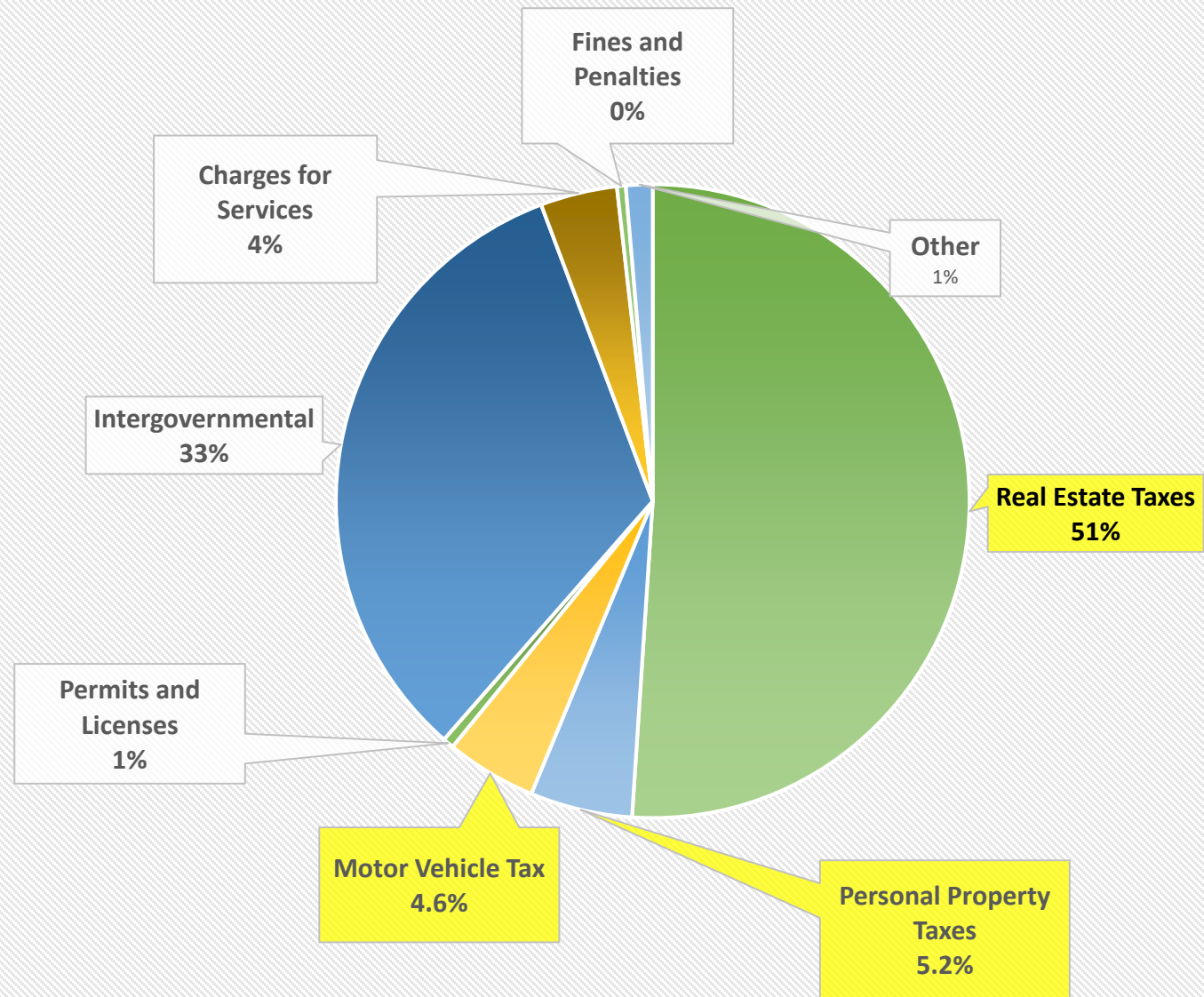
	2013	2014	2015	2016	2017	2018
Fund Balance Change	\$ 208,169	\$ 848,163	\$ 1,925,668	\$ 480,800	\$ 3,490,698	\$ 4,605,241
Capital Reserve Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000
Final Fund Balance	\$ 1,471,158	\$ 2,319,321	\$ 4,244,989	\$ 4,725,789	\$ 8,216,487	\$ 11,021,728
						(unaudited)
Operating Budget	\$ 80,405,706	\$ 81,151,546	\$ 84,338,945	\$ 86,184,549	\$ 87,301,275	\$ 88,203,185
FB as a % of Op Budget	1.8%	2.9%	5.0%	5.5%	9.4%	12.5%

FY 2020 MAYOR'S RECOMMENDED BUDGET

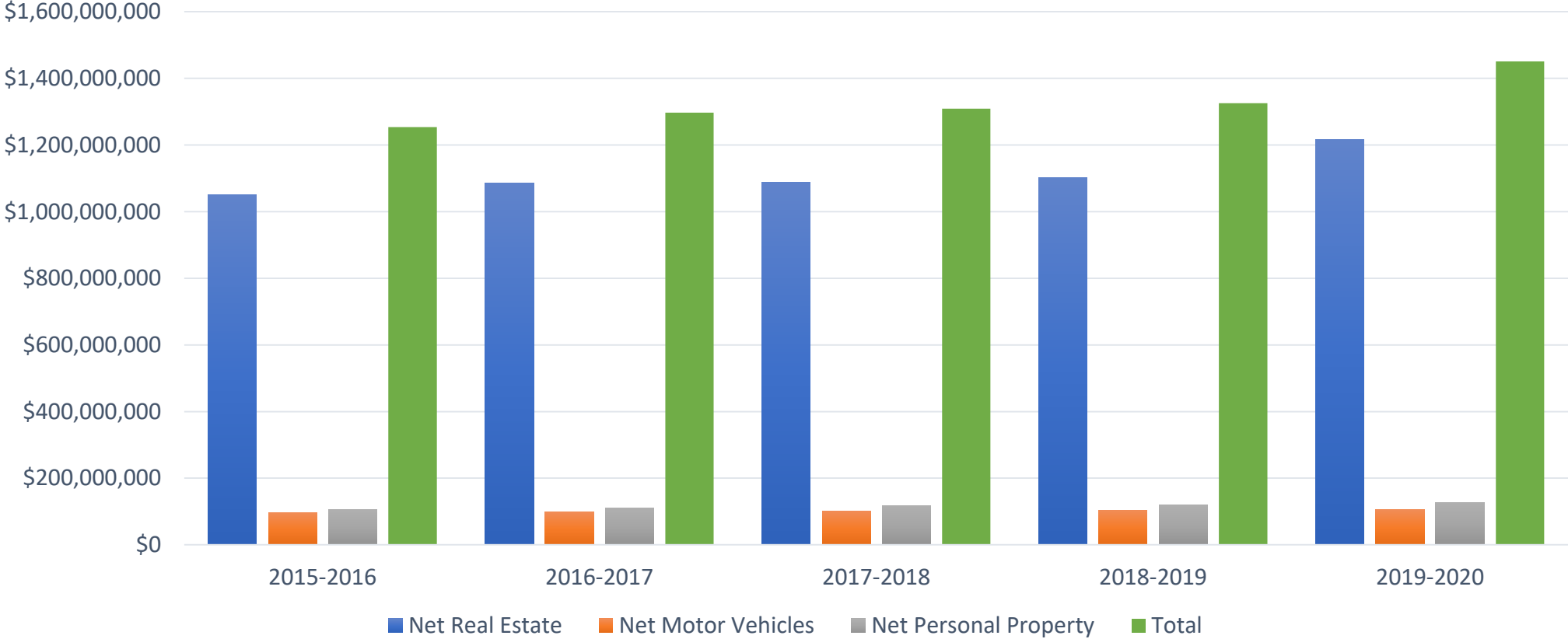
Taxes, net	\$	56,957,560
Intergovernmental		30,701,980
Charges for Services		3,670,020
Other		2,222,100
Revenues	\$	93,551,660
Personnel	\$	20,632,560
Fringe Benefits		9,293,850
Operating		6,061,530
Debt Service		8,668,960
Education		43,585,900
Other		5,308,750
Expenditures	\$	93,551,550

Revenue Sources

Real Estate Taxes	\$ 47,751,000
Intergovernmental	\$ 30,701,980
Personal Property Taxes	\$ 4,883,460
Other Taxes	\$ 4,323,000
Charges for Services	\$ 3,670,020
Permits and Licenses	\$ 531,300
Fines and Penalties	\$ 417,900
Other	\$ 1,272,900
Total Revenues	\$ 93,551,560

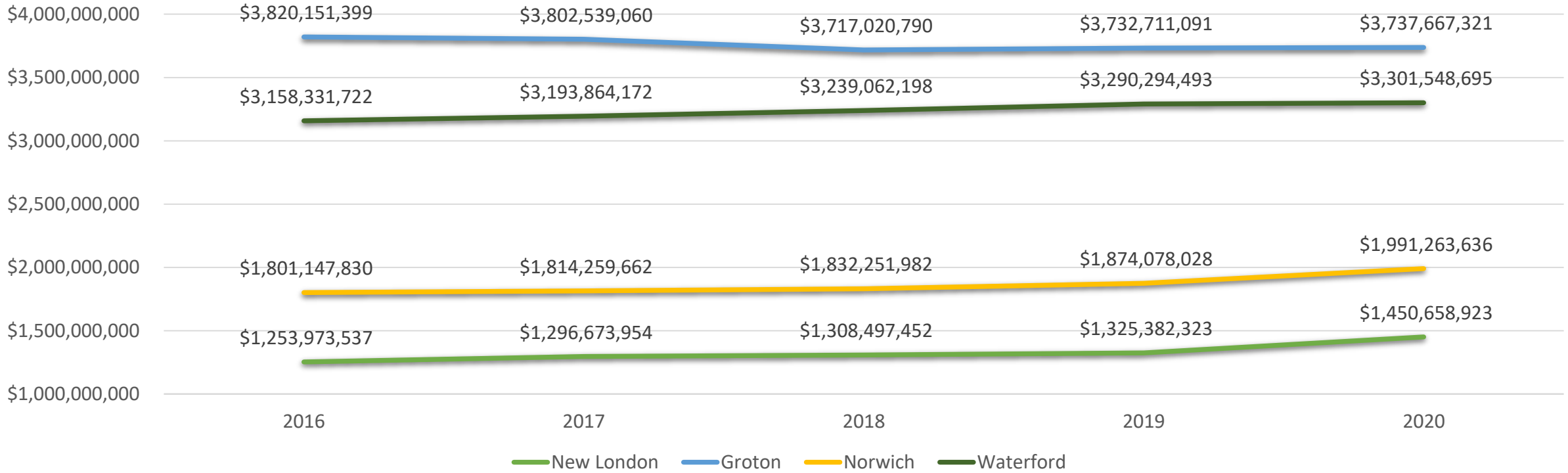


New London Grand List Growth



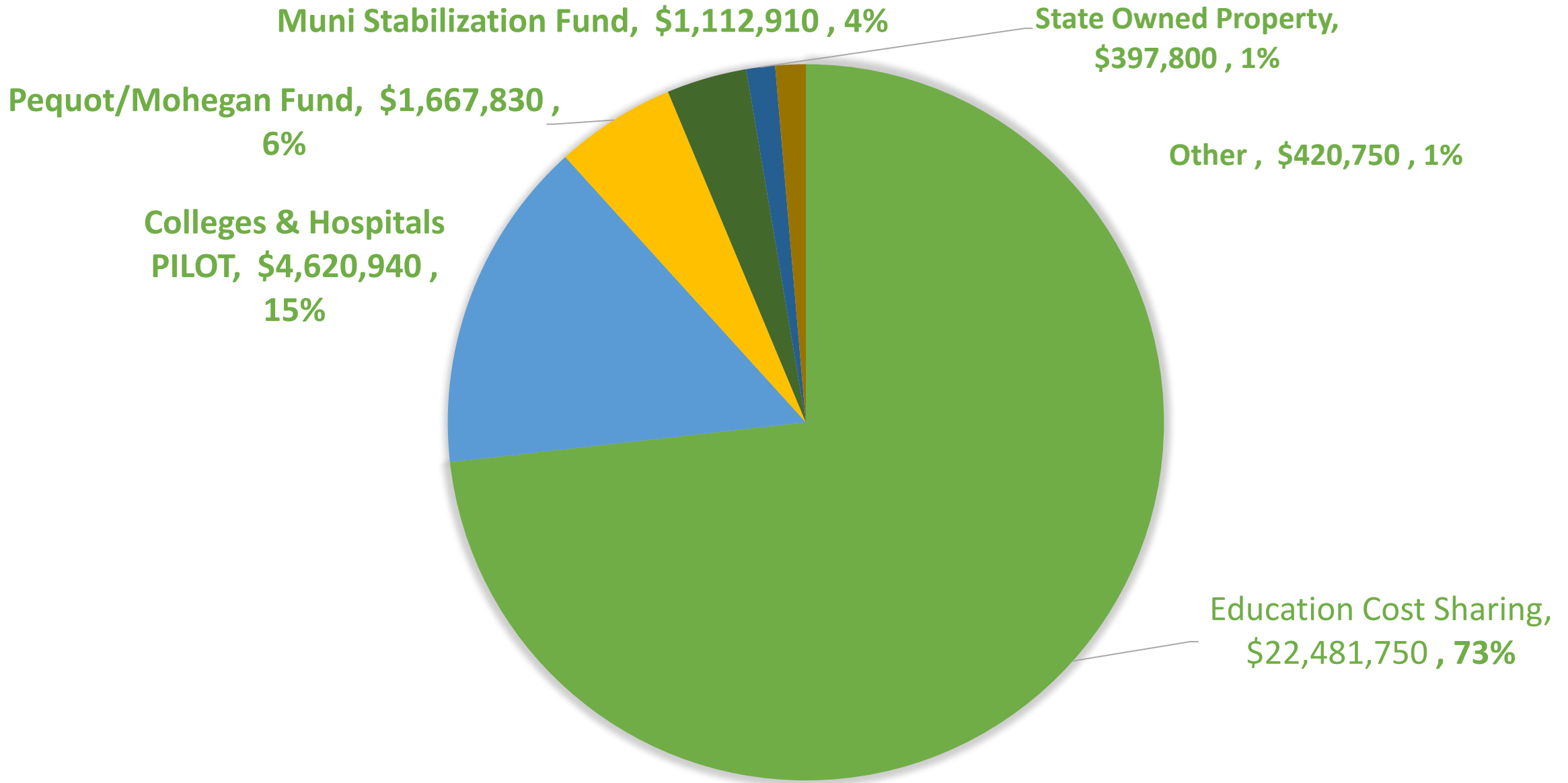
Fiscal Year	Net Real Estate	Net Motor Vehicles	Net Personal Property	Total
2015-2016	\$1,051,171,943	\$97,673,955	\$105,127,639	\$1,253,973,537
2016-2017	\$1,086,663,333	\$98,879,400	\$111,131,221	\$1,296,673,954
2017-2018	\$1,087,976,909	\$102,134,000	\$118,386,543	\$1,308,497,452
2018-2019	\$1,102,086,733	\$104,392,680	\$118,902,910	\$1,325,382,323
2019-2020	\$1,217,308,946	\$105,532,580	\$127,817,317	\$1,450,658,843
Average				
Annual Growth	3.8%	2.0%	5.0%	3.8%

Historical Municipal Grand List Growth



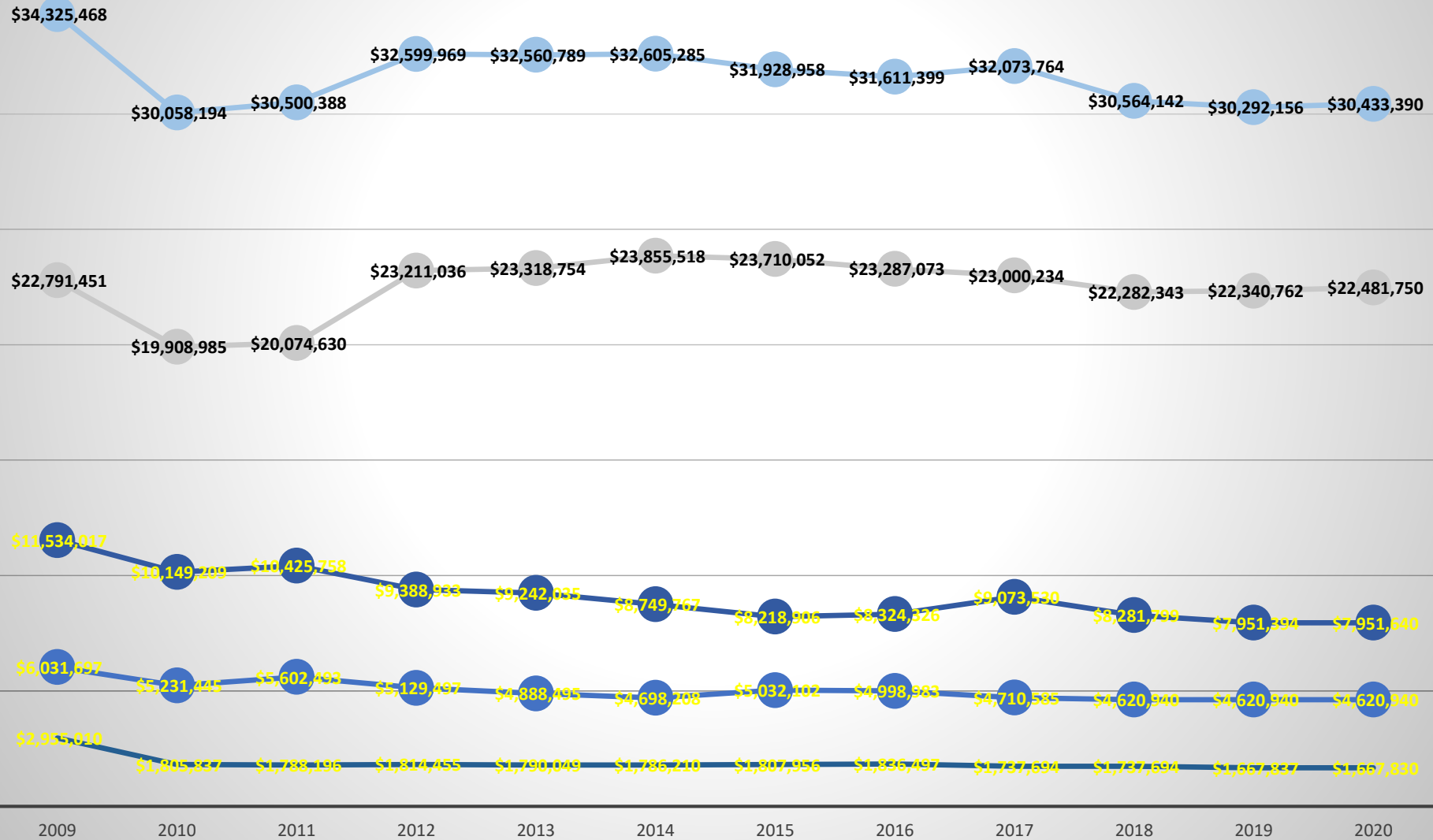
Fiscal Year	2016	2017	2018	2019	2020	Annual Growth
New London	\$ 1,253,973,537	\$ 1,296,673,954	\$ 1,308,497,452	\$ 1,325,382,323	\$ 1,450,658,923	3.8%
Groton	\$ 3,820,151,399	\$ 3,802,539,060	\$ 3,717,020,790	\$ 3,732,711,091	\$ 3,737,667,321	-0.5%
Norwich	\$ 1,801,147,830	\$ 1,814,259,662	\$ 1,832,251,982	\$ 1,874,078,028	\$ 1,991,263,636	2.6%
Waterford	\$ 3,158,331,722	\$ 3,193,864,172	\$ 3,239,062,198	\$ 3,290,294,493	\$ 3,301,548,695	1.1%
Grand List Year	2014	2015	2016	2017	2018	

Intergovernmental Revenues - \$30.7M



State Aid History

Colleges & Hospitals Pequot/Mashentucket TOTAL STATE AID TO CITY TOTAL STATE AID TO EDUCATION TOTAL STATE AID



TOTAL STATE AID
FY 2009-FY 2020
Loss: - 11.3%

TOTAL STATE AID
Average Annual
Loss: - 1.2%

Education Cost Sharing (ECS)
FY 2009-FY 2020
Loss: - 1.4%

Education Cost Sharing (ECS)
Average Annual
Loss: - 0.0%

General Govt
FY 2009-FY 2020
Loss: - 31.1%

General Govt
State Aid
Average Annual
Loss: - 3.4%

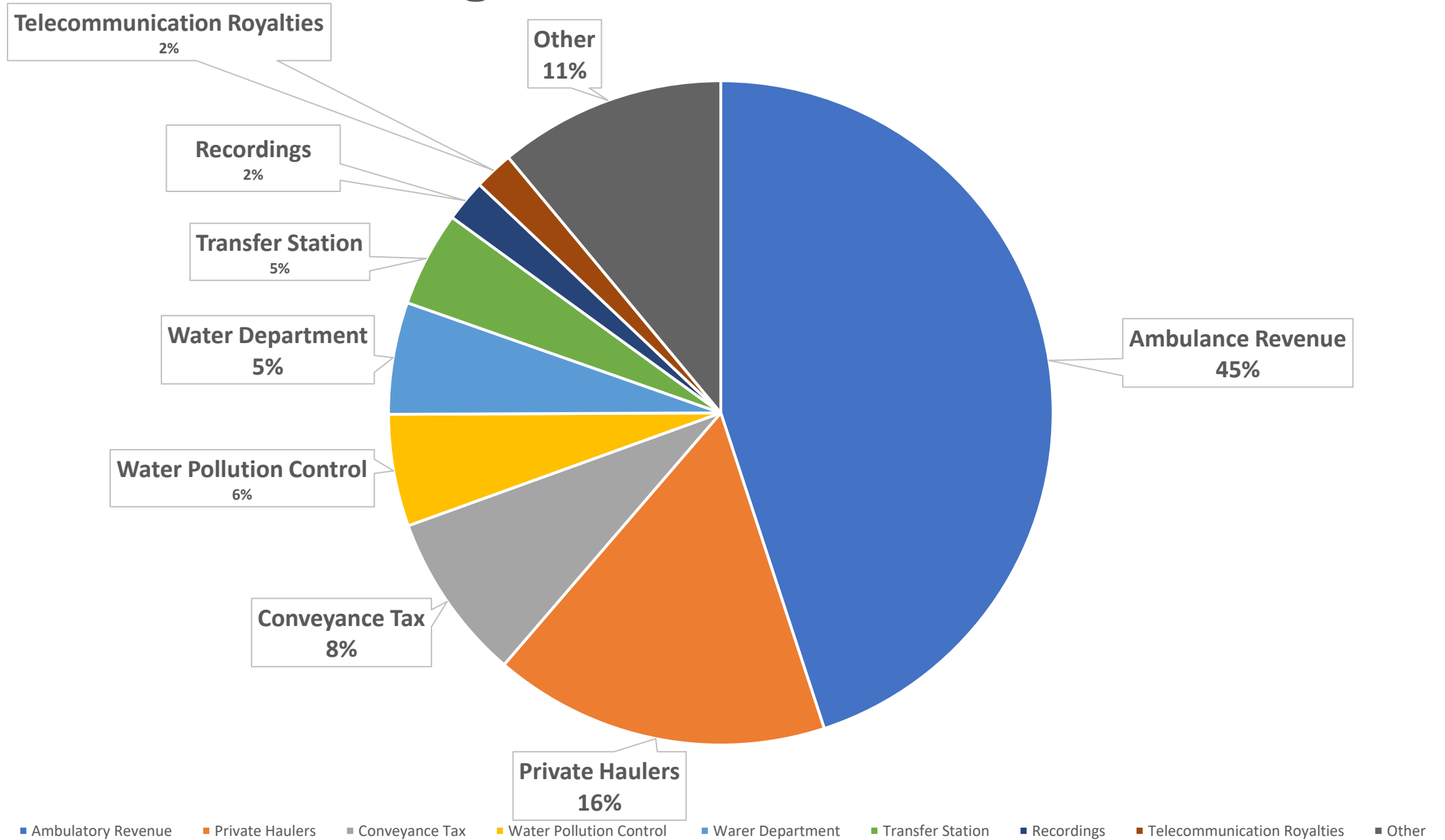
Colleges & Hospital PILOT
FY 2009-FY 2020
Loss: - 23.4%

Colleges & Hospital PILOT
Average Annual
Loss: - 2.7%

Mashantucket Fund
FY 2009-FY 2020
Loss: - 43.6%

Mashantucket Fund
Average Annual
Loss: - 4.7%

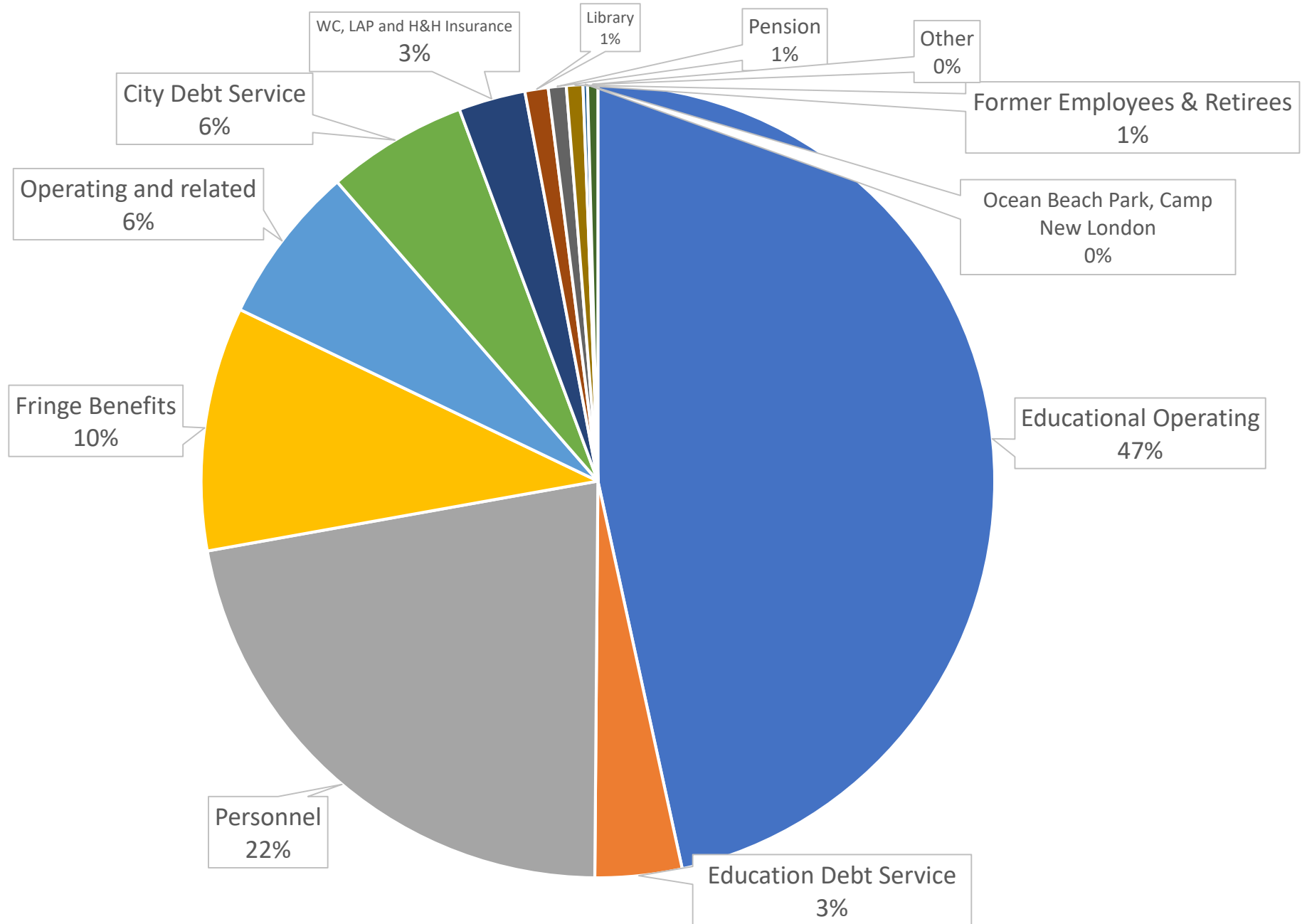
Charges for Services - \$3.6M



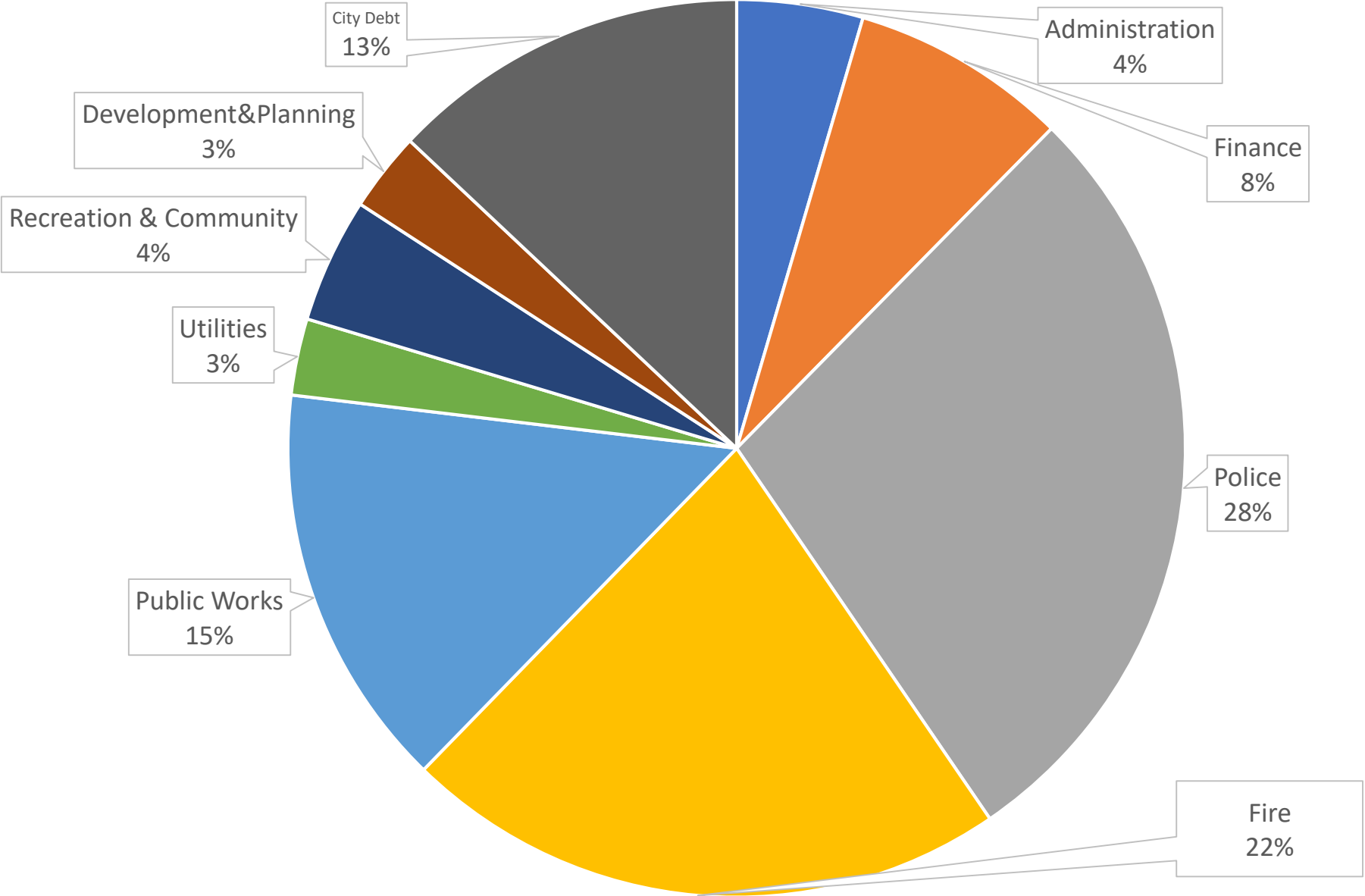
Budgeted Appropriations

	FY 2020 MAYOR'S BUDGET REQUEST
CITY	
Personnel	\$ 20,632,560
Fringe Benefits	9,293,850
Operating and related	6,061,530
CITY OPERATING	\$ 35,987,940
City Debt Service	\$ 5,362,470
WC, LAP and H&H Insurance	2,549,040
Library	885,600
Pension	684,000
Former Employees & Retirees	629,100
Ocean Beach Park, Camp New London	170,000
Other	391,010
CITY OTHER	\$ 10,671,220
TOTAL CITY	\$ 46,659,160
EDUCATION	
Educational Operating	\$ 43,585,900
City funds for Education Debt Service	3,306,490
TOTAL EDUCATION	\$ 46,892,390
TOTAL BUDGET REQUEST	\$ 93,551,550

FY 2020 City and Education Budgeted Appropriations - \$ 93.5M



FY 2020 City Departmental Budgets - \$46.6



Budget Comparison

<u>Department</u>	<u>FY 19 Budget</u>	<u>FY 20 Mayor's Budget</u>	<u>Difference</u>
City Council	\$ 291,720	\$ 279,310	\$ (12,410)
Probate	\$ 35,000	\$ 30,000	\$ (5,000)
Personnel	\$ 316,030	\$ 248,960	\$ (67,070)
Mayor	\$ 526,840	\$ 569,560	\$ 42,720
Elections	\$ 107,410	\$ 110,260	\$ 2,850
Finance	\$ 3,025,160	\$ 3,234,840	\$ 209,680
City Clerk	\$ 288,410	\$ 288,930	\$ 520
Law	\$ 340,000	\$ 340,000	\$ -
Contingency	\$ 5,000	\$ 10,000	\$ 5,000
Police	\$ 11,151,090	\$ 11,566,850	\$ 415,760
Fire	\$ 9,127,960	\$ 9,017,740	\$ (110,220)
Emergency Mgmt	\$ 27,540	\$ 27,000	\$ (540)
Public Works	\$ 7,800,180	\$ 7,440,690	\$ (359,490)
Health	\$ 198,900	\$ 199,600	\$ 700
Recreation	\$ 460,180	\$ 474,310	\$ 14,130
Library	\$ 843,440	\$ 885,600	\$ 42,160
Sr. Center	\$ 484,730	\$ 499,020	\$ 14,290
ODP	\$ 1,171,430	\$ 1,179,890	\$ 8,460
Education	\$ 43,133,020	\$ 43,585,900	\$ 452,880
Benefits	\$ 1,778,090	\$ 1,705,800	\$ (72,290)
Interfund Trns	\$ 11,466,330	\$ 11,857,300	\$ 390,970
	\$ 92,578,460	\$ 93,551,560	\$ 973,100

Education - \$452k increase

Police - \$415k increase, net

Estimated two new police positions - \$212k

Estimated salary increases per contract - \$ 250k

Misc other reductions

Interfund Transfers - \$390k increase, net

Additional City debt service - \$355

Additional Education debt service - \$198k

Reduction of \$155k for FY19 union negotiations

Finance - \$209k increase, net

New position - Accountant \$117k

New position - Systems Analyst \$105k

Assessment Software requirement \$103k

Other misc reductions

Public Works - \$ 359,490 decrease, net

Electricity savings - \$90k

FY 19 budget included \$250k for 5 trucks

Fire - \$110,220 decrease, net

FY 2019 SAFER Grant budgeted

FY 2019 Budgeted funds for ladder truck

Historical Education Budget and Actual Information

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	AVG
Education Appropriations	\$ 41,255,706	\$ 42,445,400	\$ 42,445,400	\$ 42,445,400	\$ 43,133,020	INCREASE
State ECS Support	\$ 22,940,565	\$ 22,940,565	\$ 22,940,560	\$ 22,778,880	\$ 22,668,320	
Taxpayer Support	\$ 18,315,141	\$ 19,504,835	\$ 19,504,840	\$ 19,666,520	\$ 20,464,700	
Taxpayer Support Budgeted Increase \$		\$ 1,189,694	\$ 5	\$ 161,680	\$ 798,180	
Taxpayer Support Budgeted Increase %		6.5%	0.0%	0.8%	4.1%	2.8%
<hr/>						
Education Actuals (2019 budget)	\$ 41,297,809	\$ 42,457,655	\$ 42,430,145	\$ 42,016,793	\$ 43,133,020	
State ECS Support (2019 estimated)	\$ 22,950,538	\$ 22,962,679	\$ 22,964,886	\$ 22,234,384	\$ 22,799,583	
Taxpayer Support	\$ 18,347,271	\$ 19,494,976	\$ 19,465,259	\$ 19,782,409	\$ 20,333,437	
Taxpayer Support Actual Increase \$		\$ 1,147,705	\$ (29,717)	\$ 317,150	\$ 551,028	
Taxpayer Support Actual Increase %		6.3%	-0.2%	1.6%	2.8%	2.6%
Mayors Recommended Taxpayer Support for Education Budget					3.1%	

FY 2020 Mayor's Recommended Education Budget

		FY 2020	Inc/(Dec)	Inc/(Dec)		Inc/(Dec)	Inc/(Dec)
		Education	from	from	FY 2020	from	from
		Budget	FY 2019	FY 2019	Mayor's	FY 2019	FY 2019
		Request	Budget	Budget	Budget	Budget	Budget
		\$ 46,598,170	\$ 3,465,150	8.0%	\$ 43,585,900	\$ 452,880	1.0%
FY 2020 State ECS Recommendation	\$ 27,376,620						
FY 2020 State Alliance	\$ (4,436,055)						
FY 2020 estimated City Educational funding	\$ 22,940,565						
2% State set-aside	\$ (458,811)						
FY 2020 Revised State ECS Support	\$ 22,481,754	\$ 22,481,754	\$ (186,566)	-0.4%	\$ 22,481,754	\$ (186,566)	-0.4%
	Taxpayer Support	\$ 24,116,416	\$ 3,651,716	18.0%	\$ 21,104,146	\$ 639,446	3.1%
	Taxpayer Support Budgeted Increase	\$ 3,651,716			\$ 639,446		
	Taxpayer Support Budgeted Increase %	17.8%			3.1%		

Total Budget Summary

	FY 2019 Approved <u>Budget</u>	FY 2020 Mayor's Recommended <u>Budget</u>	<u>Difference</u>	<u>Increase</u>
TOTAL BUDGET	\$ 92,578,460	\$ 93,551,560	\$ 973,100	1.05%
General Fund Appropriation	\$ 49,445,440	\$ 49,965,660	\$ 520,220	1.05%
Education Debt Service	\$ (3,108,110)	\$ (3,306,490)	\$ (198,380)	6.38%
Total General Fund	\$ 46,337,330	\$ 46,659,170	\$ 321,840	0.69%
Education Operating	\$ 43,133,020	\$ 43,585,900	\$ 452,880	1.05%
Education Debt Service	\$ 3,108,110	\$ 3,306,490	\$ 198,380	6.38%
Total Education	\$ 46,241,130	\$ 46,892,390	\$ 651,260	1.41%

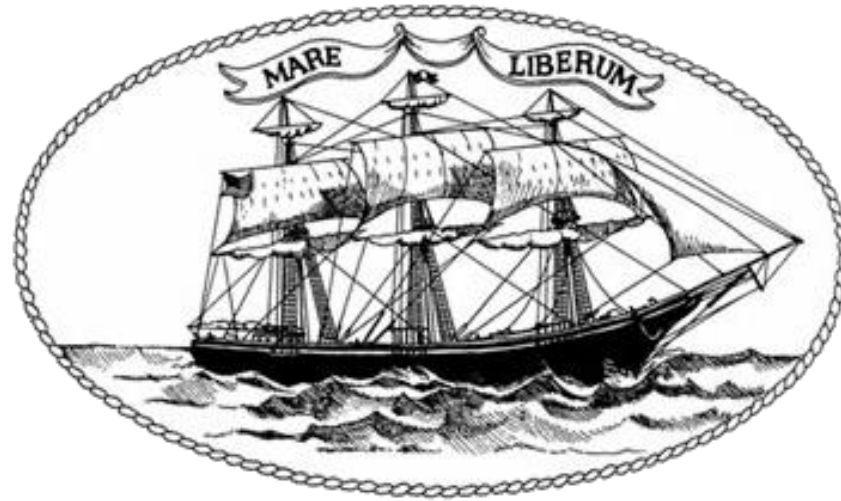
Total Taxpayer Support

	FY 2019 Adopted Budget	FY 2020 Mayors Budget	Inc/(Dec) from FY 2019 Budget	Inc/(Dec) from FY 2019 Budget
General Fund Budget	\$ 49,445,440	\$ 49,965,660	\$ 520,220	1.05%
Non Tax Revenues	\$ 13,874,420	\$ 15,050,350	\$ 1,175,930	8.48%
Taxpayer Support	\$ 35,571,020	\$ 34,915,310	\$ (655,710)	-1.8%
Mayor's Education Budget	\$ 43,133,020	\$ 43,585,900	\$ 452,880	1.05%
ECS Support	\$ 22,668,320	\$ 22,481,754	\$ (186,566)	-0.82%
Taxpayer Support	\$ 20,464,700	\$ 21,104,146	\$ 639,446	3.1%
General Fund Budget	\$ 92,578,460	\$ 93,551,560	\$ 973,100	1.05%
Non Tax Revenues	\$ 36,542,740	\$ 37,532,104	\$ 989,364	2.71%
Taxpayer Support	\$ 56,035,720	\$ 56,019,456	\$ (16,264)	0.0%

Proposed Mill Rate and Property Tax Impact

Property Category	Median Assessment	Mill Rate	Property Taxes	Increase/ (Decrease)
2018 Grand List				
		<u>FY 2020</u>		
Commercial	\$ 226,765	0.0399	\$ 9,048	\$ 117
Single Family	\$ 109,550	0.0399	\$ 4,371	\$ (212)
Condo	\$ 49,420	0.0399	\$ 1,972	\$ (230)
Multi Family	\$ 102,900	0.0399	\$ 4,106	\$ 365
Industrial	\$ 215,040	0.0399	\$ 8,580	\$ (440)
2017 Grand List				
		<u>FY 2019</u>		
Commercial	\$ 204,750	0.04362	\$ 8,931	\$ 107
Single Family	\$ 105,070	0.04362	\$ 4,583	\$ 59
Condo	\$ 50,470	0.04362	\$ 2,202	\$ 23
Multi Family	\$ 85,750	0.04362	\$ 3,740	\$ 45
Industrial	\$ 206,780	0.04362	\$ 9,020	\$ 93
2016 Grand List				
		<u>FY 2018</u>		
Commercial	\$ 204,400	0.04317	\$ 8,824	
Single Family	\$ 104,790	0.04317	\$ 4,524	
Condo	\$ 50,470	0.04317	\$ 2,179	
Multi Family	\$ 85,610	0.04317	\$ 3,696	
Industrial	\$ 206,780	0.04317	\$ 8,927	

The City of New London



Thank you